DRAFT - AGENDA
BOARD OF EQUALIZATION
THE CITY AND BOROUGH OF JUNEAU, ALASKA

Thursday, September 17, 2020 at 5:30 PM
Zoom Webinar
webinar: https://juneau.zoom.us/j/95032251374
or call: 1-346-248-7799 Webinar ID: 950 3225 1374

I. Call to Order
II. Roll Call
III. Approval of Agenda
IV. Approval of Minutes
a. 2020-08-18 BOE Hearing Minutes [Placeholder]
b. 2020-08-20 BOE Hearing Minutes [Placeholder]

V. Late Filed Appeals
None

VI. Property Appeals
Attached are the 2020 property appeals being brought before the Board of Equalization for final value determination. The appellants and the Assessor were unable to reach an agreement for the parcel values. You will find for each parcel the following –

- Appellant's Appeal
- Appellant's Documentation at the time of Appeal
- Board of Equalization Presentation

Appeal No. 2020-0046
Appellant: Archipelago Properties, LLC Location: 356 S. Franklin St.
Parcel No.: 1C070K830022 Type: Commercial Land

Appellant's basis for appeal: My property was valued improperly/incorrectly

Appellant's statement: "Failure to consider Horan Appraisal of purchase from CBJ. Failure to consider adverse easements, soils, foundation, and parking requirements. DOT has a drainage culvert on the site."

Appellant's Estimate of Value	**Original Assessed Value**	**Recommended Value**
Site: $,000	Site: $10,162,500	Site: $11,517,500
Buildings: $,000	Buildings: $,000	Buildings: $,000
Total: none given	Total: $10,162,500	Total: $11,517,500

VII. Draft Letter from BOE to Assembly regarding Draft Ordinance 2020-xx *An Ordinance Regarding Disclosure of Real Estate Values in Transactions*

VI. Adjournment

CBJ Law Department MEMORANDUM

To: Board of Equalization

From: John W. Hartle, City Attorney

Subject: Board of Equalization: Standards and Procedures

Date: April 19, 2013

SUMMARY

(1) The Board of Equalization functions as a quasi-judicial body, which means that the Board has authority to hear and decide assessment appeals in a manner similar to a court, but less formal than a court.

(2) The burden of proof is on the appellant property owner.

(3) The Board should make specific findings in support of its decisions, and should base its decisions on the record.

(4) To grant an appeal, Board members should make a motion to grant the appeal and vote in the affirmative; to deny an appeal (that is, uphold the assessor's decision), Board members should make a motion to grant the appeal and vote in the negative. The Board may also grant an appeal and make an adjustment to the assessment different from that requested by the appellant.

(5) The assessment process, the Board's procedures and standards, and property taxation are all governed by Alaska Statute and CBJ Code. AS 29.45.190 - AS 29.45.210 provide the time for filing appeals, procedures before the Board, and the standards to be used by the Board in deciding appeals. The pertinent statutes and code sections are attached to this memorandum for your reference.

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DEADLINE FOR FILING APPEAL

In order to appeal an assessment, a taxpayer must file an appeal within 30 days after the date of mailing of the assessment notice. AS 29.45.190(b); CBJ 15.05.160(a). After this time period, the right of appeal ceases, unless the Board finds that the taxpayer was "unable" to comply with the 30-day filing requirement. The word "unable" as used in this section does not include situations where the taxpayer forgot about or overlooked the assessment notice, was out of town during the period for filing an appeal, or similar situations. Rather, it covers situations that are beyond the control of the taxpayer and, as a practical matter, prevent the taxpayer from recognizing what is at stake and dealing with it. Such situations would include a physical or mental disability serious enough to prevent the person from dealing rationally with his or her private affairs.

There are few situations in which a taxpayer is "unable" to comply with the requirement that an appeal be filed within 30 days of the date of mailing of the notice of assessment. It is common knowledge that real property is subject to assessment and taxation and it is the duty of every property owner to take such steps as are necessary to protect his or her interests in the property. One of the steps that courts generally assume a prudent property owner takes is to have someone either watch or manage the property while the property owner is away from the property for an extended period of time.

It is the responsibility of the property owner to assure that the taxing authority has the correct address to which notices relating to assessments and taxes on the property may be sent in order that the property owner will receive timely notice of assessments and tax levies affecting the property. Failure to receive an assessment notice because it was sent to an old address that the property owner had not corrected, or because the notice was sent to the property owner at the correct address but while the property owner was out of town, are not reasons that make the property owner "unable" to file a timely appeal.

With respect to an appeal filed after expiration of the 30-day appeal period, the Board should consider the oral and written evidence presented by the property owner on the question of whether or not the owner was "unable" to file the appeal within the required 30-day appeal period. If the property owner fails to prove that he or she was "unable" to file the appeal in a timely manner, there is no basis for hearing the appeal, even if the Board believes the assessment should be adjusted.

ASSESSMENTS THE BOARD CAN CONSIDER

The Board has authority to alter an assessment only when an appeal has been timely filed regarding the particular parcel. AS 29.45.200(b). The Board has no authority to alter the assessment of a parcel that is not before the Board on an appeal. Under state law, an appeal may be filed only by a person whose name appears on the assessment roll or the agent of that person. AS 29.45.190(a); CBJ 15.05.150.

If an appellant fails to appear at the hearing, the Board may proceed with the hearing in the absence of the appellant. AS 29.45.210(a); CBJ 15.05.190(b). The appellant may appear through an agent or representative, and may present written and/or oral testimony or other materials to the Board in support of the appeal.

BASIS FOR ADJUSTMENT AND ASSESSMENT

AS 29.45.210(b) and CBJ 15.05.190 expressly place the burden of proof on the party appealing the assessment. *CH Kelly Trust v. Municipality of Anchorage, Bd. of Equalization*, 909 P.2d 1381 (Alaska 1996) ("the burden is properly placed on the property owners in an assessment challenge"). Before the property owner is entitled to an adjustment, the property owner must prove, based on facts stated in the written appeal or presented at the hearing, that the property is the subject of unequal, excessive, improper, or under valuation. AS 29.45.210(b); CBJ 15.05.180(c). The appellant may present written evidence, oral testimony, and witnesses at the hearing.

Alaska courts do not disturb valuations set by the assessor if the differences between the appellant and the assessor are merely differences of opinion. Our court applies a "deferential standard of review" when considering an assessor's property valuations. *Cool Homes, Inc. v. Fairbanks N. Star Borough*, 860 P.2d 1248, 1262 (Alaska 1993); *Fairbanks N. Star Borough v. Golden Heart Utilities, Inc.*, 13 P.3d 263, 267 (Alaska 2000). "AS 29.45.210(b) requires that the taxpayer prove *facts* at the hearing. ... It is not enough merely to argue that the valuation was inadequate or demand a justification from the taxing authority." *Cool Homes, Inc., at 1263* (emphasis in original).

In *Twentieth Century Investment Co. v. City of Juneau*, 359 P.2d 783, 787 (Alaska 1961), the court, addressing assessment standards under former, similar law (AS 29.53.140), stated:

> The valuation and assessment of property for taxes does not contravene [constitutional principles] unless it is plainly demonstrated that there is

> involved, not the exercise of the taxing power, but the exertion of a different and forbidden power, such as the confiscation of property. *Such a demonstration is not made simply by showing overvaluation; there must be something which, in legal effect, is equivalent to an intention or fraudulent purpose to place an excessive valuation on property, and thus violate fundamental principles that safeguard the taxpayer's property rights.*

(Emphasis added.) The court went on to state, at 788:

> The City was not bound by any particular formula, rule or method, either by statute or otherwise. Its choice of one recognized method of valuation over another was simply the exercise of a discretion committed to it by law. Whether or not it exercised a wise judgment is not our concern. This court has nothing to do with complaints of that nature. It will not substitute its judgment for the judgment of those upon whom the law confers the authority and duty to assess and levy taxes. *This court is concerned with nothing less than fraud or the clear adoption of a fundamentally wrong principle of valuation.* Neither has been shown here. The actions of the assessor and the Board of Equalization are entirely compatible with a sincere effort to adopt valuations not relatively unjust or unequal; their determinations have not transgressed the bounds of honest judgment.

(Emphasis added.) This principle, that "taxing authorities are to be given broad discretion in selecting valuation methods," was reaffirmed in *CH Kelly Trust,* 909 P.2d at 1382, and *Golden Heart Utilities, Inc.*, 13 P.3d at 267 ("Provided the assessor has a reasonable basis for a valuation method, that method will be allowed 'so long as there was no fraud or clear adoption of a fundamentally wrong principle of valuation.' "). Similarly, in *Cool Homes, Inc.*, 860 P.2d at 1262, the court held:

> Taxing authorities are to be accorded broad discretion in deciding among recognized valuation methods. If a reasonable basis for the taxing agency's method exists, the taxpayer must show fraud or the 'clear adoption of a fundamentally wrong principle of valuation.'

Thus, the assessor's valuations should be given substantial weight by the Board, particularly where the appellant offers little more than unsupported opinion that the assessor's value is too high. In order to be considered an unequal, excessive, improper, or under valuation, the valuation must be unequivocally excessive, or fundamentally wrong.

This assumes that the assessor has reviewed the critical facts. Our court requires the assessor to review all "directly relevant" evidence of the property value and "prevailing market conditions." *Faulk v. Bd. of Equalization, Kenai Peninsula Borough*, 934 P.2d 750, 752 (Alaska 1997). Thus, it is important that the assessor, and the Board, make sure that all relevant evidence is considered.

FINDINGS – BASIS FOR THE BOARD'S DECISIONS

Board of Equalization decisions are subject to judicial review, if an appeal to superior court is filed within 30 days. Consequently, it is important for the Board to either make specific findings (statement of reasons) for its decisions, or otherwise set out sufficient information to enable a reviewing court to ascertain the reasons for the Board's action. An appeal to superior court of a determination of the Board is heard on the record established at the Board hearing. AS 29.45.210(d). It is important that the record be as clear and complete as possible.

The Alaska Supreme Court outlined the requirements for board of equalization decisions in *Faulk*, 934 P.2d at 751, as follows:

> We have previously concluded that "[t]he threshold question in an administrative appeal is whether the record sufficiently reflects the basis for the [agency's] decision so as to enable meaningful judicial review." *Fields v. Kodiak City Council*, 628 P.2d 927, 932 (Alaska 1981). In answering that question, "[t]he test of sufficiency is ... a functional one: do the [agency's] findings facilitate this court's review, assist the parties and restrain the agency within proper bounds?" *South Anchorage Concerned Coalition, Inc. v. Coffey,* 862 P.2d 168, 175 (Alaska 1993).

The court remanded the case to the borough board of equalization because the board had not provided an adequate basis for the court to determine whether it had reasonably denied the property tax appeal. The court directed: "On remand, the superior court should instruct the Board to state its reasons for rejecting the Faulks' appeal." *Id.* at 753.

Accordingly, the Board should take care to state its reasons for granting or denying an appeal, or making an adjustment to the assessment different from that requested by the appellant.

ACTION BY THE BOARD OF EQUALIZATION

In taking action on appeals, a Board member should move and vote in the affirmative to grant the appeal by the taxpayer. A Board member should vote in the negative to deny the appeal and thereby affirm the assessor's determination.

Sample motions: "I move that the Board grant the appeal and I ask for a 'yes' vote for the reasons provided by the appellant;" OR "I move the Board grant the appeal, and I ask for a 'no' vote for the reasons provided by the Assessor;" OR "I move the Board grant the appeal and I ask for a 'yes' vote to adjust the assessment to $X for the following reasons [statement of reasons]."

For appeals that are not timely filed, the Board should first vote on whether or not to hear the appeal; if the Board decides to hear the appeal, it should then be heard on its merits.

The Board is required to certify its actions to the assessor within seven days, and, except as to supplementary assessments, the assessor must enter the changes and certify the final roll by June 1. AS 29.45.210(c). The rate of levy must be determined by the Assembly by ordinance before June 15. AS 29.45.240. The CBJ budget must be adopted by May 31. If for any reason the Board hearing is continued to a later date, the date for completing the hearing must be in the near future in order for the final assessment roll to be certified and the rate of levy fixed in accordance with the required statutory time frames.

Attachments

15.05.180 - Notice of hearing of appeal.

The assessor shall notify each appellant by mail of the date, time, and place of the hearing of the appeal by the board of equalization. Such notice shall be addressed to the appellant at the appellant's last known address as shown on the assessor's records, and shall be complete upon mailing. Such notices shall be mailed not later than ten days prior to the date of hearing of the appeals. All such notices shall include the following information:

(a) The date and time of day of the hearing;

(b) The location of the hearing room;

(c) Notification that the appellant bears the burden of proof;

(d) Notification that the only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal timely filed or proven at the appeal hearing; and

(e) Notification that the appellant may be present at the hearing, and that if the appellant fails to appear, the board of equalization may proceed with the hearing in the absence of the appellant.

(CBJ Code 1970, § 15.05.180; Serial No. 70-33, § 3, 1971; Serial No. 87-36, § 2, 1987)

State law reference— Appeal, AS 29.45.190; appellant fails to appear, AS 29.45.210(a); grounds for adjustment, AS 29.45.210(b).

15.05.185 - Board of equalization.

(a) *Membership; duties; term of office; term limits.*

(1) *Membership.* The board of equalization shall comprise a pool of no less than six, and up to nine, members, not assembly members, appointed by the assembly. There shall be up to three panels established each year. Each panel hearing appeals shall consist of three members. The board chair shall assign members to a specific panel and schedule the panels for a calendar of hearing dates. The assignment of members to panels and the establishment of a hearing calendar shall be done in consultation with the individual members. Additionally, members may be asked to take the place of regular assigned panel members in the event an assigned panel member is unable to attend a scheduled meeting.

(2) *Qualifications of members.* Members shall be appointed on the basis of their general business expertise and their knowledge or experience with quasi-judicial proceedings. General business expertise may include, but is not limited to, real and personal property appraisal, the real estate market, the personal property market, and other similar fields.

(3) *Duties.* The board, acting in panels, shall only hear appeals for relief from an alleged error in valuation on properties brought before the board by an appellant. A panel hearing a case must first make a determination that an error in valuation has occurred. Following the determination of an error in valuation the panel may alter an assessment of property only if there is sufficient evidence of value in the record. Lacking sufficient evidence on the record the case shall be remanded to the assessor for reconsideration. A hearing by the board may be conducted only pursuant to an appeal filed by the owner of the property as to the particular property.

(4) *Term of office.* Terms of office shall be for three years and shall be staggered so that approximately one-third of the terms shall expire each year.

(5) *Term limits.* No member of the board of equalization who has served for three consecutive terms or nine years shall again be eligible for appointment until one full year has intervened,

provided, however, that this restriction shall not apply if there are no other qualified applicants at the time reappointment is considered by the assembly human resources committee.

(b) *Chair.* The board annually shall elect a member to serve as its chair. The chair shall coordinate all board activities with the assessor including assignment of panel members, scheduling of meetings, and other such board activities.

(c) *Presiding officer.* Each panel shall elect its own presiding officer to act as the chair for the panel and shall exercise such control over meetings as to ensure the fair and orderly resolution of appeals. In the absence of the elected presiding officer the panel shall appoint a temporary presiding officer at the beginning of a regular meeting. The presiding officer shall make rulings on the admissibility of evidence and shall conduct the proceedings of the panel in conformity with this chapter and with other applicable federal, state and municipal law.

(d) *Report to the assembly.* The board, through its chair, shall submit an independent report to the assembly each year by September 15 identifying, at a minimum, the number of cases appealed, the number of cases scheduled to be heard by the board, the number of cases actually heard, the percentage of cases where an error of valuation was determined to exist, the number of cases remanded to the assessor for reconsideration, the number of cases resulting in the board altering a property assessment, and the net change to taxable property caused by board action. The report shall also include any comments and recommendations the board wishes to offer concerning changes to property assessment and appeals processes.

(Serial No. 2005-51(c)(am), § 4, 1-30-2006)

15.05.190 - Hearing of appeal.

(a) At the hearing of the appeal, the board of equalization shall hear the appellant, the assessor, other parties to the appeal, and witnesses, and consider the testimony and evidence, and shall determine the matters in question on the merits.

(b) If a party to whom notice was mailed as provided in this title fails to appear, the board of equalization may proceed with the hearing in the party's absence.

(c) The burden of proof in all cases is upon the party appealing.

(d) The board of equalization shall maintain a record of appeals brought before it, enter its decisions therein and certify to them. The minutes of the board of equalization shall be the record of appeals unless the board of equalization shall provide for a separate record.

(CBJ Code 1970, § 15.05.190; Serial No. 70-33, § 3, 1971)

State law reference— Hearing, AS 29.45.210.

15.05.200 - Judicial review.

A person aggrieved by an order of the board of equalization may appeal to the superior court for review de novo after exhausting administrative remedy under this title.

(CBJ Code 1970, § 15.05.200; Serial No. 70-33, § 3, 1971)

State law reference— Appeal to superior court, AS 29.45.210(d).

C
West's Alaska Statutes Annotated Currentness
Title 29. Municipal Government
Chapter 45. Municipal Taxation
Article 1. Municipal Property Tax
§ 29. 45. 190. Appeal

(a) A person whose name appears on the assessment roll or the agent or assigns of that person may appeal to the board of equalization for relief from an alleged error in valuation not adjusted by the assessor to the taxpayer's satisfaction.

(b) The appellant shall, within 30 days after the date of mailing of notice of assessment, submit to the assessor a written appeal specifying grounds in the form that the board of equalization may require. Otherwise, the right of appeal ceases unless the board of equalization finds that the taxpayer was unable to comply.

(c) The assessor shall notify an appellant by mail of the time and place of hearing.

(d) The assessor shall prepare for use by the board of equalization a summary of assessment data relating to each assessment that is appealed.

(e) A city in a borough may appeal an assessment to the borough board of equalization in the same manner as a taxpayer. Within five days after receipt of the appeal, the assessor shall notify the person whose property assessment is being appealed by the city.

CREDIT(S)

SLA 1985, ch. 74, § 12.

LIBRARY REFERENCES

Taxation 2648.
Westlaw Key Number Search: 371k2648.

NOTES OF DECISIONS

Decisions reviewable and right of review 1

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C
West's Alaska Statutes Annotated Currentness
Title 29. Municipal Government
Chapter 45. Municipal Taxation
Article 1. Municipal Property Tax
§ 29. 45. 200. Board of equalization

(a) The governing body sits as a board of equalization for the purpose of hearing an appeal from a determination of the assessor, or it may delegate this authority to one or more boards appointed by it. An appointed board may be composed of not less than three persons, who shall be members of the governing body, municipal residents, or a combination of members of the governing body and residents. The governing body shall by ordinance establish the qualifications for membership.

(b) The board of equalization is governed in its proceedings by rules adopted by ordinance that are consistent with general rules of administrative procedure. The board may alter an assessment of a lot only pursuant to an appeal filed as to the particular lot.

(c) Notwithstanding other provisions in this section, a determination of the assessor as to whether property is taxable under law may be appealed directly to the superior court.

CREDIT(S)

SLA 1985, ch. 74, § 12.

LIBRARY REFERENCES

Taxation 2624.
Westlaw Key Number Search: 371k2624.

NOTES OF DECISIONS

Appeals from board determination 5
Judicial notice 4
Judicial powers 3
Payment under protest 1
Penalties for nonpayment of tax 2

1. Payment under protest

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C
West's Alaska Statutes Annotated Currentness
Title 29. Municipal Government
Chapter 45. Municipal Taxation
Article 1. Municipal Property Tax
§ 29. 45. 210. Hearing

(a) If an appellant fails to appear, the board of equalization may proceed with the hearing in the absence of the appellant.

(b) The appellant bears the burden of proof. The only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal or proven at the appeal hearing. If a valuation is found to be too low, the board of equalization may raise the assessment.

(c) The board of equalization shall certify its actions to the assessor within seven days. Except as to supplementary assessments, the assessor shall enter the changes and certify the final assessment roll by June 1.

(d) An appellant or the assessor may appeal a determination of the board of equalization to the superior court as provided by rules of court applicable to appeals from the decisions of administrative agencies. Appeals are heard on the record established at the hearing before the board of equalization.

CREDIT(S)

SLA 1985, ch. 74, § 12.

LIBRARY REFERENCES

Taxation 2676, 2691.
Westlaw Key Number Searches: 371k2676; 371k2691.

NOTES OF DECISIONS

Burden of proof 1
Judicial review 3
Record of hearing 2

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BOARD OF EQUALIZATION ORIENTATION

NOTE: Members are encourage to review the attached April 19, 2013 Memorandum prepared by former City Attorney John Hartle, for further helpful guidance..

A. Quasi-Judicial Role & Responsibilities - CBJ 15.05.185

1. Be a fair & impartial tribunal - no bias/preconceived ideas; no ex parte contact

   a. Member may not deliberate or vote on any matter in which member has a personal or financial interest (defined in CBJ 01.45.360); conflict of interest check needed prior to hearing to allow substitution; may call legal advisor
   b. **Avoid expressing opinions or including commentary in questions to the parties.**
   c. **Opinions on the evidence/position of parties should await BOE deliberations.**

2. Afford both parties due process - fair notice and opportunity to be heard

   Must allow both sides time to review new evidence presented at hearing

3. Decide appeals on *evidence presented* in packet and at hearing.

4. Make record of proceeding that clearly and accurately reflects:
   a. Taxpayer/Appellant's claim and factual evidence offered to support it
   b. Assessor's process/position and factual evidence offered to support both
   c. That each side had adequate opportunity to present relevant evidence/review & rebut other party's evidence
   d. BOE's thorough deliberations & consideration of the evidence
   e. BOE's findings of fact & conclusions of law re burden of proof & the evidence relied on as basis of decision
   f. Rationale & evidentiary basis of BOE's decision, to enable meaningful review by the Superior Court in the event of an appeal

B. Legal Standard for Granting Appeal on Merits for *Error in Valuation*

1. Starting point: under AK law, Assessor's **assessments are presumed to be correct**.

2. **Burden of proof on Appellant to prove error - unequal, excessive, improper, or under valuation based on facts** that are stated in a valid written appeal or proven at the appeal hearing

3. If and only if Appellant meets burden does burden shift to Assessor to rebut Appellant's evidence of error

4. Law does not bind Assessor to follow a particular formulas, rules or methods of valuation, but grants broad discretion in selecting valuation methods-as long as reasonable basis

5. Technical evidentiary rules don't apply
   Relevant evidence admissible if sort relied on by responsible persons
   May exclude irrelevant, repetitious evidence

6. **Only grounds for adjustment of assessment are proof of unequal, excessive, improper, or under valuation based on facts**

C. <u>Alternative Actions for Appeals Heard on the Merits</u>

a. **Deny appeal** because Appellant failed to prove error in valuation with factual evidence.

b**. Grant appeal & adjust assessment *as requested by Appellant*.** (only if Appellant's valuation evidence supports proposed assessment value)

c. **Grant appeal & *adjust (lower or raise) assessment differently*.** (if and only if supported by sufficient evidence of value in record.)

d. **Grant appeal & *remand* to Assessor for reconsideration of value** (remand is mandatory if error found, but insufficient evidence of value in record.)

D. <u>LATE-FILED APPEALS – Legal Standard for Accepting</u>

1. Potential *merit* of appeal is irrelevant.
2. Jurisdictional authority to hear only *timely-filed appeals*
3. Appeal must be filed w/in 30 days from date assessment notice is mailed
4. Only "accepted" late-filed appeals may proceed to a hearing on the merits.
5. If 30 day deadline missed, RIGHT to appeal CEASES and BOE **cannot accept or hear** appeal, **unless BOE finds that taxpayer was unable to comply due to situation beyond taxpayer's control** (See Hartle memo)
6. Burden to prove inability to comply is on Taxpayer.
7. BOE Action Alternatives: **Deny** Late-file or **Accept, so hearing can be scheduled.**

Questions? Please do not hesitate to call or email:
Jane Mores, CBJ Law Dept.
jane.mores@juneau.org (907) 586-0273

BOE HEARING GUIDELINE

I. Call to Order
II. Roll Call - Chairs asks clerk to call the roll
III. Appeals will be heard first, followed by *Timeliness* Hearings on Late-filed Appeals

IV. Introduce first Appeal case for hearing:

We're on the record with respect to 'Petition for Review of Assessed Value' filed by _____ with respect to Parcel Id. No. _____

IV. Review Hearing Rules/Procedure (For each appeal, unless all in attendance at beginning)

A. Time allocated to each side: approx. 15 min, including BOE questions
B. State name for record and speak clearly in to mic, use surnames/maintain decorum
C. Appellant taxpayer goes 1st
   Has **burden to prove an error—an unequal, excessive, improper or under valuation** based on presented factual evidence
D. Assessor - presents Assessor's evidence in response
E. Appellant rebuttal, if time reserved
F. Hearing closes after presentations
G. BOE action/deliberation
H. Any questions? Parties ready to proceed?

V. Hearing - party presentations & all BOE questioning
VI. Close Hearing, move to BOE action

A. BOE reviews/discusses evidence presented, or goes directly to B.
B. Member makes motion, Chair restates motion
C. Members speak to the motion/make findings
D. BOE votes/takes action on motion
E. Chair announces whether motion carries/fails

VII. Call next appeal, repeat IV – VI

VIII. Late-Filed Appeals, if any (SEE LATE-FILED APPEALS – PROCESS)
IX. Adjourn

BOE Action Options:

1. **Deny appeal** because Appellant failed to prove error in valuation with factual evidence.
2. **Grant appeal & adjust assessment *as requested by Appellant***. (if Appellant's evidence supports proposed assessment value)
3. **Grant appeal & *adjust (lower or raise) assessment differently***. (if and only if supported by sufficient evidence of value in record.)
4. **Grant appeal & *remand* to Assessor for reconsideration of value** (remand is mandatory if error found, but insufficient evidence of value in record.)

SAMPLE MOTIONS

1. **To DENY appeal**

I MOVE that the Board *GRANT* the appeal and I ASK for a NO VOTE

Because . . .

Appellant didn't prove/provide evidence of error in assessment

and/or

For the evidence/reasons provided by the Assessor . . .

2. **To GRANT appeal & ADJUST assessment AS REQUESTED**

I MOVE that the Board *GRANT* the appeal and ADJUST the assessment *AS REQUESTED BY APPELLANT* to $_____ , and I ask for a YES VOTE

Because . . .

Appellant proved there was error . . .

[specify . . . **unequal, excessive, improper, or under valuation] based on facts**

AND

We find requested assessment is supported by sufficient evidence in the record

3. **To GRANT appeal & ADJUST assessment OTHERWISE**

I MOVE that the Board *GRANT* the appeal and ADJUST the assessment to $_____, and I ASK FOR A YES VOTE

Because . . .

Appellant proved there was error . . .

[specify . . . **unequal, excessive, improper, or under valuation] based on facts**

AND

We find sufficient evidence of value in record to support this assessment

4. **To GRANT appeal & REMAND for RECONSIDERATION of ASSESSMENT**

I MOVE that the Board *GRANT* the appeal and REMAND to the ASSESSOR for RECONSIDERATION of the ASSESSMENT, and I ASK FOR A YES VOTE

Because . . .

Appellant proved there was error . . .

[specify . . . **unequal, excessive, improper, or under valuation] based on facts**

AND

We find insufficient evidence of value in the record

Questions? Please do not hesitate to call or email:
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City & Borough Attorney
City & Borough of Juneau, Alaska
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ph: 907-586-5242 CBJLaw.Service@juneau.org

BEFORE THE BOARD OF EQUALIZATION
CITY AND BOROUGH OF JUNEAU

ARCHIPELAGO PROPERTIES, LLC, Appellant,	Appeal No. APL2020046

ASSESSOR'S MATERIALS AND MEMORANDUM FOR APPEAL

The CBJ Assessor hereby files its materials regarding its valuation of the Archipelago Property, scheduled for a hearing before the Board of Equalization (BOE) on September 17, 2020. For the reasons provided in the materials, the CBJ Assessor recommends an increase in the assessment as allowed under AS 29.45.210(b).

BACKGROUND

The Archipelago Property was created on May 29, 2019 via Plat 2019-19, following the public process for a negotiated land purchase and sale agreement with the City and Borough of Juneau (CBJ), as authorized under CBJ Assembly Ordinance 2019-02 (Attachment 5). Prior to Plat 2019-19, the Appellant owned two lots within the Archipelago Subdivision Plat 2013-22, consisting of filled, unfilled, and submerged lands. Following the purchase and sale agreement with the CBJ, whereby the CBJ primarily purchased the submerged and unfilled lands and Archipelago purchased waterfront uplands, the Archipelago Property now consists entirely of pad site. Utilizing the CBJ's downtown land valuation model, established in 2010 and last updated in 2011, the assessor valued the Archipelago Property as of January 1, 2020 at the same rate it had previously been assessed for filled pad site: at $300/sf, which resulted in a tax assessment of $10,162,500 for the new 33,875 sf property.

The Appellant petitioned the assessor for review/correction of the assessed value on April 10, 2020, basing its petition on the statement that its property was valued improperly or incorrectly (Attachment 4). No documentation was supplied to the assessor beyond the statement that the assessor failed to consider the Horan appraisal utilized for the purchase and sale agreement with the CBJ, as well as failure to consider adverse easements, soils, foundation, parking requirements, and the Alaska Department of Transportation (ADOT) drainage culvert on the site. The deputy

assessor undertook a review of the assessment and issued his report on May 14, 2020 (Attachment 3). The report noted consideration of every factor provided in the Appellant's petition for review, and provided an explanation for each factor as well.

Importantly, the deputy assessor noted in his report that the market value of the Archipelago Property would be $15,243,800 if the prime location rate were applied utilizing the downtown land valuation model for South Franklin Street. As a result, the deputy assessor informed the Appellant that the property was undervalued (page 7 of Attachment 3). However, the assessor did not increase the assessed value for tax year 2020 in responding to the petition for review. This is because the petition for review is an internal mechanism to explore the claims and questions raised by a taxpayer and to facilitate an open dialogue.

The Appellant proceeded to appeal the tax assessment to the BOE on June 19, 2020 (Attachment 2). The Appellant alleged that the assessor's valuation was unequal, excessive, and improper, but provided no additional documentation to support the alleged error. On June 26, 2020, the Appellant submitted a list of questions to the assessor, which counsel for the assessor responded to on July 27, 2020 (Attachments 2 & 3 of Appellant's evidentiary materials).

A BOE hearing was originally scheduled for August 18, 2020, but was continued as notice was submitted to the Appellant's taxpayer address in Georgia instead of to their agent in Juneau. The assessor submitted its BOE packet materials to the Appellant on August 13, 2020 (Attachment 1) while a new BOE hearing date was set.[1]

The first documentation the assessor received from the Appellant regarding alleged errors was on August 28, 2020. Having fully reviewed and considered the submitted materials, the CBJ assessor does not find that the Archipelago Property was incorrectly or improperly overvalued, but rather still undervalued as provided in the Assessor's BOE packet materials.

STANDARD OF REVIEW

CBJ 15.05.190(c) places the burden of proving an excessive or improper valuation on the Appellant. Archipelago cites *Cool Homes, Inc. v. Fairbanks North Star Borough*, 860 P.2d 1248 (Alaska 1993) for the proposition that an Appellant must only prove the valuation is improper

[1] The Assessor's BOE packet, submitted as Attachment 1, is the same packet previously supplied to the BOE for the original August 18, 2020 hearing. However, page 1 of the packet has been revised to reflect the updated hearing date of September 17, 2020.

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before shifting the burden back to the assessor. This is not the complete story. The full citation from *Cool Homes* reads as follows:

> A taxpayer contesting an assessment need only prove that the valuation is improper. The taxpayer does not have to offer the correct amount, range or method of valuation, as the Borough repeatedly insisted. The burden then shifts to the taxing authority to introduce credible evidence which substantiates its assessment.
>
> However, AS 29.45.210(b) still requires that the taxpayer prove *facts* at the hearing. Moreover, the Borough Code states that the "Appellant's presentation must contain evidence which, if not contradicted, would prove an unequal, excessive, improper or under valuation." It is not enough merely to argue that the valuation was inadequate or demand a justification from the taxing authority.[2]

Cool Homes further recognized that "Taxing authorities are to be accorded broad discretion in deciding among recognized valuation methods. If a reasonable basis for the taxing agency's method exists, the taxpayer must show fraud or the 'clear adoption of a fundamentally wrong principle of valuation.'"[3]

This deferential standard of review has been consistently upheld by Alaska Courts:

> We have consistently held that taxing authorities are to be accorded broad discretion in deciding among recognized valuation methods. The taxing authority is not bound by any particular formula, rule or method, either by statute or otherwise. Its choice of one recognized method of valuation over another is simply the exercise of a discretion committed to it by law. What concerns us is nothing less than fraud or the clear adoption of a fundamentally wrong principle of valuation. If the appraiser has not transgressed the bounds of honest judgment, the taxing authority's selected valuation should be upheld.[4]

Further, CBJ 15.05.185(a)(3) requires that even if the Appellant establishes an error in valuation, they must also provide sufficient evidence of value in the record or else the case must be remanded back to the assessor for reconsideration.

Finally, the assessor is required to consider all directly relevant evidence of property value in issuing assessments. The assessor can only discount or disregard evidence if it's reasonably concluded not to reflect prevailing market conditions.[5]

---

[2] 860 P.2d at 1263
[3] *Id*. at 1262 (citations omitted)
[4] *Kelly v. Municipality of Anchorage, Board of Equalization*, 442 P.3d 725, 728 (Alaska 2019)(citations omitted)
[5] *Faulk v. Board of Equalization*, 934 P.2d 750, 752 (Alaska 1997)

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RECOMMENDATION

The CBJ Assessor is required to assess property at its full and true value as of January 1, pursuant to AS 29.45.110(a). As provided above and in the assessor's materials, the assessor recommends the BOE increase the assessment to $11,517,500 to closer reflect the full and true value, as allowed under AS 29.45.210(b).

As noted in the assessor's BOE materials, the Archipelago Property was assessed using a mass appraisal methodology, specifically the 2010/2011 downtown land valuation model for waterfront property on South Franklin Street. The property was assessed at a base rate for vacant pad site. The assessed value is the same or less than the neighboring waterfront property values. The assessment methodology included consideration of the property's attributes to account for adjustments. Following the petition for review, the assessor noted the attributes created an increase in property value, not a decrease as the Appellant argues (Attachment 3).

The Appellant attempts to argue that the assessor failed to consider land attributes unique to the Archipelago Property by highlighting the CBJ Department of Law's response to their questions (Attachment 3 of Appellant's evidentiary materials). This is not correct. These factors were fully considered by the assessor, and the record provided by the assessor demonstrates this fact. The Department of Law's response was not that the attributes were not considered; rather, they were and if they had been fully applied instead of utilizing the base rate of the Downtown South Franklin commercial land area, the result would be an increase in assessed value.

This appeal is not as complex as the Appellant implies. While the Appellant attempts to paint every attribute of the Archipelago Property as a negative, it neglects the overwhelming positive attributes described in the assessor's BOE packet. The Appellant highlights the temporary construction easement granted to the CBJ as a negative, but neglects that there is a reciprocal easement granted to the Appellant to improve its lands. This feature was also considered in the Horan appraisal as a mutual benefit (Exhibit 4, stamped ARC 000018 of Appellant's evidentiary materials). The Appellant highlights alleged substandard soil conditions from an October 2017 geotechnical report from PND engineers, but this report was created well before the re-plat that substantially changed the make-up of the Archipelago Property and the construction that followed, and was a known factor during the Horan appraisal. The Appellant highlights CBJ code requirements under CBJ 49.40.210(d)(5)(D) - Fee in Lieu of Parking – as a negative attribute rather

than just a requirement that the Appellant abide by the law. The Appellant highlights the presence of an ADOT drainage line, but this line was a known factor prior to the CBJ and the Appellant signing the purchase and sale agreement.[6] The Appellant argues its irregular lot size as a negative; however, as noted in the Assessor's response to the petition for review, the property is a rather large waterfront property with frontage on both sides, which was presented as a positive to the Planning Commission as the last piece of commercial property available for development (page 4 of Attachment 3).

The Appellant also argues that the assessor failed to consider the Norwegian Cruise Lines purchase of the Mental Health Property (Subport), which it alleges to be the most comparable sale. However, the assessor expressly did consider this sale (page 12 of Attachment 1). The Subport is not in the core downtown tourism area, consists of both site pad and transitional tidal and tidelands area, has additional considerations for development, and utilizing the assessor's same downtown valuation model, the assessed value would have been lower than the Norwegian Cruise Line purchase price.

The assessor's recommendation is not complex. The Archipelago Property is vacant waterfront pad site in the heart of the downtown core tourism area with large frontage on both sides of the property. It was valued utilizing the same methodology as prior years, using a model that has not been adjusted since 2011. It is valued the same or less than its neighboring properties despite its unique size and features. The deputy assessor has fully considered every factor and attribute listed by the Appellant and has communicated his responses to the Appellant since issuing the response to the petition to review on May 14, 2020. Reviewing the Appellant's submitted evidentiary materials on August 28, 2020 has not resulted in a finding of error regarding overvaluation in the assessment. Rather, as provided in the assessor's materials to the BOE, the consideration of all applicable factors and attributes has resulted in a finding that the property is undervalued and should be adjusted to reflect its full and true value.

CONCLUSION

For the reasons stated above, the Archipelago Property was undervalued and the assessor is recommending an increase to bring the property closer to its true and full value. The Appellant has been on notice regarding this undervaluation since May 2020 following the deputy assessor's

[6] There are active ongoing negotiations between Archipelago Properties, CBJ, and ADOT to resolve this issue.

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response to the petition for review, and was reminded of the undervaluation in the CBJ Department of Law's response to the Appellant's questions (page 5 of Attachment 3 of Appellant's evidentiary materials). The assessor is recommending a value of $11,517,500, which is less than the prime rate that arguably applies to the Archipelago Property.

Finally, a summary of the Deputy Assessor's qualifications is included as Attachment 6.

DATED at Juneau, Alaska, this 9th day of September, 2020.

CITY AND BOROUGH OF JUNEAU

By: Teresa Bowen

Teresa Bowen
Alaska Bar No. 0610065
Attorney for Assessor

Certificate of Service
On September 9, 2020 a true and correct copy of the foregoing document was served on the following via Electronic Mail:

Attn: Kristen Miller
Simpson, Tillinghast, Sheehan & Araujo, P.C.
One Sealaska Plaza, Ste. 300
Juneau, Alaska 99801
kmiller@stsl.com

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CITY/BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

APPEAL #20200046

2020 REAL PROPERTY APPEAL PACKET

BOARD OF EQUALIZATION September 17, 2020

Appellant: Archipelago Properties, LLC

Location: 356 S Franklin St.

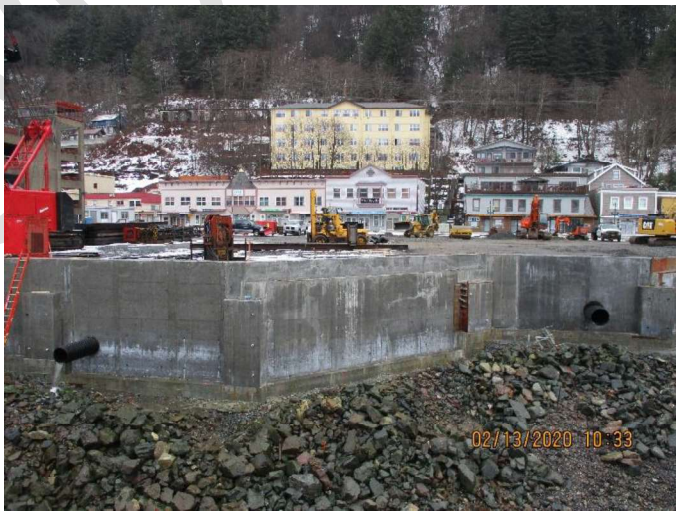
Parcel No.: 1C070K830022

Type: Commercial Land

Appellant's basis for appeal: My property was valued improperly/incorrectly

Appellant's statement: "Failure to consider Horan Appraisal of purchase from CBJ. Failure to consider adverse easements, soils, foundation, and parking requirements. DOT has a drainage culvert on the site."

Appellant's Estimate of Value		**Original Assessed Value**		**Recommended Value**	
Site:	,000	Site:	10,162,500	Site:	11,517,500
Buildings:	,000	Buildings:	,000	Buildings:	,000
Total:	none given	Total:	10,162,500	Total:	11,517,500



Revised Page 1

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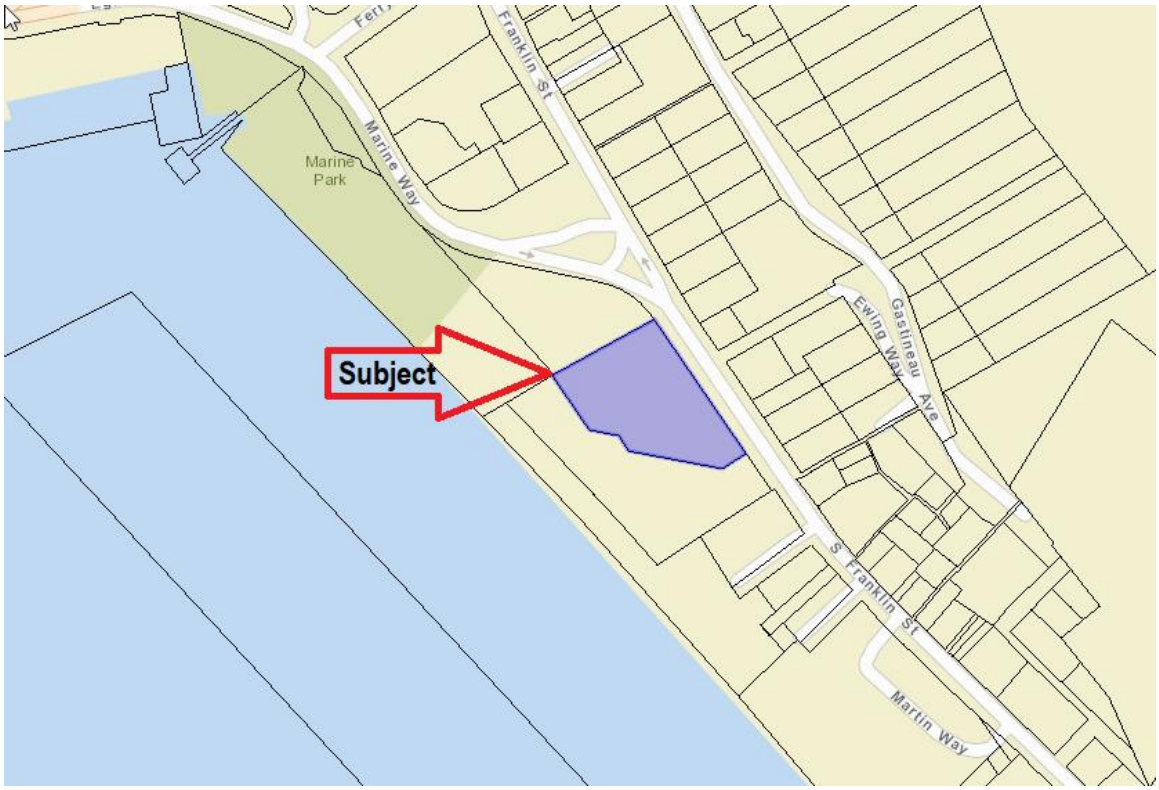
OVERVIEW

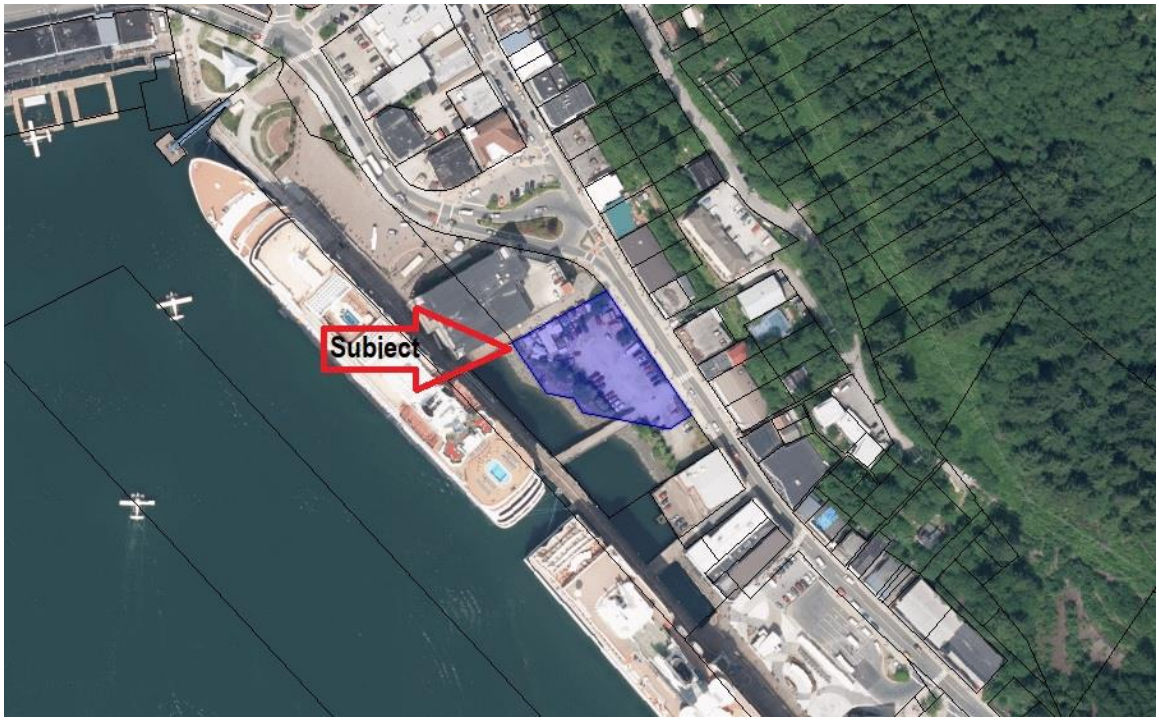
The subject is commercial land in the South Franklin neighborhood. For market purposes, this property has been classified as South Franklin downtown commercial waterfront land based upon its geographic location. There are no structures on the property.

SUBJECT PHOTO

Note: See additional subject photos under the “Additional Information” section.

AREA MAP & AERIAL





Analysis

LAND VALUATION

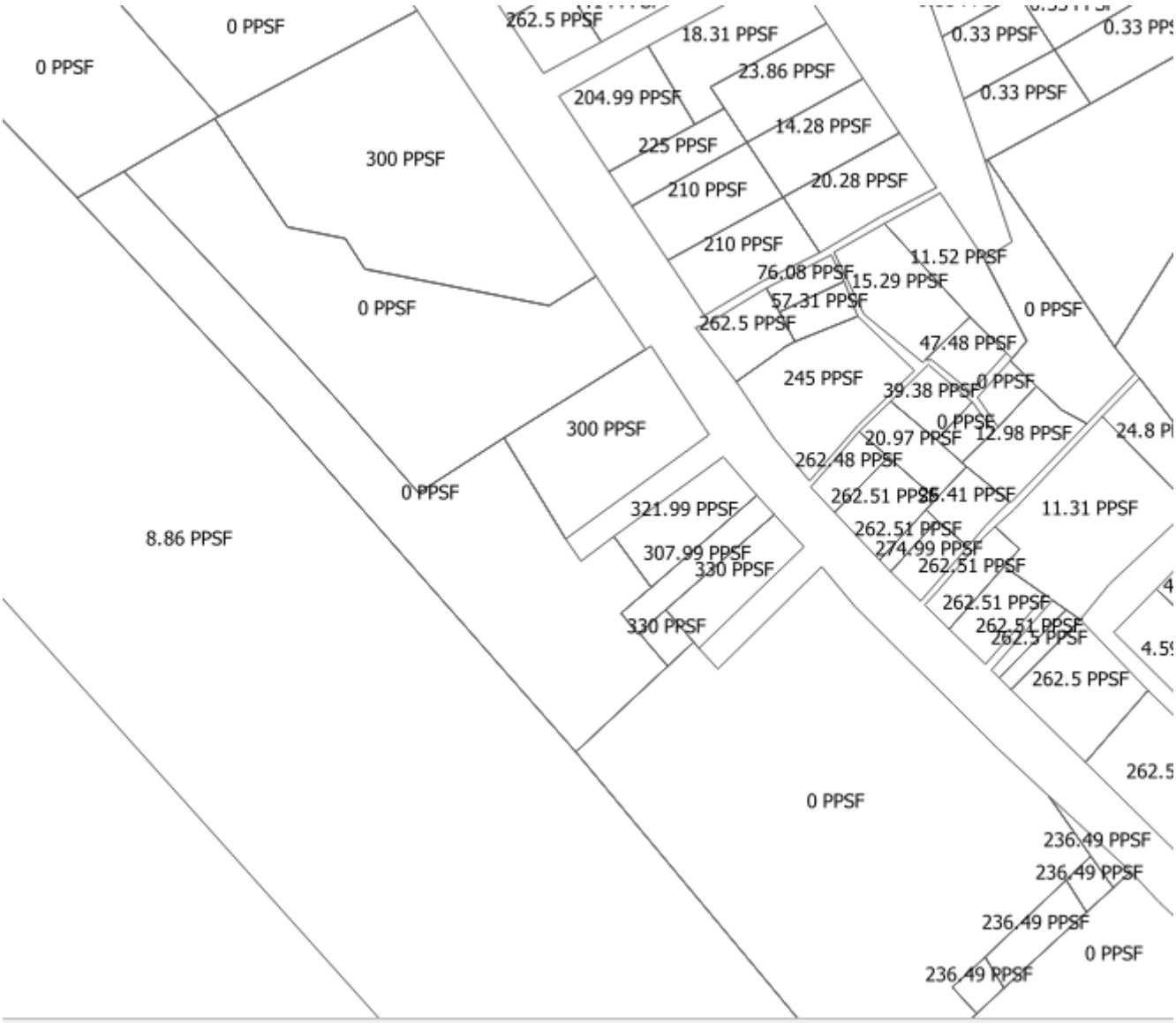
Land values are developed on a neighborhood basis. The land is examined to understand the typical land characteristics in the neighborhood. These characteristics include size, slope, view, water frontage, significant wetlands and others and are used to develop a neighborhood land valuation model. This model is tested and refined in consideration of sales of vacant and developed parcels. The resulting model is then applied to all of the land in the neighborhood to establish assessed site values.

$$(Land\ Area\ \times Base\ Rate \pm Adjustments) \times Neighborhood\ market\ multiplier = Site\ value$$

The rate for the subject parcel is below the range of neighboring parcels.

AY2020 - S Franklin Assessed Land Value per SF			
Waterfront			
356 S Franklin	1C070K830022	300	Subject
406 S Franklin	1C070K830040	300	
422 S Franklin	1C070K830050	322	
428 S Franklin	1C070K830060	308	
108 Peoples Wharf	1C070K830070	330	
Upland			
359 S Franklin	1C070H020061	263	
365 S Franklin	1C070H030010	205	
373 S Franklin	1C070H030020	225	
383 S Franklin	1C070H030031	210	
301 Carrol Way	1C070I010061	263	
411 S Franklin	1C070I010011	245	
431 S Franklin	1C070I020130	262	
439 S Franklin	1C070I020120	263	
445 S Franklin	1C070I020110	275	
455 S Franklin	1C070I030031	263	
467 S Franklin	1C100I030011	263	
489 S Franklin	1C100I050010	263	

Market Area Land Values



BUILDING VALUATION

Buildings are valued using a cost approach to value by: (1) calculating the current cost to reproduce or replace improvements such as buildings and (2) subtracting out physical, functional, or economic depreciation evident in the structures. This provides a uniform basis for the valuation of all buildings in the Borough.

For any given parcel, the buildings are valued by the Cost Approach and the land value is determined by the neighborhood model. These two values combined produce a total basis value for the parcel. This combined value is then adjusted to market value by application of neighborhood adjustments developed by analysis of neighborhood sales. This sales analysis is done each year to establish assessed values.

As a result of the discovery process this parcel is found to be vacant land with no buildings.

Cost Report

Subject is Vacant Land - Not Applicable

The cost report is used for the improvement portion of properties. The subject is vacant land with no improvements, therefore, this section is not applicable.

History Report

- Note that this parcel was created in 2019 via a plat so there is no valuation history beyond the current year.
- Prior to the 2019 plat this property was a different configuration and size with 51% Pad Site, 16% Tidelands and 33% Submerged.
- After the 2019 plat the property is 100% Pad Site.

City and Borough of Juneau
Assessment History Report

1C070K830022
ARCHIPELAGO PROPERTIES LLC
356 S FRANKLIN ST

YEAR_ID	LAND_VALUE	MISC_VALUE	BLDG_VALUE	CAMA_VALUE
2020	$10,162,500.00			$10,162,500.00

Analysis of Appraisal Models

A recent ratio study that we did on commercial property indicated that our valuation models are valuing commercial property at 90% of market value based on the mean. A review of individual sales supported this finding.

AY2020- as of 20200319- 5 Year- Q$AV- Comm- All- Trended 2.5%- with No Outliers

Summary Report

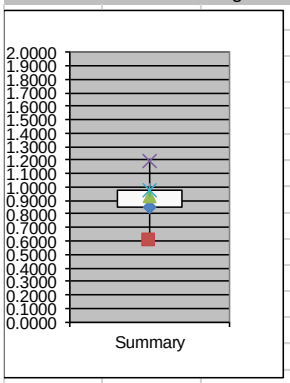
Statistics Current	Statistics Proposed		
119	119	Count	(Number of Records with Ratio)
0.6001	0.6001	Minimum Ratio	
1.1929	1.1929	Maximum Ratio	
0.5928	0.5928	Range	
0.9021	**0.9021**	**Mean**	(This is the average ratio for your sample.)
0.9287	**0.9287**	**Median**	(This is the mid-point value for your sample. Preferred measure of central tendency.)
0.8709	0.8709	Weighted Mean	
1.6544	1.6544	Sum of the Square of Deviations	
0.0896	0.0896	AAD	
0.1184	0.1184	Standard Deviation	
9.6509	**9.6509**	**COD**	(Good indicator of confidence level.)
13.1256	**13.1256**	**COV**	
1.0358	**1.0358**	**PRD- Price-Related or Factor Differential**	
		(PRD s/b between 0.98 & 1.03, IAAO)	
		(PRD over 1=Regressive)	

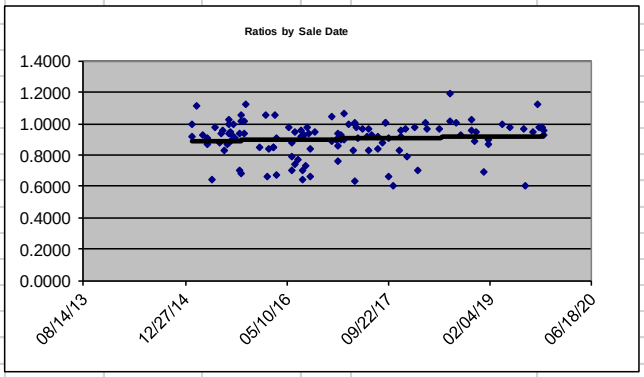
IAAO Standards for COD	
SFR	15.0 or less
SFR-newer/homog	10.0 or less
Income Properties	20.0 or less
Income-Urban area	15.0 or less
Vacant Land	20.0 or less

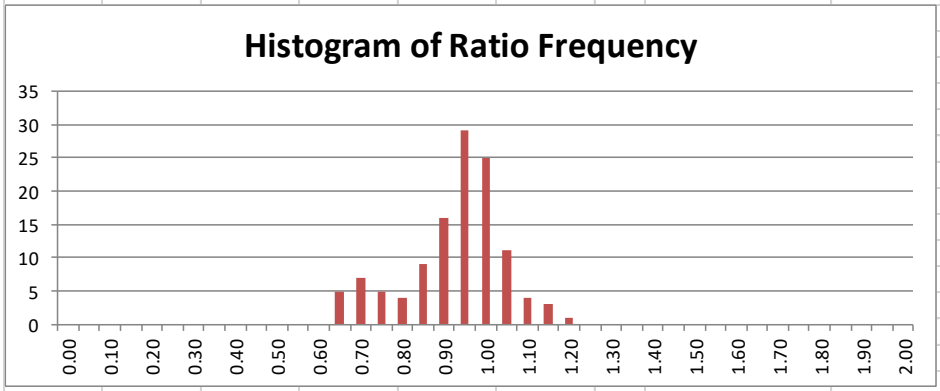
Coefficients (0=Normal Distribution)	
Kurtosis	#DIV/0!
Skewness	#DIV/0!
Alt.Cyhelsky's Skew	-0.2269
Alt.Pearson's Skew	-0.6729

Trending Factors	
1.00	Target Level
1.1085	Factor on Mean
1.0768	**Factor on Median**
1.1482	Factor on Weighted Mean

Normal / Skewed Distribution Evaluation	
0.0266	Differential Mean to Median
46	Number of data points below the mean.
73	Number of data points above the mean.
*Note- # below/above works on data sets up to 5,000 pts.	







SUMMARY

The subject land is valued using the same methods and standards as all other properties in the borough.

The appellant's stated basis for appeal is that "My property was valued improperly/incorrectly." State statute requires the Assessor to value property at "full and true value". According to appraisal standards and practices set by the Alaska Association of Assessing Officers, the State of Alaska Office of the State Assessor, and the International Association of Assessing Officers, correct procedures of assessment were followed for the subject. These standards and practices include consideration of any market value increase or decrease as determined by analysis of sales. The subject property was valued properly and the current valuation is not excessive.

The appellant further states that there was "Failure to consider Horan Appraisal of purchase from CBJ. Failure to consider adverse easements, soils, foundation, and parking requirements. DOT has a drainage culvert on the site." All of these factors were considered.

Additional points of consideration include:

- The rate/sf used for the assessed value is the same rate used in the Horan Appraisal for pad area.
- Assessment Objective- Market Value: Ratio studies indicate that our commercial model values properties at 90% of market value.
- Assessment Objective- Equitable Value: We verified that the Archipelago property was valued using the same model as surrounding, similarly classed properties, although, it is at a base rate and as a prime property should be at a higher rate. To deviate to a different model for this one property would risk injecting inequity into the assessed values.
- Assessment Objective- Uniformity: We have treated this property in a uniform and consistent manner.
- The four neighboring properties have current rates (as of AY2020) of:
    - $300/sf for 406 S. Franklin (This property was at $330/sf and it should be at $330/sf similar to 432 S Franklin. This will be corrected with next year's assessment.)
    - $322/sf for 422 S. Franklin (This parcel was at $330 and the change appears to be an error. This will be corrected with next year's assessment.)
    - $308/sf for 428 S. Franklin (this is a narrow parcel, it should be the lowest rate due to its diminished utility) (Note that this rate has risen since 2011 when it was at $300/sf.)
    - $330/sf for 432 S. Franklin
    - Current assessed values, including the errors, but excluding the narrow parcel average $317/sf.
    - Correcting 406 and 422 the values would be consistently at $330/sf except for 428 which is adjusted for being narrow and of less utility.
- The subject is a prime tourism waterfront property and its greater frontage gives it more visibility.
- With the subject being superior to the four other parcels a rate that would maintain uniformity and equity would be $340/sf which would conform to the 2011 adjusted model and would result in an assessed value of $11,517,500.
- Based on review of income potential, actual market value is more likely around $15,000,000.

CONCLUSION

In accordance with state statute the BOE should raise the assessed value of the subject to an equitable assessed value of $11,517,500.

ADDITIONAL INFORMATION

Further Analysis

- In regards to the foundations, Docks and Harbors indicated that "Removal of 80% was completed in July 2019." While I could not walk the entire site due to the active construction no remaining foundations were evident in February 2020 when the property was inspected from the perimeter. The property owner has not submitted any evidence that any foundations remained as of January 1, 2020 that would have an adverse impact on the value.
- In regards to the drain, Docks and Harbors indicated that:
    - "The storm drain transports water from ADOT catch basin through the newly constructed Docks & Harbors owned retaining wall."
    - "Docks & Harbor worked around this issue by running the existing drain through the newly constructed wall plus another 36" HDPE drain (currently unused) at another section of the wall."
    - The property owner has not submitted anything that would indicate an adverse impact on the property value.

Below is a table with sales data.

Franklin St. CM & IND PROPERTY SALES										
PARCEL	ADDRESS		SITUS	COE	SALE PRICE	LAND AREA	Imp AV	Land Residual	Land Value per SF	NOTES
1C070A130030	117	S FRANKLIN ST	CM RETAIL FMR ELK	9/29/06	850,000	11048	444,000	406,000	36.75	
1C070B0H0010	145	S FRANKLIN ST	CM RETAIL JEWELER	8/2/07	1,100,000	4694	564,500	535,500	114.08	
1C070B0N0011	259	S FRANKLIN ST	CM RETAIL JEWELER	12/27/06	2,300,000	10326	812,500	1,487,500	144.05	
1C070K820040	278	S FRANKLIN ST	RED DOG RESTRNT/ BAI	1/2/08	5,000,960	6159	2,087,000	2,913,960	473.12	Upland
1C070H020020	307	S FRANKLIN ST	CM MX FMR GROSS APT	1/20/06	1,500,000	4500	516,000	984,000	218.67	Upland
1C070H030020	373	S FRANKLIN ST	CM MX CRESCENT APTS	2/18/05	1,000,000	3000	598,000	402,000	134.00	Upland
1C070I020120	439	FRANKLIN ST	CM MX FMR CITY CAFÉ	1/3/06	1,900,000	3625	425,000	1,475,000	406.90	Upland
1C100I050010	489	S FRANKLIN ST	CM MX TRAM PLZA	12/27/07	6,400,000	15420	1,633,000	4,767,000	309.14	Upland
						6,636			267.18	
1C060K010031		Egan Drive	Subport sale by bid	9/9/19	20,000,000	125406	-	20,000,000	159.48	Not in the core cruise dock area.
From Horan Appraisal of Dec 10, 2018										
	425	S. Franklin		2001 & 2004					142	Upland side, steep, extensive site work required - $142/SF
	265	S. Franklin		2005					300	Upland side, steep hillside, price applied to development area - $300/SF
	307	S. Franklin		2006					333	Upland side, some value may attribute to building - $333/Sf
									258.33	
	Table 4.1 SF rate for upland portion of 3A								300	

Note that:

- The first sales listed (not shaded) are from further up S. Franklin away from the cruise ship docks and are all upland parcels.
- The sale shaded in blue is also in the 2xx block but more prominent with the resulting price per sf for land significantly higher at $473/sf.
- The sales shaded in green are from the 3xx and 4xx blocks of S. Franklin but are all on the upland side so the $267.18/sf average is from upland sales between 2005 and 2007.
- The light orange shaded sale is the subport sale from 2019. It is not in the S. Franklin area but is listed as it is a recent sale involving waterfront. The sale price was $20,000,000. Because it was an exempt property there was no assessed value to compare, however, the downtown commercial model when applied to the parcel would produce an assessed value much lower than the sales price. This property would be expected to have a lower per sf value than the subject as it is not in the core tourism area, it has a lower ratio of frontage to area, only about 2/3 of it is site pad and about 1/3 is transitional tidal and tidelands area, and potential development will likely be a longer and more involved process. Also note that it is not a pending sale as indicated by the owner's attorney. The bid was conducted, a winner announced, the buyer and seller entered into a payment arrangement and the buyer has made substantial payments on that agreed to payment schedule.

- The grey shaded sales are S. Franklin sales listed in the Horan appraisal. Note that the average purchase price is $258.33/sf, just barely below the $300 applied to the subject. However, the subject is prime waterfront property while the sales are all upland sales, several of which required extensive site work due to steepness.
- Note that, other than the subport sale, all of these sales are from 12 to 19 years ago. We do not have more current sales from that neighborhood.
- In table 4.1 of the Horan appraisal it lists $300 per sf as the appropriate rate for upland portions of 3A. While the owner's parcel prior to the 2019 re-plat included pad, sloped transition and tideland areas the subject parcel is now pad area.

Different Appraisers Can Have Different Opinions

If the owner and/or Mr. Kim Wold have a different opinion as to the value of the property that is fine. Differences of opinion are routine. However, that should not lead to setting an assessed value utilizing a different approach to value that would take it out of uniformity, inject inequity and shift the tax burden to other taxpayers.

The property owner has not brought forth anything that would indicate a fundamental error in the valuation model.

We recently reviewed bare land appraisals for a proposed parcel of 1.52 acre or 64,784 SF. This proposed parcel is in the valley which has a greater amount of commercial sales activity than the S. Franklin cruise ship area. Even with greater availability of comparable sales data the range from the low estimate of value to the high estimate represents a 40% increase or difference.

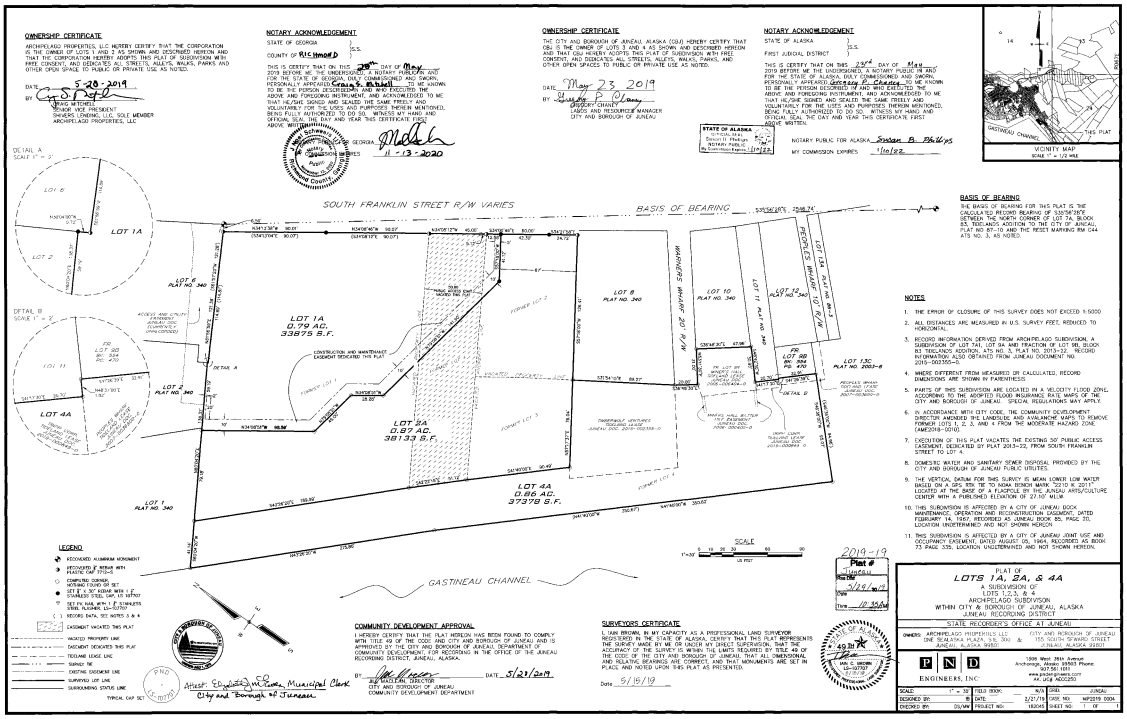
- Charles Horan $1,036,544 (~$16/SF)
- Kim Wold $1,330,000 (~$20.50/SF)
- Roger Ramsey $1,450,000 (~$22.50/SF)

Property Changes in 2019

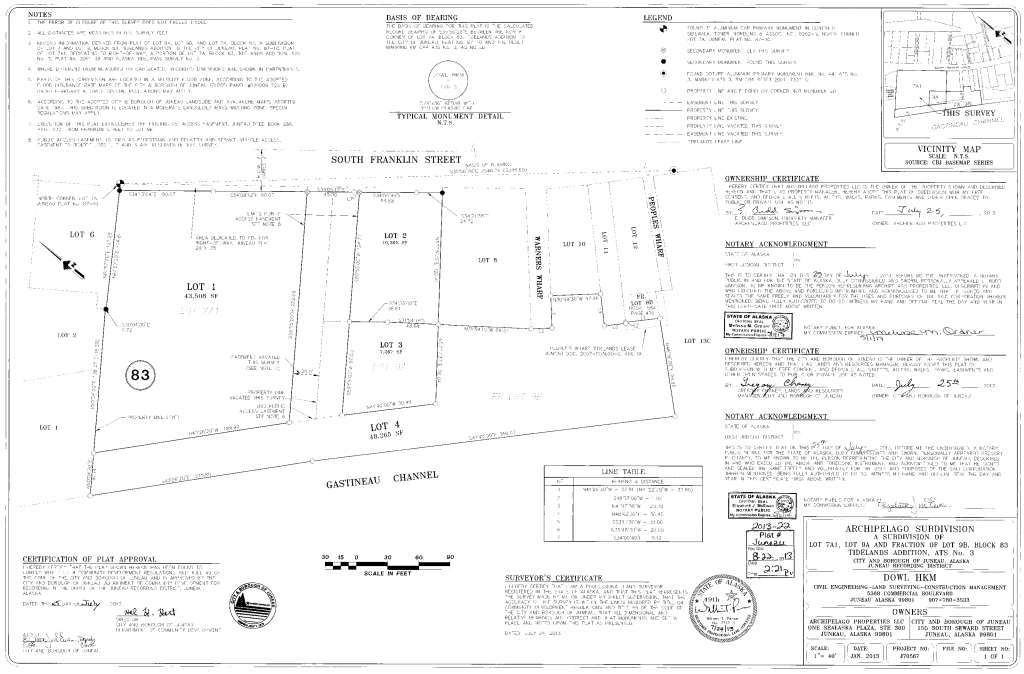
The following figure shows the approximate changes that occurred to the property with the 2019 replat.

Plats

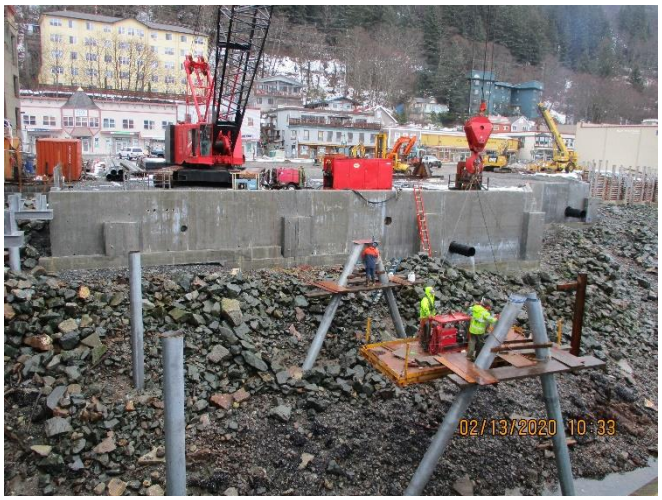
2019 Plat

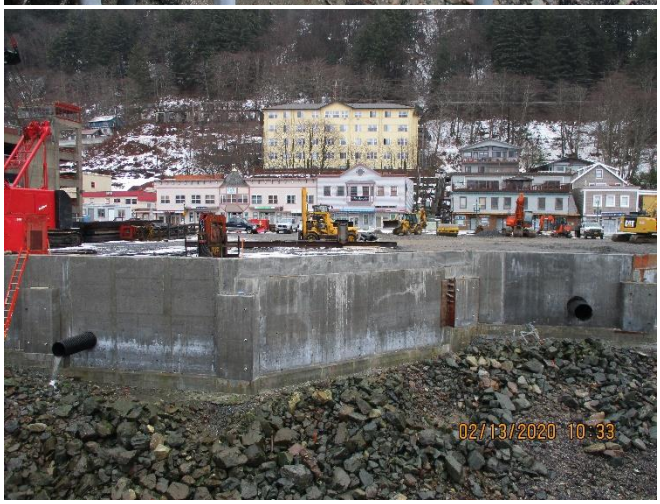


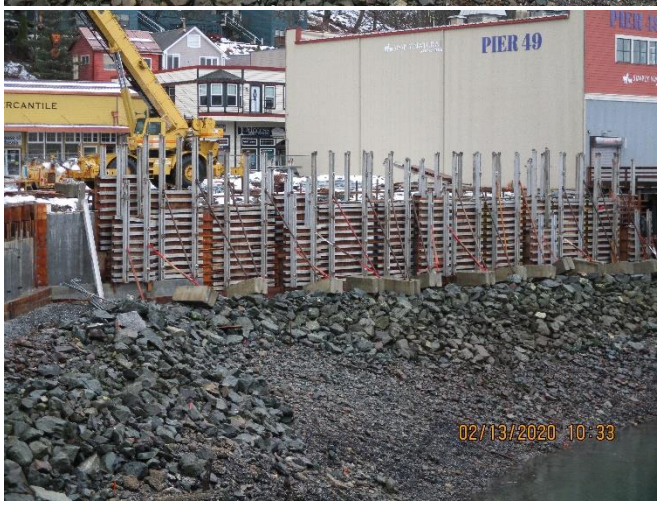
2013 Plat



Additional Images







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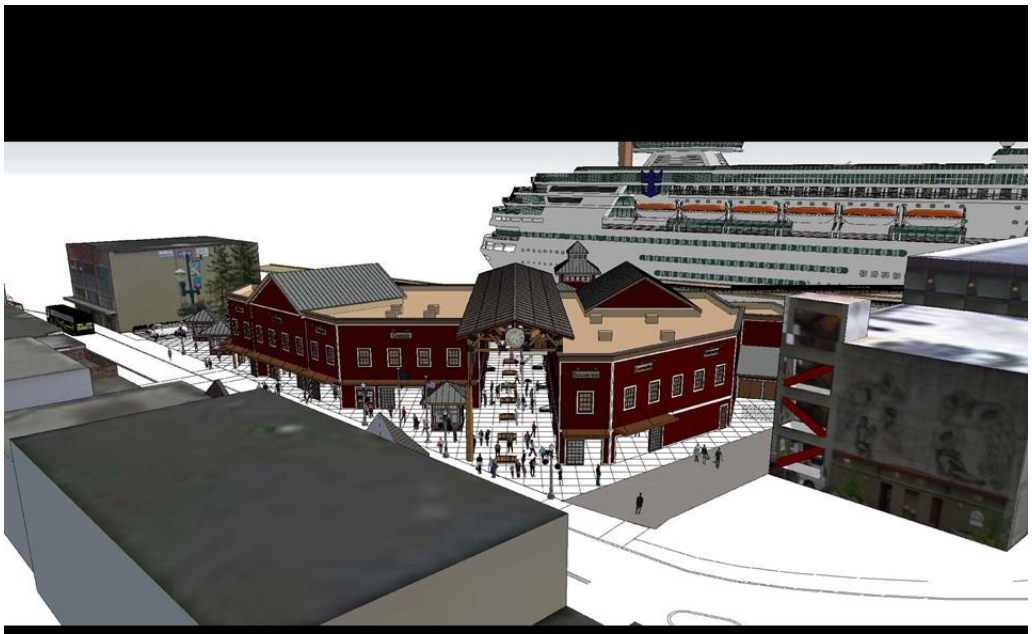
Images of Proposed Development From July 11, 2018 Presentation to the Assembly



Concept Rendering from S. Franklin Street Side

Concept Rendering from Water Side

CITY AND BOROUGH OF JUNEAU
BOARD OF EQUALIZATION

ARCHIPELAGO PROPERTIES, LLC, Appellant.	Appeal No. APL20200046 **NOTICE OF CONVERSION TO APPEAL**

Appellant Archipelago Properties, LLC, through undersigned counsel, hereby submits the attached City & Borough of Juneau ("CBJ") Assessor's Office form indicating that Appellant's Response to Action by Assessor is to reject Assessor's valuation of Parcel 1C070K830022, and to convert its Petition for Review to an Appeal to the Board of Equalization ("BOE").

Appellant respectfully rejects Assessor's valuation as unequal, excessive, and improper for reasons that will be more completely outlined in Appellant's evidentiary materials and memorandum in support to be submitted to the BOE in advance of the hearing. Because of the relative complexity, probable length of the hearing, and convenience of potential witnesses, Appellant requests that the hearing be scheduled for the first appeal of the day, if possible. For the same reasons, Appellant further requests that the hearing on this matter be conducted live and in-person, not telephonically or by Zoom, when such arrangements become feasible; and that Appellant be permitted to supplement its written materials with live testimony and argument at that time.

DATED at Juneau, Alaska this 19th day of June, 2020.

SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.
Attorneys for Appellant

E. Budd Simpson, ABA No. 7710167
Kristen P. Miller, ABA No. 9411115

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on June 19, 2020, a true and correct copy of this document was served on the following by email:

Michael Dahle, Deputy Assessor
Assessor's Office
City & Borough of Juneau
Michael.Dahle@juneau.org
Assessor.Office@juneau.org

Kim M. Wold
Reliant LLC Advisory Services
kim@reliantadvisory.com

E. Budd Simpson

SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.
One Sealaska Plaza, Suite 300
Juneau, Alaska 99801
Phone: (907) 586-1400 Fax: (907) 586-3065

Step 1 – Administrative Review

Appeal # APL20200046

Appraiser to fill out			
Appraiser	Michael Dahle	Date of Review	May 14, 2020

Comments: Parcel 1C070K830022 - After review of the property, assessed values, the valuation model and the market it is the opinion of this appraiser that the assessed value of $10,162,500 for this parcel does not exceed market value. The land residual approach indicates a land market value of $15,950,053. Market value indicated by the Assessor's downtown land model if the prime location rate were to be applied would be $15,243,800. Being a review in response to a Petition for Review I recommend no change to the assessed value for this year.

Post Review Assessment					
Site	$ 10,162,500	Building	$ 0	Total	$ 10,162,500
Exemptions	$0				
Total Taxable Value	$10,162,500				

APPELLANT RESPONSE TO ACTION BY ASSESSOR

My acceptance or rejection of the assessment valuation in the amount of $ 10,162,500 is indicated below.

[ ] **Accept New Assessed Value** [ ] **Close Review (Assessment Remains Unchanged)** [x] **Reject and Appeal**

If appealed, appellant will be scheduled before the Board of Equalization and will be advised of the date & time to appear.

Appellant's Signature By: Archipelago Properties, LLC Date: 6/19/20

Appellant Accept Value	[ ] Yes [x] No *(if no skip to Board of Equalization)*
Govern Updated	[ ] Yes [ ] No
Spreadsheet Updated	[ ] Yes [ ] No
Corrected Notice of Assessed Value Sent	[ ] Yes [ ] No

Step 2 – Appeal

BOARD OF EQUALIZATION	
Scheduled BOE Date	[ ] Yes [ ] No
10-Day Letter Sent	[ ] Yes [ ] No

The Board of Equalization certifies its decision, based on the Findings of Fact and Conclusion of Law contained within the recorded hearing and record on appeal, and concludes that the appellant [ ] **Met** [ ] **Did not meet** the burden of proof that the assessment was unequal, excessive, improper or under/overvalued.

Notes:

Site	$	Building	$	Total	$
Exemptions	$				
Total Taxable Value	$				

Contact Us: CBJ Assessors Office			
Phone/Fax	Email	Website	Mailing Address
Phone: (907)586-0333 Fax: (907)586-4520	Assessor.Office@juneau.org	http://www.juneau.org/finance	155 South Seward St. Juneau AK 99801

Review of Assessed Value for Parcel 1C070K830022- 356 S Franklin- Archipelago Properties

Analysis by: Michael Dahle, Deputy Assessor
Market Valuation as of: January 1, 2020 (AY2020)
Report Date: May 14, 2020

Assessment Year 2020 Petition for Review

On the Petition for Review- Appellant Checked: My Property was valued improperly/incorrectly

Reasons Given:

- Failure to consider Horan appraisal of purchase from CBJ.
    - Note that the Horan appraisal was considered.
- Failure to consider adverse easements, soils, foundation, and parking requirements.
    - Note that these factors were considered.
- DOT has a drainage culvert on the site.
    - Note that this is part of the site considerations and has existed since at least around 1980.

History:

- 05/29/2019- New plat recorded
- 11/16/2018- Appraisal by Charles Horan for Purchase and Sale Agreement
- 09/03/2010- Appraisal by Kim Wold for Partial Taking
- 05/07/2008- Letter to Assessors Office from Kim Wold regarding the AV for AY2008
- AY2007 appeal of property value

Focus:

- The focus of the review is to determine if the property is assessed at market value and is assessed equitably; if it is a fair and equitable assessment.

Conclusion:

- After review of the property, assessed values, the valuation model and the market it is the opinion of this appraiser that the assessed value of $10,162,500 for this parcel does not exceed market value. The land residual approach indicates a land market value of $15,950,053. Market value indicated by the Assessor's downtown land model if the prime location rate were to be applied would be $15,243,800. Being a review in response to a Petition for Review I recommend no change to the assessed value for this year.

PIER 49

Notations:

- A general description of the property, as given by the owner in testimony to the Planning Commission, is that "The very unique size and location of this site, with its proximity to the cruise ships and access to existing parking garage is what makes this site so special. It is truly one of a kind and is the last private piece of commercial property in the area available for private development." And, "Staff notes that this property is rather large, compared to its neighbors, but that presents opportunities that some of the smaller places didn't have."
- As a result of the 2019 plat the pad area changed from 51% of 73,654 = 37,564 SF to 100% of 33,875 SF
    - What Archipelago sold was the tidelands area which was of lesser utility and/or significantly greater development costs. It is being developed by CBJ in a manner that attributes utility to the upland (Archipelago) portion.
    - As a result of the 2019 plat the usable (pad) portion of the Archipelago parcel is increased in depth.
    - This is a unique parcel being vacant land in a prime location ready for development with 0.79 acres and almost 250 feet of frontage on both S Franklin and the waterfront.
- 01/28/2020 approved Conditional Use Permit Case No. USE2019 0021- Shows Bldg A with 8,023 SF of first floor and 7,766 SF of second floor and Bldg B with 8,290 Sf of first floor and 8290 SF of second floor. That is a total potential of 32,369 SF of commercial space with a total potential of 16,313 SF of first floor space, likely used as primary retail or restaurant space, and 16,056 SF of second floor space likely used as office or living. (Note that some of the likely office or living space, while being second floor, would have water views. This could even be prime restaurant space.)
    - While this is based on a 2 building plan, rather than the original 3 buildings the owner apparently hoped for, it still represents significant commercial space in a prime location.
    - In the renditions of the plan that I have seen the early 3 building rendition shows a total building footprint of 12,300 SF while the 2 buildings in the Conditional Use Permit rendition show a total building footprint of 16,313 SF. Indicating the 2 building plan actually has more SF than the early renditions for the project.
- From Conditional Use Permit- "Archipelago Center could not be to the level it is in coordination and design without the close coordinated effort with CBJ Docks and Harbors." This property and its potential for development have been enhanced by the work and expenditures of CBJ.
- The new float, completed by CBJ in 2017, increases the port capacity and potentially provides increased tourist traffic in the area of this property. From Ordinance No. 2019-02, "Whereas, from 2010 until 2016, the number of cruise ships calling at the Alaska Steamship Dock in downtown Juneau averaged 81, representing approximately 95,000 disembarking passengers, and increased to 117 ships by 2018, representing approximately 270,000 passengers; and Whereas, although the number of cruise ships calling at the Alaska Steamship Dock has increased 44 percent since 2010, the number of passengers has increased 182 percent since 2010;" It is my understanding that the large increase in passengers is due to the new dock being able to accommodate the larger ships.
    - For many of those passengers the businesses located on the Archipelago property will be the first shops that they encounter as they disembark off the cruise ship, the shops that they see while waiting for their tour, the shops that they see getting off of the bus as they return from their tour and the last shop that they will see before re-boarding onto the cruise ship. This presents tremendous economic and marketing potential.
    - Within the context of the above increased passenger traffic at the Alaska Steamship Dock, note that this parcel is being valued based on the downtown valuation model implemented in 2010 and 2011, partly based on the work of Charles Horan. Of particular note is that the rates within this model

have not been increased over the past 10 years even though the economic potential of the properties have increased.

- Section 14 of the Purchase and Sale Agreement provides the subject Property with a very unique Objection Clause. It states that "With respect to Future Improvements other than the Approved Structures, Archipelago shall have, and hereby reserves for itself and its successors and assigns, a limited right to object in advance of placement or construction of such improvements on the subject property designated on Exhibit E hereto, based upon the following considerations: Archipelago may object if the Future Improvement does not provide an identifiable public purpose or benefit, and is reasonably likely to impair, interfere with, or unfairly compete with, the businesses and operations taking place on the adjacent Archipelago premises." This is of immeasurable economic benefit in that it secures the visibility and viability of the properties exposure to the cruise ship tourism trade. For example, this development will take away and hinder visibility of properties currently on the upland side of S. Franklin but which have enjoyed visibility to the cruise ship tourists due to the vacant land. This subject property, with the Objection Clause, is likely able to protect its visibility and access.
- In regards to the DOT drainage culvert, here is what my research would indicate. There is a storm drain in the combined CBJ/Archipelago project area that transports water from an ADOT catch basis. The storm drain has been in existence since around 1980. It would appear that issues around the drain were resolved by running it through the newly constructed Docks and Harbors owned retaining wall and adding another 36" HDPE drain at a second section of the wall for future use.
- In regards to the issue of the foundations, which was raised by the appraiser for the appeal, indications are that they were 80% removed by July of 2019. Any remaining is likely within the normal scope of site prep and development. In two inspections of the property, made from the edge of the property due to the active construction work, one on 02/13/2020 for new construction call back and the other on 05/01/2020 in response to the appeal, no remaining foundations were observed on the site.
- The appellant's appraiser raised the issue of the cost of the pilings. The pilings are on the CBJ parcel portion of the project. CBJ is paying for the pilings and decking although they certainly will benefit the Archipelago property.
- The parking requirements have not been fully resolved. The last hearing that I found was from the Planning Commission Special Meeting of 02/04/2020. At that meeting the Planning Commission denied the application for a variance to zero parking spaces required, however, a review of the discussions indicates that they are not totally closed to a variance they just were not comfortable with zero and had the expectation that they were "denying the variance and leaving it to the applicant and CDD to come up with a solution."
- The Archipelago property will directly benefit from the improvements on the CBJ portion of the project.
    - It is estimated that vans will attract 2,000 passengers per day to the staging area right next to their buildings.
    - It is estimated that the Plaza will be a milling area for 1,500 to 1,800 passengers per day. Again right next to their buildings.
    - The improvements to the seawall, pilings and decking (paid for by CBJ) will create an attractive and inviting area between the subject property and the cruise ships creating great visibility and increasing the appeal of the property to the cruise ship tourists and crew.
    - The project envisions that the Plaza potentially attracts off season activity. If so, this extends the economic season for the property.

- In Phase 1 of the development it is reported that CBJ is spending $23 million. There was $11 million approved in just one construction authorization.
    - CBJ is paying for:
        - Seawall/Bulkhead
        - Fill
        - Site work (on CBJ portion; there is additional site work Archipelago has and/or will do)
        - Mini-bus staging area
        - Pilings, decking, plaza
        - Walkway
    - Again, these improvements provide benefit to the subject parcel.
- Phase 2 of this project, when done by CBJ, will provide further benefit to this parcel.
- One of the adverse easements, claimed by the owner and his appraiser, is the 8-12 month construction easement. I do not see this as having a negative effect on the land value.
    - This Construction Easement is granted in Section 10 of the Purchase and Sale Agreement. It grants to "CBJ an exclusive temporary construction easement or license on its uplands portion."
    - Note that if this easement would not have been granted there would have been "extraordinary cost associated with constructing the pile decking." This property benefits from the Plaza created by the decking thus it was in their interest to grant this easement. If the easement had not been granted that increased cost to CBJ would have had to be factored into the agreement.
    - The temporary easement runs for "a period of ten (10) months." It appears that this would be through June of 2020.
    - The subject property receives additional benefit in that "when CBJ has substantially completed construction of the pile decking and transportation staging area, CBJ shall likewise grant to Archipelago a temporary easement or license to the transportation staging and pile-supported decking areas for construction of Archipelago's upland improvements." Thus potentially decreasing the cost of development through improved site access and staging.
    - Section 11 of the Purchase and Sale Agreement places date constraints on the easement for CBJ
    - The improvements being done during this time, and being paid for by CBJ, provide direct benefit to the development and utility of the property.
    - Conditional Use Permit Case No. USE2019 0021 was not approved until 01/28/2020. In addition to the Conditional Use Permit building plans need to be submitted and approved. Currently, there are no approved building plans for the site so they could not be constructing their buildings at this time anyway.
    - "Presently on site, the CBJ Docks & Harbors Waterfront Improvements are currently underway. Coordination and cooperation continues from both entities and will continue for many years to come. The projects are adjacent to one another and as they have depended on each other to design each site, now that the construction has begun, one cannot live without the other. Currently the large retaining wall that establishes the edge of the upland area is under construction."
    - "This wall and the pilings underway, needs to stage on the Archipelago property for materials and equipment to build the D&H Waterfront Improvements, and until roughly June of this year, D&H contractors will have control of the entire site. Similarly, when the improvements are completed or completed far enough, the Archipelago Center contractor will have access to stage on the deck. As a very tight site this will allow for less trips and road congestion for the construction time of both projects."

- Section 11 of the Purchase and Sale Agreement also gave Archipelago a repurchase option if CBJ did not complete its portion of the development.
- In Section 12 CBJ agrees to provide public access and a utility easement "between the Property and the public parking structure." This provides benefit to the property in tourist foot traffic, utility easement and options for site development. This section also provides the Property "non-exclusive limited license for access to the transportation staging area … outside of peak usage by commercial passenger transportation."

CBJ Downtown Land Model Review

A review of the new valuation applied in response to the plat of 2019 indicated that it was based on the downtown land valuation model that was established in 2010 and updated in 2011. The review indicates that this parcel was valued in an equitable manner, using the same valuation model. The argument could even be made that it is undervalued considering that the average price per SF was utilized and this is such a prime piece of property.

1C070K830022- 2011 DOWNTOWN COMMERCIAL model applied to new 2020 parcel									
BASE RATE	PARCEL	AV	AREA SF	ACRES	2010 LAND RATE	2011 LAND RATE	Calc AV	*DIFF*	NOTES
356 - 432 FRANKLIN ST (WATERFRONT)									
2011 Parcel									
300	1C070K830031	9,600,000	73,654	1.69	130	130	9,575,000	*(25,000)*	*51% PAD SITE 16% TDLND 33% SBMRG 5%SIZE*
									51% of 73654 = 37,564
2020 Parcel									
	1C070K83022	10,162,500	33,875	0.78		130	4,403,800	*(5,758,700)*	
	1C070K83022	**10,162,500**	**33,875**	**0.78**		**300**	**10,162,500**	**-**	***100% Pad Site***
	1C070K83022	10,162,500	33,875	0.78		450	15,243,800	*5,081,300*	*100% Pad Site*

Land sales cited in the Horan appraisal include:

- 425 S. Franklin – 2001 & 4 – Upland side, steep, extensive site work required - $142/SF
- 265 S. Franklin – 2005 – Upland side, steep hillside, price applied to development area - $300/SF
- 307 S. Franklin – 2006 – Upland side, some value may attribute to building - $333/Sf

Also in the Horan appraisal Table 4.1 indicates an Adjusted SF Value of $300 applied to the upland portion of 3A.

Note that the base rate in the Assessor's land model for that area is $300/SF and that, even though the parcel is a premium property, it is that base rate that was applied to arrive at the $10,162,500 assessed value. The premium rate of $450/SF, applied to other 100% pad sites in the neighborhood, would result in a land value of $15,243,800.

Land Residual Utilizing Income and Cost Approaches

- This income approach is estimated off of the SF presented in the conditional use permit.
- In the Horan appraisal it states, "The small retail spaces along South Franklin Street produce the highest SF rents." And, "The highest rents achieved along South Franklin Street are across the street from the subject. It is in the prime block. These rents range from $6.00/SF for the larger poorer quality spaces to over $10.00/SF for the smallest, good quality jewelry store spaces."
- For the potential rents we have used $8.00/SF for the first floor retail space and $5.00/SF for the second floor retail/office/restaurant/apartment space. We feel that these rental rates are conservative.
- Also to remain conservative we utilized a cap rate of 9% even though 7% would be more typical currently in our model.
- The income approach indicates a value for the development of $20,516,309. The cost approach indicates a building cost/value of $4,566,256. This leaves a value of $15,950,053 for the land.
- Note that value indicated by the land residual valuation and the prime land rate calculation are very similar: $15,950,053 and $15,243,800.

Income Approach			Gross Income		Expenses			**For this model:**
Gross Income	2,529,408		Annual	Desc	Annual	Desc	**Exp % Gross**	ExpNot To I
Vacancy / Collection Loss Factor	(50,588)	2.00%	1,566,048	16,313		Mgmt	0.0000	**Prop.Taxes**
Misc Income				8.00		Wages	0.0000	**Depreciation**
Eff.GI	2,478,820		963,360	16,056		Utilities	0.0000	**Debt Service**
Expenses	(632,352)			5.00		Supplies	0.0000	**Income Taxe**
NOI	1,846,468					Repairs	0.0000	**Capital Imp**
Cap Rate / Preliminary Value	9.00%	**20,516,309**				Insurance	0.0000	**OwnerBusEx**
Adj- Market / Market Area	1.00				632,352	Misc.	0.2500	**ReplaceResr**
Adj- Condition / Econ.Life	1.00		2,529,408	Total	632,352	Total (est. at 25% of Gross Income)		
Indicated Value		**20,516,309**	Econ Life	50	Reserve %	1%	**Replac.Res.**	25,294
			NOI % of Gro	73%	Exp % Gros	25%		

Cost Approach			Section 1		Section 2		Section 3		Section 4
Type Desc. / SF	Mixed Retail/Office		32,369	(Type Desc)	(SF)	Retail	16,313	Office	16,056
Type #/Class		597	D	(Type #)	(Class)	353	D	344	D
Quality			Good				Good		Good
Condition/EffAge			0				0		0
Rate/Base		107.00	3,463,483	(Rate)	0	106.00	1,729,178	145.98	2,343,855
Components									
(Desc)	(Rate)	(SF)	-	(SF)	-	(SF)	-	(SF)	-
(Desc)	(Rate)	(SF)	-	(SF)	-	(SF)	-	(SF)	-
(Desc)	(Rate)	(SF)	-	(SF)	-	(SF)	-	(SF)	-
RCN		0%	3,463,483	0%	0	0%	1,729,178	0%	2,343,855
RCNLD	(50 Year, 20% Res	0	3,463,483	0	0	0	1,729,178	0	2,343,855
LclMulti./Cos	1.28	1.03	4,566,256	(Cost Adj)	0	1.03	2,279,748	1.09	3,270,146

Notations:	**Run as mixed**	**4,566,256**
	Run Separately	5,549,895

Juneau Commercial Properties Assessment and Market Analysis (Excerpts From)

Overview

This is a review of assessed values, ratios, sales and market indicators for AY2020.

Ratio Study - The Core

One of the basic steps of the analysis was to establish a benchmark for reference purposes. To establish that market benchmark a study was done that included all types of sales from the past 5 years. A 2.5% per year trend was applied and outliers established using IAAO standards were excluded.

There were 2,107 sales in the study after removal of the outliers and the COD, COV and PRD are all in good ranges.

The benchmark indicates that over all the past 5 and even 10 years have seen a market increase of over 2.5% per year. Our overall level of assessment is 0.95 and indications are that our model is not regressive. The Kurtosis is somewhat high but there is a normal distribution.

AY2020- as of 20200319- 5 Year- Q$AV- All- Trended 2.5- with No Outliers

Summary Report

Statistics Current	Statistics Proposed		
2107	2107	Count	(Number of Records with Ratio)
0.7680	0.7680	Minimum Ratio	
1.1287	1.1287	Maximum Ratio	
0.3607	0.3607	Range	
0.9492	**0.9492**	**Mean**	(This is the average ratio for your sample.)
0.9484	**0.9484**	**Median**	(This is the mid-point value for your sample. Preferred measure of central tendency.)
0.9465	0.9465	Weighted Mean	
9.0031	9.0031	Sum of the Square of Deviations	
0.0506	0.0506	AAD	
0.0654	0.0654	Standard Deviation	
5.3397	**5.3397**	**COD**	(Good indicator of confidence level.)
6.8883	**6.8883**	**COV**	
1.0028	**1.0028**	**PRD- Price-Related or Factor Differential**	
		(PRD s/b between 0.98 & 1.03, IAAO)	
		(PRD over 1=Regressive)	

IAAO Standards for COD	
SFR	15.0 or less
SFR-newer/homog	10.0 or less
Income Properties	20.0 or less
Income-Urban area	15.0 or less
Vacant Land	20.0 or less

Coefficients (0=Normal Distribution)	
Kurtosis	#DIV/0!
Skewness	#DIV/0!
Alt.Cyhelsky's Skew	0.0090
Alt.Pearson's Skew	0.0360

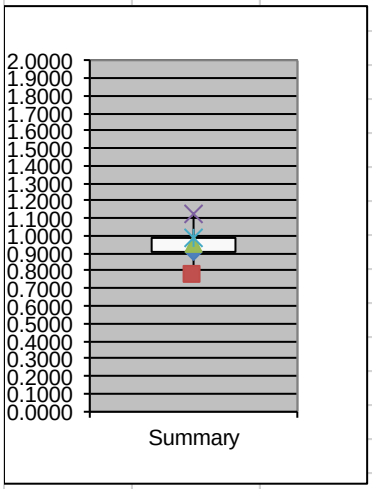
Trending Factors

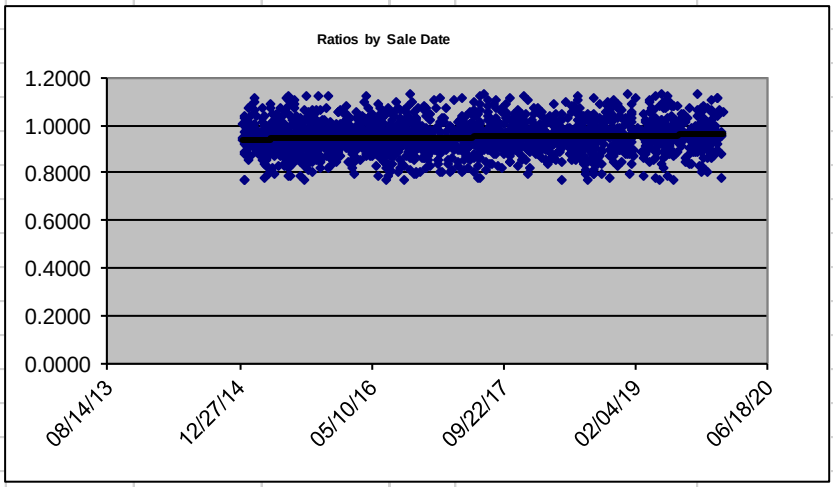
0.85	Target Level
0.8955	Factor on Mean
0.8962	**Factor on Median**
0.8980	Factor on Weighted Mean

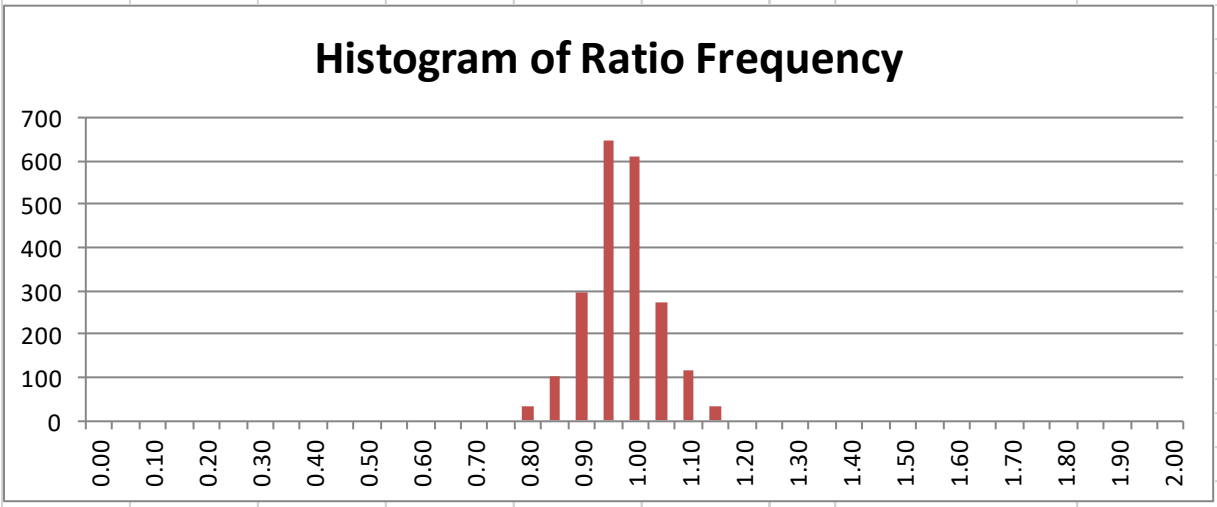
Normal / Skewed Distribution Evaluation

-0.0008	Differential Mean to Median
1063	Number of data points below the mean.
1044	Number of data points above the mean.

*Note- # below/above works on data sets up to 5,000 pts.







With the overall market as our benchmark we next focused on the commercial market specifically. We looked at both 5 year and 10 year timelines. In the 5 year sales study, after excluding outliers, we had 119 sales that were deemed to be market sales for which we had sales price and assessed value figures, allowing for analysis. A 2.5% per year trend was applied. The results indicate that the actual trend may be fractionally less than the 2.5% but that this is an appropriate trending percentage for this sample.

The mean and median can be seen in the table below. The study shows the market is skewed with a longer tail on the under assessed end, therefore, emphasis should be placed on the mean.

Type	Count	Mean	Median
Overall Commercial	119	0.9021	0.9287
Multi-Family (Plexes-Du,Tri,Four)	57	0.9572	0.9558
Apartments	7	0.8553	0.8813
Lodging (Hotels,Motels)	1	0.9720	0.9720
Retail	2	0.8370	0.8370
Office	9	0.9041	0.9287
Medical	0		
General/Industrial	21	0.8092	0.8361
Commercial Other	18	0.8439	0.8813
Other	4	0.9590	1.0035

Note that some of these fall out of the preferred +/- 5% range. They are all below market and all, except Lodging (based on one sale) and possibly Land, are below the overall and residential levels of assessment.

AY2020- as of 20200319- 5 Year- Q$AV- Comm- All- Trended 2.5%- with No Outliers

Summary Report

Statistics			
Current	**Proposed**		
119	119	Count	(Number of Records with Ratio)
0.6001	0.6001	Minimum Ratio	
1.1929	1.1929	Maximum Ratio	
0.5928	0.5928	Range	
0.9021	**0.9021**	**Mean**	(This is the average ratio for your sample.)
0.9287	**0.9287**	**Median**	(This is the mid-point value for your sample. Preferred measure of central tendency.)
0.8709	0.8709	Weighted Mean	
1.6544	1.6544	Sum of the Square of Deviations	
0.0896	0.0896	AAD	
0.1184	0.1184	Standard Deviation	
9.6509	**9.6509**	**COD**	(Good indicator of confidence level.)
13.1256	**13.1256**	**COV**	
1.0358	**1.0358**	**PRD- Price-Related or Factor Differential**	
		(PRD s/b between 0.98 & 1.03, IAAO)	
		(PRD over 1=Regressive)	

IAAO Standards for COD	
SFR	15.0 or less
SFR-newer/homog	10.0 or less
Income Properties	20.0 or less
Income-Urban area	15.0 or less
Vacant Land	20.0 or less

Coefficients (0=Normal Distribution)	
Kurtosis	#DIV/0!
Skewness	#DIV/0!
Alt.Cyhelsky's Skew	-0.2269
Alt.Pearson's Skew	-0.6729

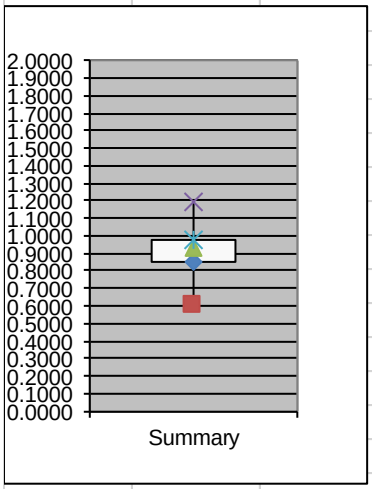
Trending Factors

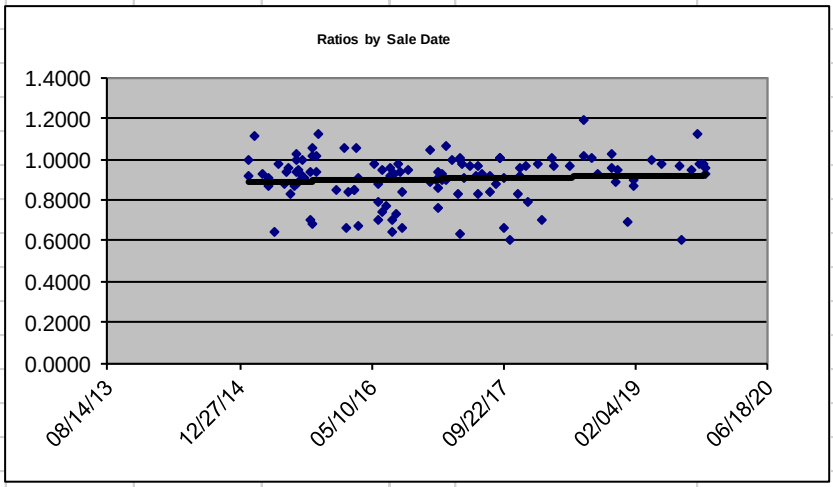
0.85	Target Level
0.9422	Factor on Mean
0.9153	**Factor on Median**
0.9760	Factor on Weighted Mean

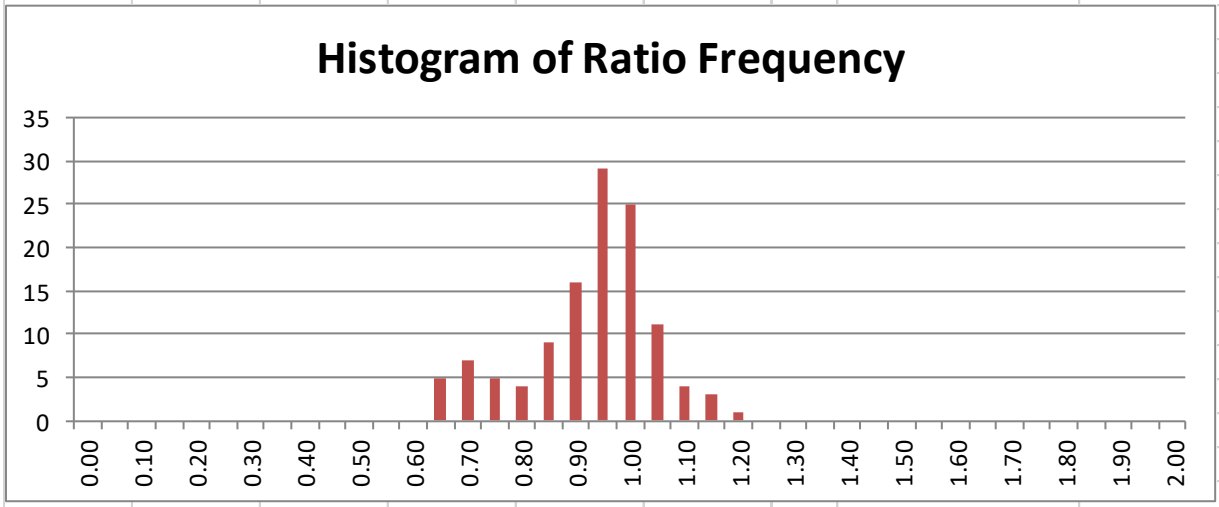
Normal / Skewed Distribution Evaluation

0.0266	Differential Mean to Median
46	Number of data points below the mean.
73	Number of data points above the mean.

*Note- # below/above works on data sets up to 5,000 pts.





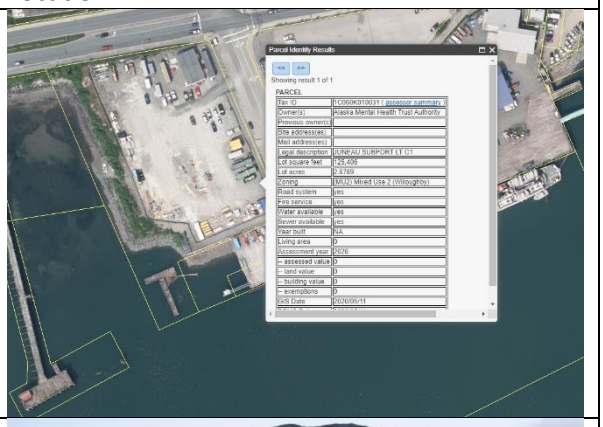
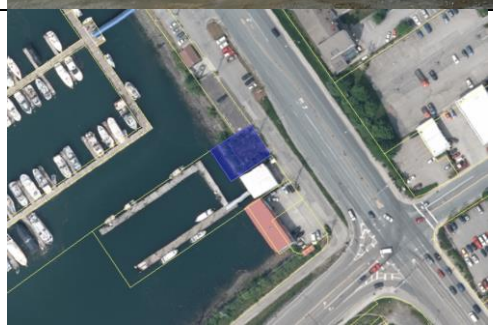


Sales Review

For review of individual sales we utilized GIS mapping as well as tabular data.

The table below shows a sampling of sales that are believed to be market sales for which we have sales price and current assessed value. It is important to note that these sales prices have not been trended. What the trended price would be is indicated in a few instances.

Note that a review of individual sales confirms the statistical indication that our commercial models are producing values that represent approximately 90% of market value.

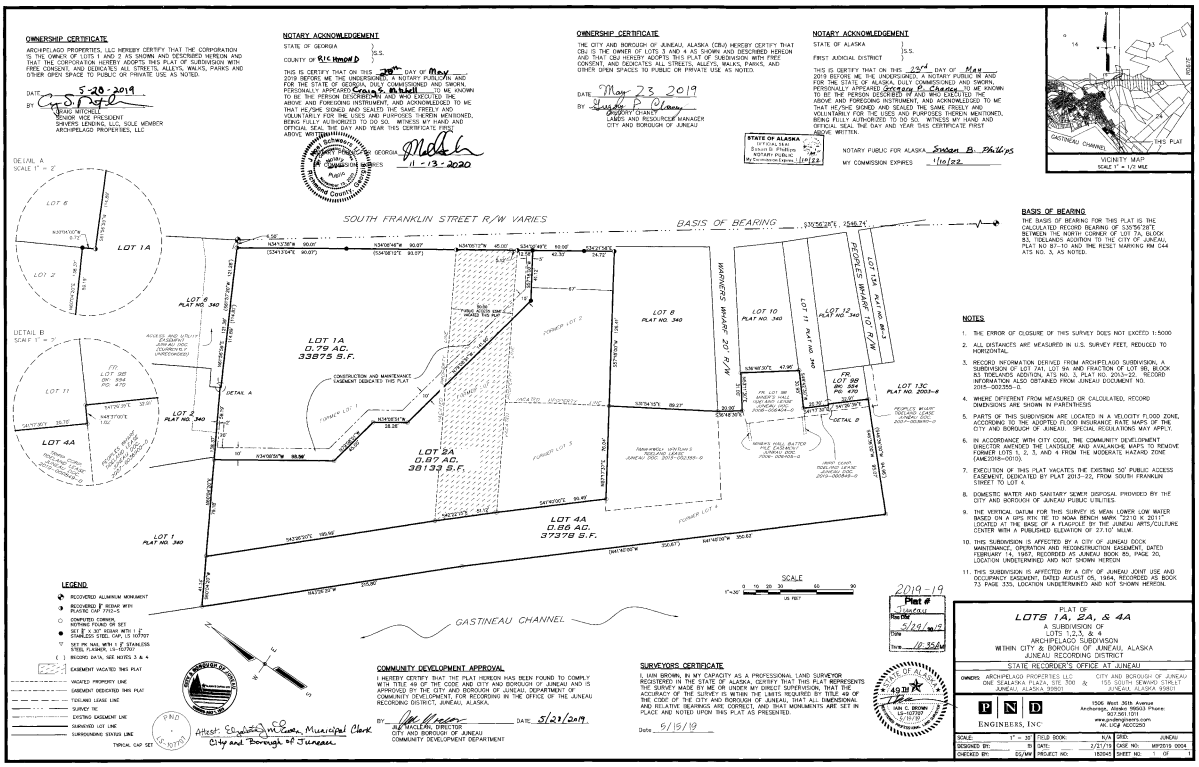
Parcel # & Notes	Sale Date	Sale Price	AV	Location
1C060K010031 (subport) Bid sale 09/09/2019 05/2020- Payments current; $15M paid to date (See Footnote 1)	09/09/2019	20,000,000	N/A (previously exempt)- in 2009 the AV was $10,020,800	
5B1201010010	09/03/2019	1,070,000	1,019,900	
1C060K510020 Land Sale; 187,000 Land AV, Last land value change AY 2018 and 2015 and 2007 This sale is waterfront with docks & separately controlled tidelands in front of it. No cruise ship exposure.	10/26/2014 Note that this sale is from the 6th year back.	130,000 (Trended ~146,900)	187,00	

7B0901030071 This sale is waterfront. The waterfrontage is shallow mud flats and right next to Salmon Creek outlet which would keep placing sediment.	04/11/2017	1,540,000 (Trended 1,646,410)	1,650,100	
1C060K010033 Egan Drive Negotiated non-advertised sale; this property is next to the sub-port sale property but is an upland parcel; this sale does not provide a good analysis of AV at the time of the sale as it was exempt and not valued until the purchase. It could be used in analyzing a land model but whether it is a market sale is questionable.	08/31/2017	$1,352,000	1,723,300	
1C070A040030	05/31/2013 (7th year back)	700,000 (Trended ~810,000)	779,000	

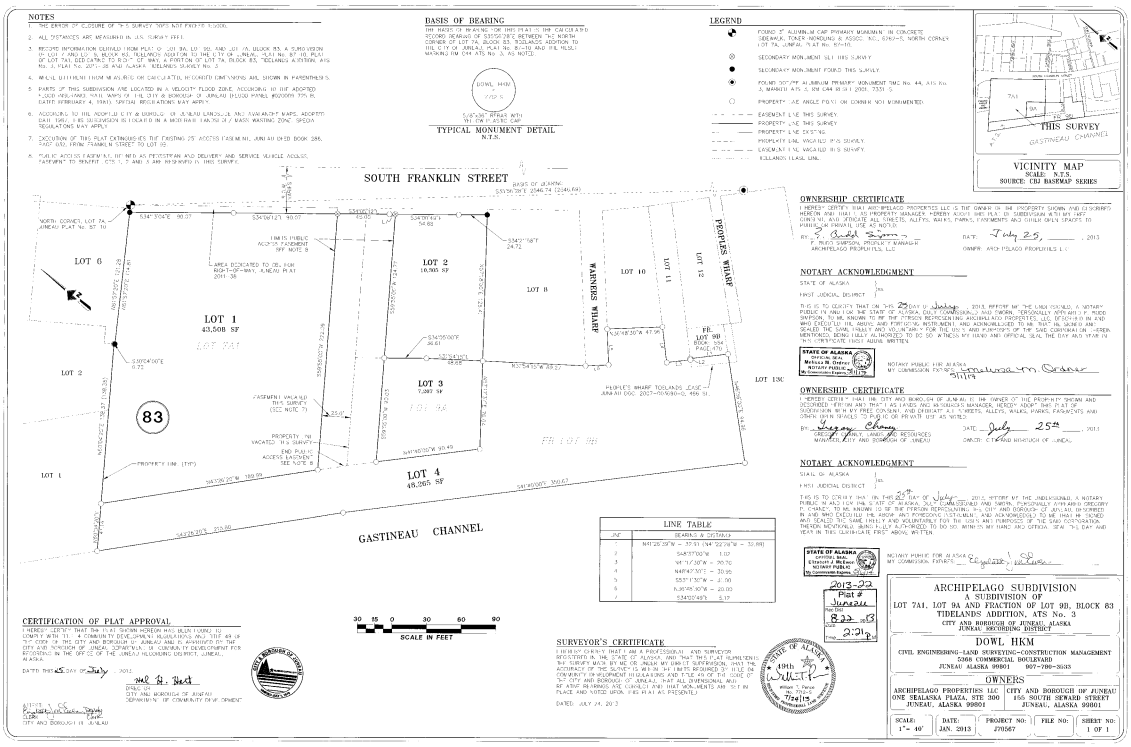
5B1501050040	05/04/2015	1,462,500	1,044,400	
5B1201040052	04/05/2017	3,300,000	2,339,700	
7B0901030071	04/11/2017	1,540,000 (Trended 1,646,410	1,650,100	

Documentation:

Current Plat (05/2019)



Previous Plat



From Horan Appraisal

FIGURE 1.1 - The existing site configuration showing proposed new subdivision line and properties to be sold and purchased by each party. Not to scale - for visual purposes only.

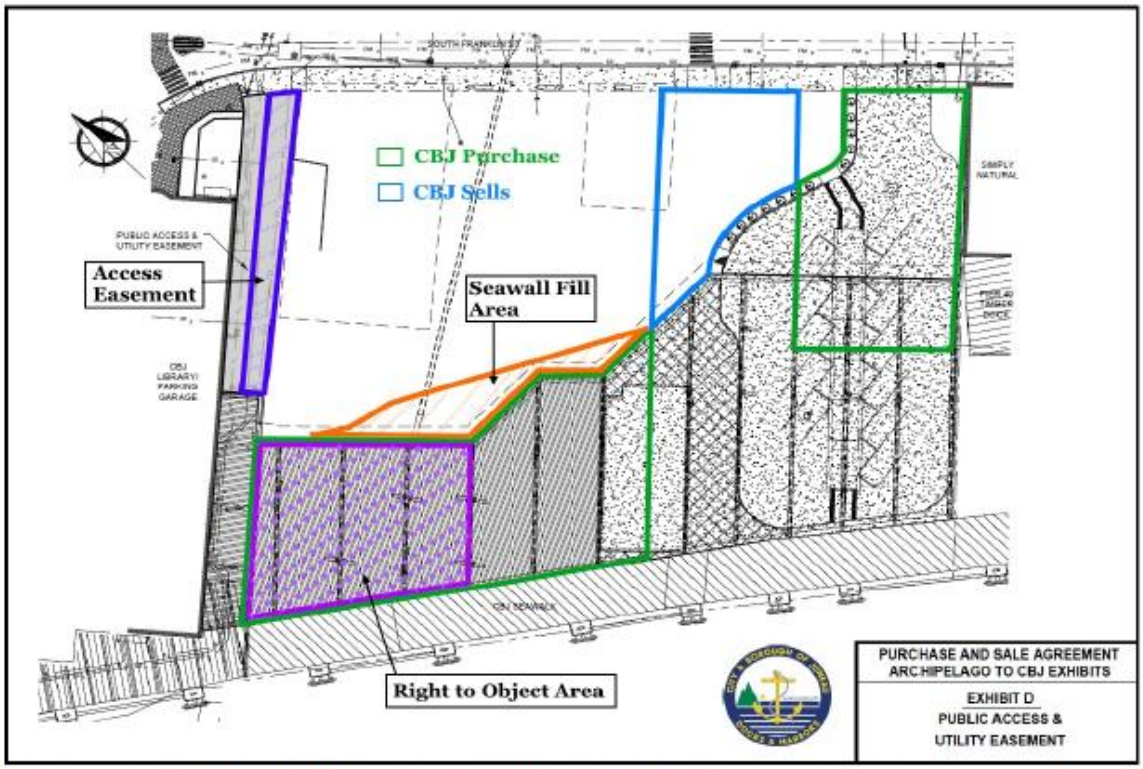
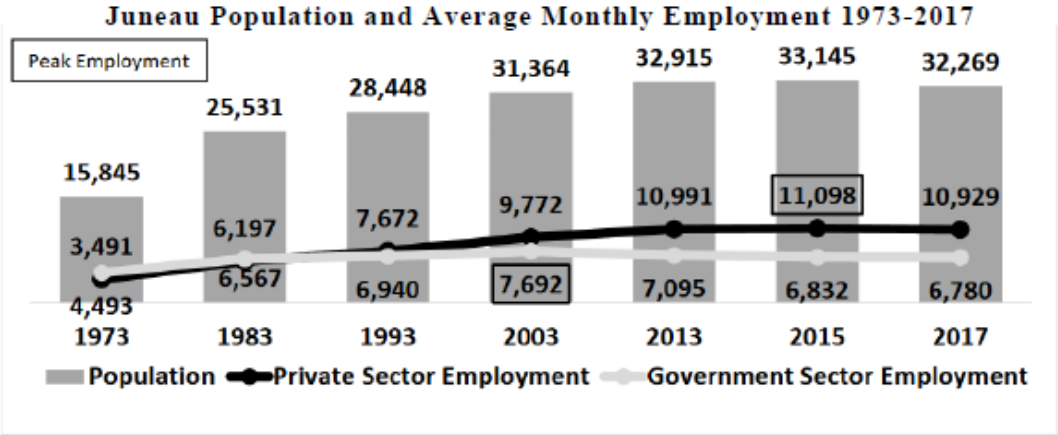


FIGURE 1.2 - PSA Exhibit D (Draft 11/23/18) modified by appraiser to show valuation elements of the purchase and sale agreement not to scale.



Source: Alaska Department of Labor and Workforce Development, Quarterly Census of Employment and Wages

FIGURE 2.2 - Population and average monthly employment for Juneau, published by the Juneau Economic Development Council, August 2018

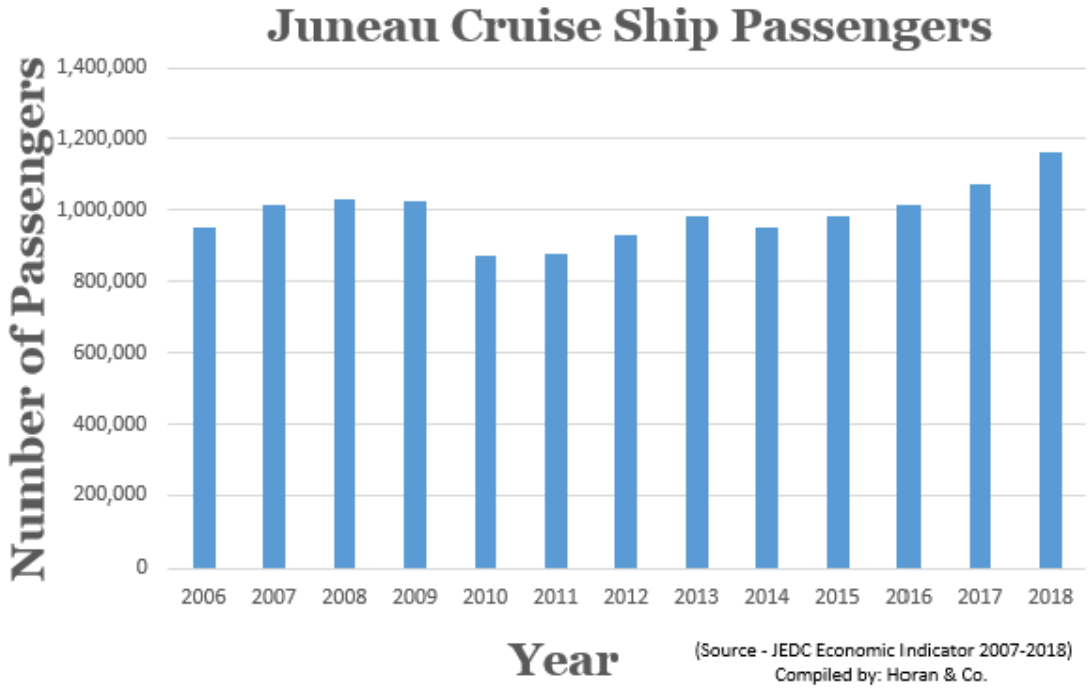


FIGURE 2.3 – Juneau Cruise Ship Passenger Visitation 2006 through 2018.

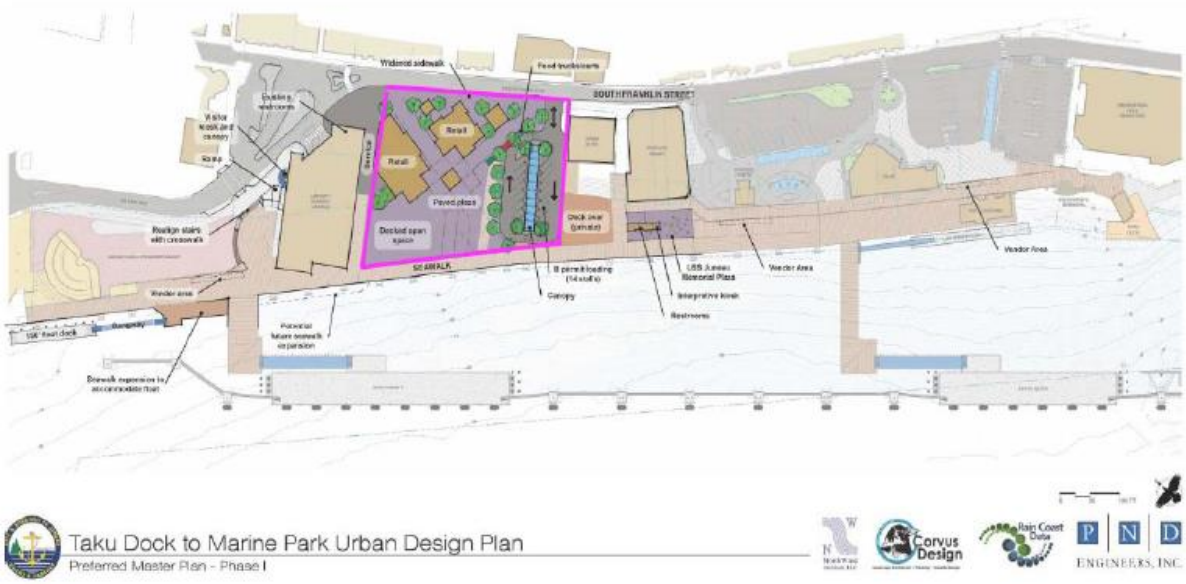


FIGURE 2.4 - A conceptual site plan from a community presentation showing existing neighborhood features, the position of two new cruise ship docks, where passengers enter the Seawalk, and the South Franklin Street tourist retail area.

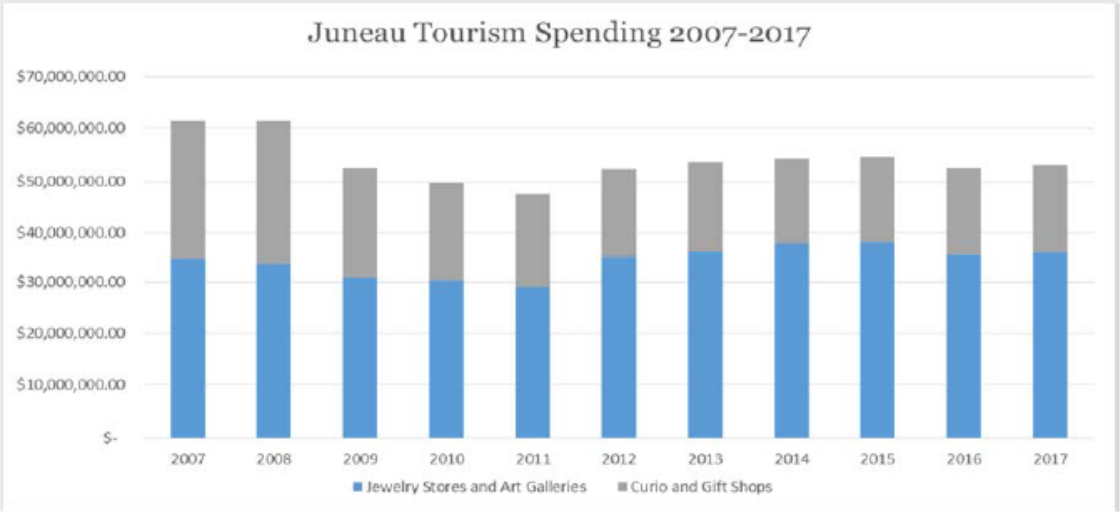
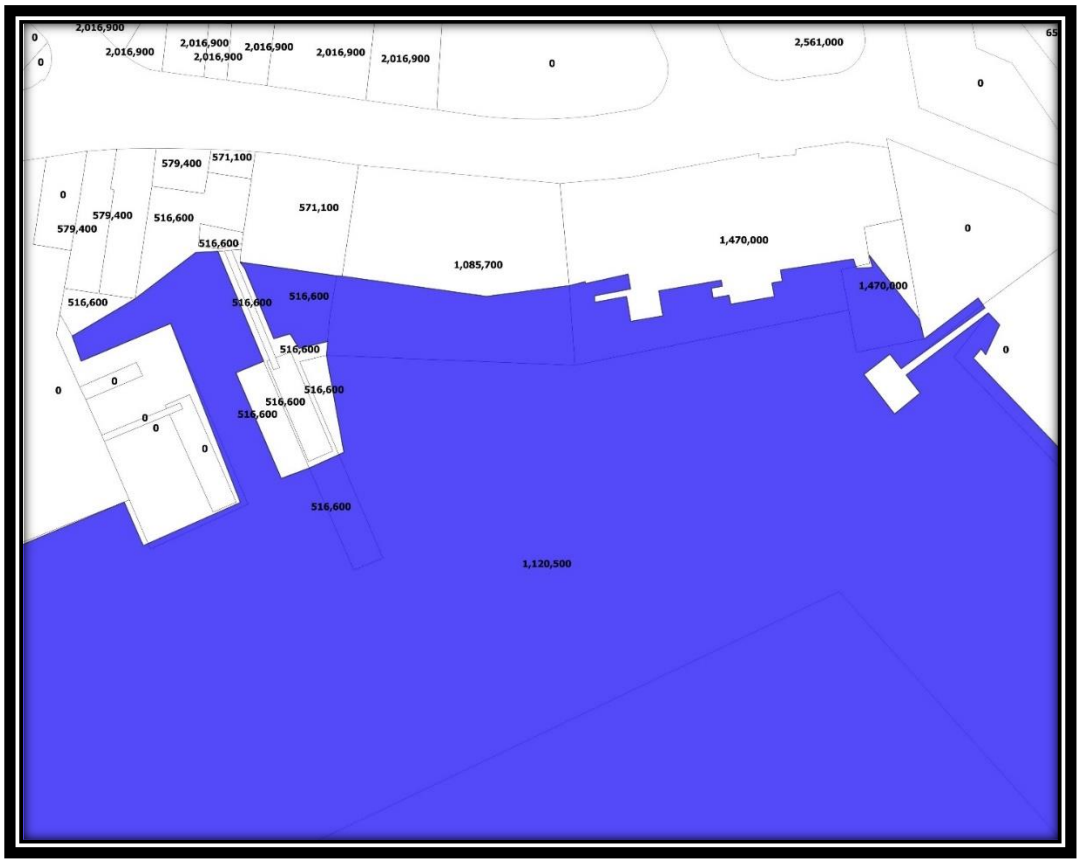


FIGURE 2.5 –Juneau Tourist Spending 2007-2017. Source: Juneau Sales Tax Office. Compiled by: Horan & Co

TABLE 4.2 – Concluded SF Value By Value Characteristic Areas		
Area ID	**Land Character-Location**	**Concluded SF Values**
Area A	Uplands on South Franklin	$300
Area B	Uplands off South Franklin	$200
Area C	Sloping South Franklin	$150
Area D	Sloping middle lands	$75
Area E	Tidelands off Seawalk	$45

From Assessor GIS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2,016,900
2,016,900
2,016,900
0
2,561,000
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579,400
571,100
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579,400
579,400
516,600
571,100
516,600
1,085,700
1,470,000
0
1,470,000
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0
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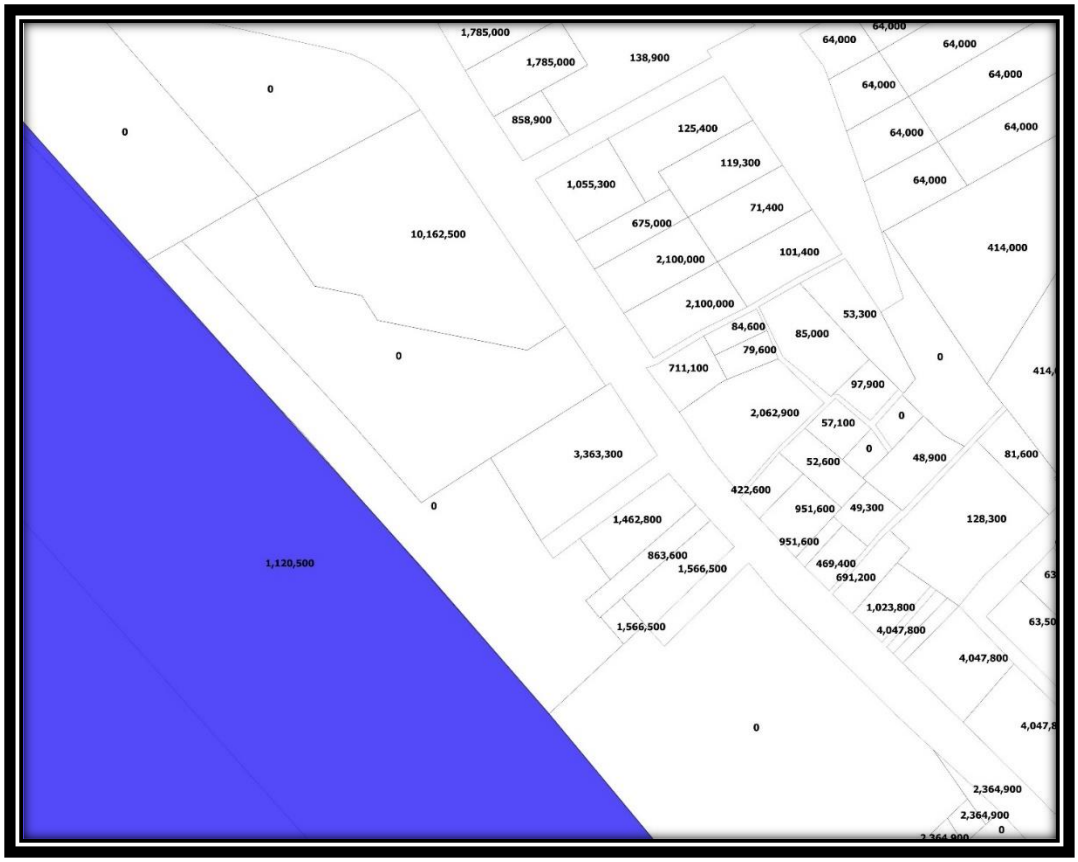
0
516,600
1,120,500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138,900
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64,000
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858,900
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64,000
0
119,300
64,000
1,055,300
71,400
675,000
10,162,500
414,000
101,400
2,100,000
2,100,000
53,300
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85,000
79,600
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711,100
97,900
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48,900
81,600
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49,300
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128,300
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863,600
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691,200
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1,023,800
1,566,500
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2,364,900
0

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4,047,800
63,500
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92,900
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88,000
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4,977,900
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3,752,900

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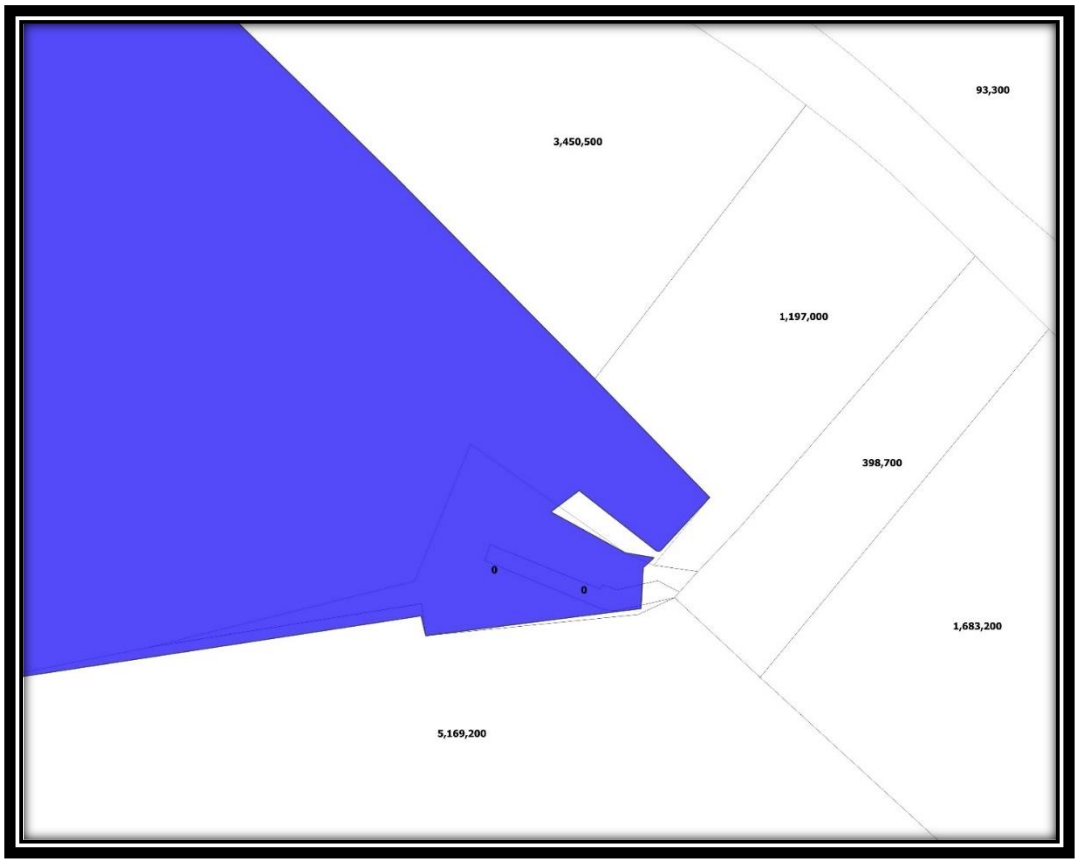
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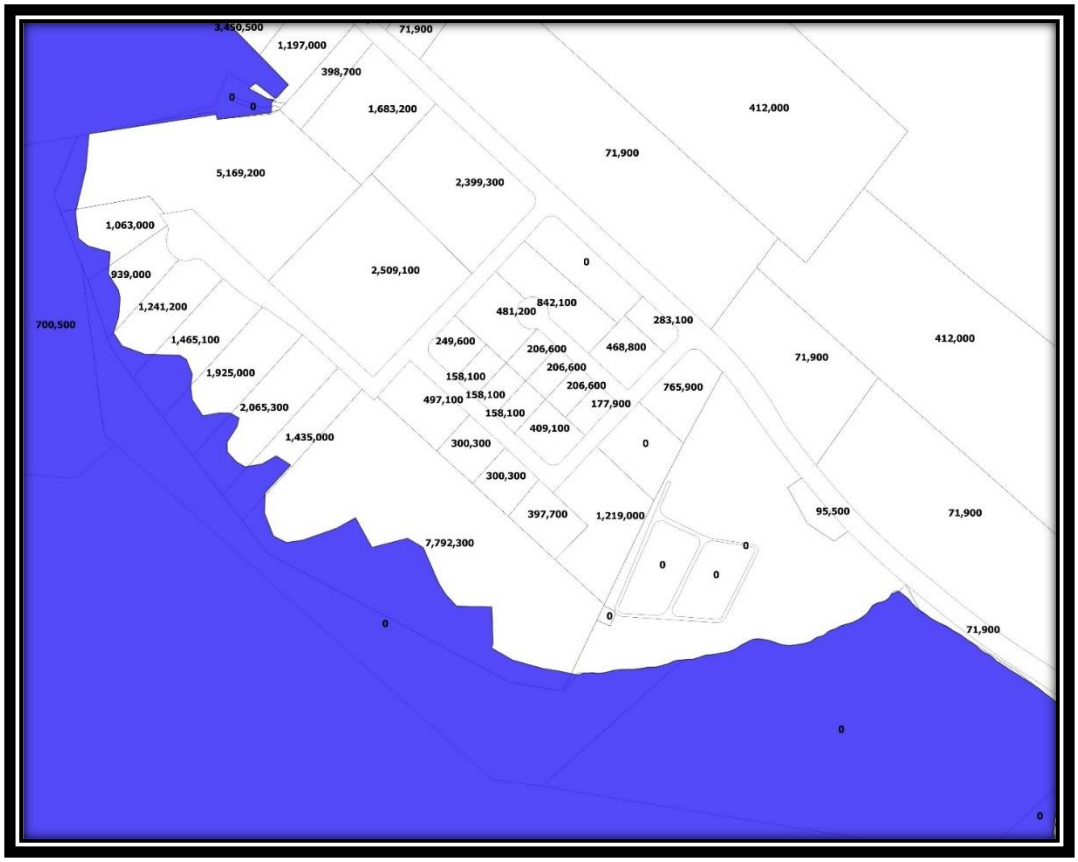
1,683,200
5,169,200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206,600
765,900
497,100
158,100
177,900
2,065,300
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409,100
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300,300
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300,300
397,700
1,219,000
95,500
71,900
7,792,300
0
0
0
0
0
71,900
0
0

Petition for Review / Correction of Assessed Value Real Property	
Assessment Year	2020
Parcel ID Number	1C070K830022

Office of the Assessor
155 S Seward Street
Juneau AK 99801

For Office Use:	Review #	Appeal #

2020 Filing Deadline: MONDAY, APRIL 27

Please attach all supporting documentation

ASSESSOR'S FILES ARE PUBLIC INFORMATION – DOCUMENTS FILED WITH AN APPEAL BECOME PUBLIC INFORMATION

Parcel ID Number	1C070K830022		
Owner Name	Archipelago Properties, LLC	Name of Applicant	E. Budd Simpson
Primary Phone #		Email Address	bsimpson@stsl.com
Physical Address	356 S Franklin St	Mailing Address	One Sealaska Plaza
	Juneau, AK		Juneau, AK

Why are you appealing your value? Check box and provide a detailed explanation below for your appeal to be valid.

[O] My property value is excessive/overvalued
[O] My property value is unequal to similar properties
[◉] My property was valued improperly/incorrectly
[O] My property has been undervalued
[O] My exemption(s) was not applied

THE FOLLOWING ARE NOT GROUNDS FOR APPEAL
- Your taxes are too high
- Your value changed too much in one year.
- You can't afford the taxes

Provide specific reasons and provide evidence supporting the item(s) checked above:

Failure to consider Horan appraisal of purchase from CBJ. Failure to consider adverse easements, soils, foundation, and parking requirements. DOT has a drainage culvert on the site.

Have you attached additional information or documentation? [O] Yes [O] No

Values on Assessment Notice:

Site	$10,162,250	Building	$0	Total	$10,162,250

Owner's Estimate of Value:

Site	$TBD	Building	$	Total	$TBD

Purchase Price of Property:

Price	$	Purchase Date	

Has the property been listed for sale? [O] Yes [◉] *No (if yes complete next line)*

Listing Price	$	Days on Market	

Was the property appraised by a licensed appraiser within the last year? [◉] Yes [O] No *(if yes provide copy of appraisal)*

Certification:
I hereby affirm that the foregoing information is true and correct, I understand that I bear the burden of proof and I must provide evidence supporting my appeal, and that I am the owner (or owner's authorized agent) of the property described above.

Signature E. Budd Simpson Date 4/10/20

Contact Us: CBJ Assessors Office			
Phone/Fax	**Email**	**Website**	**Mailing Address**
Phone: (907)586-0333 Fax: (907)586-4520	Assessor.Office@juneau.org	http://www.juneau.org/finance	155 South Seward St. Juneau AK 99801

Step 1 – Administrative Review

Appraiser to fill out			
Appraiser		Date of Review	
Comments:			
Post Review Assessment			
Site	$	Building	$
Total	$		
Exemptions	$		
Total Taxable Value	$		

APPELLANT RESPONSE TO ACTION BY ASSESSOR

My acceptance or rejection of the assessment valuation in the amount of $_____ is indicated below.

[ ] Accept New Assessed Value [ ] Close Review (Assessment Remains Unchanged) [ ] Reject and Appeal

If appealed, appellant will be scheduled before the Board of Equalization and will be advised of the date & time to appear.

Appellant's Signature _____ Date: _____

Appellant Accept Value	[ ] Yes [ ] No *(if no skip to Board of Equalization)*
Govern Updated	[ ] Yes [ ] No
Spreadsheet Updated	[ ] Yes [ ] No
Corrected Notice of Assessed Value Sent	[ ] Yes [ ] No

Step 2 – Appeal

Appeal # _____

BOARD OF EQUALIZATION			
Scheduled BOE Date	[ ] Yes [ ] No		
10-Day Letter Sent	[ ] Yes [ ] No		
The Board of Equalization certifies its decision, based on the Findings of Fact and Conclusion of Law contained within the recorded hearing and record on appeal, and concludes that the appellant [ ] Met [ ] Did not meet the burden of proof that the assessment was unequal, excessive, improper or under/overvalued. Notes:			
Site	$	Building	$
Total	$		
Exemptions	$		
Total Taxable Value	$		

Contact Us: CBJ Assessors Office			
Phone/Fax	**Email**	**Website**	**Mailing Address**
Phone: (907)586-0333 Fax: (907)586-4520	Assessor.Office@juneau.org	http://www.juneau.org/finance	155 South Seward St. Juneau AK 99801

Presented by: The Manager
Introduced: 01/14/2019
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-02

An Ordinance Authorizing the City Manager to Execute a Purchase and Sale Agreement with Archipelago Properties, LLC for Real Property located at Lots 1, 2, and 4, Archipelago Subdivision, Plat No. 2013-22, Juneau Recording District, near 356 South Franklin Street.

WHEREAS, Archipelago Properties, LLC ("Archipelago") owns certain property located near the Alaska Steamship Dock and legally described as a portion of Lots 1 and 2, Archipelago Subdivision, Plat 2013-22, Juneau Recording District, as depicted on Exhibit A of the proposed Purchase and Sale Agreement, included as Attachment A; and

WHEREAS, the number of passengers disembarking from cruise ships onto downtown Juneau docks increased from 36,536 passengers in 1973 to an anticipated 1,360,000 passengers in 2019; and

WHEREAS, from 2010 until 2016, the number of cruise ships calling at the Alaska Steamship Dock in downtown Juneau averaged 81, representing approximately 95,000 disembarking passengers, and increased to 117 ships by 2018, representing approximately 270,000 passengers; and

WHEREAS, although the number of cruise ships calling at the Alaska Steamship Dock has increased 44 percent since 2010, the number of passengers has increased 182 percent since 2010; and

WHEREAS, the increase in the number and size of vessels, and corresponding increase in ship passengers, has not been met with proportionate dock infrastructure investment; and

WHEREAS, the growth of passengers has overwhelmed the existing shoreside port infrastructure and construction of this facility would benefit the cruise ships and passengers and allow for their use of the port; and

WHEREAS, in order to accommodate the greater number of cruise ships bringing an increasing number of passengers onto the downtown docks, the City and Borough of Juneau ("CBJ") proposes to expand the deckover and transportation staging area at the Alaska Steamship Dock; and

WHEREAS, the cruise ship companies or their subsidiaries or affiliates own, operate, or sell a significant number of the tours accessed by the disembarking passengers from the dock according to studies by the McDowell Group; and

WHEREAS, this proposed conveyance and associated infrastructure project will provide a service to cruise ship passengers and a service to the cruise ships calling at the Alaska Steamship Dock; and

WHEREAS, the proposed expansion of dock infrastructure will provide a service to the cruise ships and a service to the cruise ship passengers because it is an extension of the recently completed floating berth serving visiting cruise ships and vessels with safe and efficient ship to shore connections; and

WHEREAS, this investment into the expansion of dock infrastructure will provide a service to the cruise ships and passengers by increasing the safety and efficiency of commerce on the dock and its facilities, by allowing ships to discharge and embark passengers more efficiently, and thus allowing the vessels to depart on a safe and predictable schedule, which is necessary for the safe operation of the harbor due to the multiple ships embarking each day; and

WHEREAS, a representative of the cruise ship and tourism industry has commented in support of the proposed development at the Alaska Steamship Dock by stating: "the responsible development of additional pick up and drop off space along the waterfront is indeed necessary and prudent. There is currently inadequate space for vehicles to service what will likely very soon be some 6,000 – 8,000 passengers at the Cruise Terminal and Alaska Steamship Dock combined. Not moving forward with this development will simply cause and increase vehicle congestion in the downtown core and send us back to impacts we were dealing with some 15 years ago."; and

WHEREAS, a representative of the cruise ship and tourism industry has further commented in support of the proposed development at the Alaska Steamship Dock by stating: "there are peak times when we currently do not have space to handle the transport needs and those vehicles end up transiting downtown in circles for sometimes 10-15 minutes waiting for a space. This adds to downtown traffic and also causes tours to run late and creates passenger dissatisfaction [to the cruise ship]"; and

WHEREAS, without this conveyance and associated infrastructure development necessitated by the increased cruise ships and the resulting passengers, the cruise ship marine enterprise would suffer harms like passenger dissatisfaction, negative trip reviews, and departure delays; and

WHEREAS, Archipelago and the CBJ have been working together to create a mutually beneficial purchase and sale agreement whereby the CBJ will acquire submerged lands to expand the deckover at the Alaska Steamship Dock and upland portions to improve ingress and egress to the cruise ship facilities; and

WHEREAS, as part of this purchase and sale agreement, Archipelago will acquire approximately 4,193 square feet of land from the CBJ on the Archipelago Subdivision for commercial development; and

WHEREAS, the value of the property to be acquired by the CBJ has been appraised and is reduced by the sale of CBJ property to Archipelago and other adjustments as considered in the Purchase and Sale Agreement; and

WHEREAS, through this proposed purchase and sale agreement, the CBJ has an opportunity to invest in port facilities to meet demand by the cruise ships at the downtown port given the existing cruise ship volume and anticipated growth of the cruise ship tourism market; and

WHEREAS, such investment in the development of transportation staging and expanded deck space on the dock in downtown Juneau will enhance service to the cruise ship vessels and passengers by providing a highly valued port destination to facilitate commerce and facilitate the marine enterprise of the cruise ships; and

WHEREAS, the use of marine passenger fees to purchase this property, to construct transportation staging, and to expand deckover space is consistent with federal law because this project provides a service to the cruise ships, provides a service to cruise ship passengers, enhances the safety and efficiency of commerce, and facilitates the marine operations of the cruise ships and the owners of the cruise ships.

THEREFORE BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Authorization to Purchase. The Manager is authorized to execute a purchase and sale agreement with Archipelago Properties LLC that is substantially similar to the agreement provided as Attachment A.

Section 3. Archipelago Property to be Purchased. The Manager is authorized to purchase the real property located at or near the Alaska Steamship Dock for fair market value as follows:

(A) Fair Market Value: $2,850,135.00 (Two million, eight hundred fifty thousand, one hundred thirty-five dollars).

(B) Description of the Property: 24,104 square feet portion of Lots 1 and 2, Archipelago Subdivision, Plat No. 2013-22, Juneau Recording District, First Judicial District, State of Alaska, which is further described in Exhibit A of the Purchase and Sale Agreement.

Section 4. CBJ Property to be Sold. The Manager is authorized to sell the real property located at or near the Alaska Steamship Dock for fair market value as follows:

(A) Fair Market Value: $1,252,400.00 (One million, two hundred fifty-two thousand, four hundred dollars).

(B) Description of the Property: 4,193 square feet portion of Lot 4, Archipelago Subdivision, Plat No. 2013-22, Juneau Recording District, First Judicial District, State of Alaska, which is further described in Exhibit A of the Purchase and Sale Agreement.

Section 5. Minimum Essential Terms and Conditions. The Purchase and Sale Agreement is subject to the following minimum terms and conditions:

(A) Transaction Value. The net balance due from the CBJ to Archipelago is $922,175 (Nine hundred twenty-two thousand, one hundred seventy-five dollars), which was determined by appraisal, given the following:

1. Archipelago land value of $2,850,135.00;
2. Minus $1,252,400.00 for CBJ's land value;
3. Minus $420,935.00 for Archipelago's benefit of fill behind retaining wall;
4. Minus $60,000.00 for Archipelago's benefit of access along northern property line;
5. Minus $194,625.00 for Archipelago's right to object to development on a portion of Lot 1.

(B) Retaining Wall. The CBJ, in conjunction with the construction of a piling-supported structure over its real property and subject to appropriation, intends to construct and maintain a retaining wall to develop the infrastructure on CBJ property. This retaining wall would create uplands for Archipelago, which the appraisal valued as a $420,935.00 benefit to Archipelago.

(C) Archipelago Access Easement along Northern Property Line. The CBJ agrees to provide a public access and utility easement to Archipelago, as owner of the abutting real property, consistent with paragraph #12 of Exhibit A. The appraisal valued this easement as a $60,000.00 benefit to Archipelago.

(D) Archipelago Right to Object. Archipelago has requested preserving a right to object to development on a portion of Lot 1 sold to the CBJ. The appraisal valued that right to object as decreasing the property value by fifty percent or $194,625.00. The Manager may execute the purchase and sale agreement with Archipelago's right to object language, which is in paragraph #14 of Exhibit A.

(E) Title Insurance, Subdivision, and Closing Costs. Archipelago shall obtain title insurance. Archipelago and the CBJ shall share equally in the cost for survey and subdivision of the property and title insurance. All reasonable and customary closing costs shall be split evenly between Archipelago and CBJ at time of closing. Each party shall pay its own separate attorney fees incurred in negotiations, drafting, and documenting this transaction.

(F) Type of Deed. The Manager is only authorized to sell the CBJ property by quitclaim deed.

Section 6. Other Terms and Conditions. The Manager may include such other terms and conditions as may be in the public interest and in accordance with CBJ Title 53.

Section 7. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this 28th day of January, 2019.

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk

REAL PROPERTY PURCHASE AND SALE AGREEMENT

This Real Property Purchase Agreement ("Agreement") is made in duplicate and entered into by and between **Archipelago Properties, LLC**, an Alaska Limited Liability Company, having a mailing address of 725 Broad Street, Augusta, Georgia 30901 ("Archipelago") and, the **City and Borough of Juneau**, a municipal corporation in the State of Alaska, having its offices at 155 South Seward Street, Juneau, Alaska 99801, ("CBJ") (collectively, "Parties").

1. Intent: The Parties wish to execute this Purchase and Sale Agreement ("Agreement") to facilitate the reconfiguration and development of the below described real property for their mutual benefit. CBJ will acquire the remaining submerged lands in order to expand and make improvements to the CBJ's cruise ship dock; the Parties will purchase and sell to each other certain upland portions by which CBJ will secure improved ingress and egress to its cruise ship facilities; and Archipelago will retain a portion of its existing uplands for commercial development.

2. Real Property: Subject to the terms and conditions set forth in this Agreement, Archipelago agrees to convey to CBJ, and CBJ agrees to convey to Archipelago, fee simple title to the following described real property located in the Juneau Recording District, First Judicial District, State of Alaska:

> A portion of Lots 1 and 2 owned by Archipelago, and Lot 4 owned by CBJ, Archipelago Subdivision, Plat No. 2013-22, Juneau Recording District, First Judicial District, State of Alaska, as further described in Exhibit A.

(hereinafter, the "Property").

3. Purchase Area: The area of the Property to be conveyed by Archipelago to CBJ consists of approximately 24,104 square feet of land, consisting of portions of Lot 1 and Lot 2; and the area of the Property to be conveyed by CBJ to Archipelago consists of approximately 4,193 square feet of land, consisting of a portion of Lot 4; as described in Exhibit A of this Agreement (hereinafter, the "Purchase Area").

4. Land Value: The value of the land to be purchased or exchanged by the Parties has been determined by the Appraisal Report of Horan & Company, dated December 10, 2018 (the "Appraisal"). The net balance due from CBJ to Archipelago is $922,175.00 (Nine Hundred Twenty-two Thousand, One Hundred Seventy-Five Dollars), after offsets for property purchased by Archipelago and other adjustments as set forth in the Appraisal.

5. Evidence of Title: Archipelago and CBJ represent that fee simple title to the Property is vested in Archipelago and CBJ, respectively.

6. Title Insurance: Within 10 calendar days of the execution of this Agreement, the Parties shall jointly obtain an updated preliminary commitment to issue title insurance. Each Party shall have 10 calendar days after receipt of the updated preliminary title report to notify the other of any objections to title conditions stated in the report. After notification of any title objections, if

it appears that either Party will be unable to convey title to the Property free and clear of encumbrances, liens, or exceptions to title, other than those deemed acceptable by the other Party, that Party shall have a further period of 30 days within which to perfect title. If, at the end of such period, the Party is still unable to convey title to the Property free and clear of all encumbrances, liens or exceptions to title except as aforesaid, the other Party may elect to accept such title as that Party can convey, upon the payment of the purchase price stated in Paragraph 3 herein, as may be adjusted by mutual agreement of the parties on account of the encumbrance, or a Party may, without penalty, terminate this Agreement and have no further obligations hereunder.

7. Conveyance: The Parties shall convey title to the Property to the other Party by quitclaim deed, free of any mortgages, liens, encumbrances or other defects in title, other than those deemed acceptable by the other Party.

8. Encumbrances: The Parties agree not to sell, convey, or further encumber the Property prior to closing without concurrence of the other party.

9. Retaining Wall: CBJ, in conjunction with the construction of a piling-supported structure over its submerged portion of the Property, and subject to appropriation, intends to construct and maintain a retaining wall through the Property, as further described in Exhibit B.

10. Construction Easement: Recognizing the extraordinary cost associated with constructing the pile decking and transportation staging parking from the channel side of the Property from barges, Archipelago shall grant to CBJ an exclusive temporary construction easement or license on its uplands portion of the reconfigured Property, as further described in Exhibit C, to allow staging of equipment, material, and personnel, as well as construction from the uplands side of the Property. When CBJ has substantially completed construction of the pile decking and transportation staging area, CBJ shall likewise grant to Archipelago a temporary easement or license to the transportation staging and pile-supported decking areas for construction of Archipelago's upland improvements. Unless terminated earlier, this easement or license shall be for a period of ten (10) months, which may be extended upon mutual agreement of the Parties. The Parties shall indemnify and hold each other harmless during their respective construction activities and maintain appropriate liability insurance. These indemnity terms shall survive after construction is completed. Upon completion of its construction activities on the uplands site, CBJ shall leave a clean and graded uplands site.

11. Construction Timing and Reversion: CBJ shall have until March 29, 2019, to appropriate funding for the transportation staging, shuttle parking and deck-over portion of the project; to advertise such project for bid; and to order construction materials to be supplied by CBJ. If the forgoing actions have not been completed by such date, Archipelago shall have the right, but not the obligation, to terminate the Construction Easement described in Section 10 hereof, and to proceed immediately with Archipelago's commercial development and construction on its upland property. Further, if CBJ has not commenced construction of its project on the adjoining portion of the property within three (3) years of the date on which this Agreement was executed by both parties, Archipelago shall have the right, but not the obligation, to repurchase the property sold or exchanged to CBJ under this Agreement at the then fair market value, including

the value of any improvements made to the property by CBJ prior to that time. Any deadline set forth in this section may be extended for a reasonable time upon mutual agreement of the Parties if the action to be taken has been commenced and is reasonably certain to be completed within a time which will not materially further delay completion of the project.

12. Access between public parking structure and Property: As a condition of this purchase and sale agreement, CBJ agrees to provide a public access and utility easement for the area between the Property and the public parking structure. Archipelago and its tenants, invitees, and contractors shall have the non-exclusive right to access the area in the normal course of conducting business to service the Property. The parties understand and acknowledge that access to this area is from South Franklin Street, which is controlled by Alaska Department of Transportation & Public Facilities. While the CBJ intends the area to be available for access to utilities for the mutual benefit of both Parties, ADOT has final control of road access to the area. This area and easement are further described in Exhibit D.

13. Access and Easements: No barriers shall be constructed between the two reconfigured properties, except as required for pedestrian safety between the transportation staging shuttle parking area and the Archipelago development. In the event a barrier is deemed required for public safety, both Parties prior to installation shall agree upon the design and location. Archipelago will grant an easement for placement, construction, and maintenance of a retaining wall as shown in Exhibit B and described in Section 9 hereof.

Subject to final design, if applicable, CBJ and Archipelago shall grant to one another utility easements for the installation, repair, maintenance, and improvements for utilities as needed. Archipelago and CBJ shall each be responsible for the repair and condition of utility improvements on their respective reconfigured parcels.

Archipelago shall grant to CBJ an access easement across and on its property for the repair and maintenance of the retaining wall as needed from time to time.

CBJ grants to Archipelago and its tenants, invitees, and contractors a non-exclusive limited license for access to the transportation staging shuttle parking area in the normal course of business. At no time, however, shall this license conflict with or impair the primary use of the transportation staging shuttle parking area, which is to serve cruise ships and supporting activities, as designated by CBJ. This non-exclusive limited license shall only be in effect outside of peak usage by commercial passenger transportation vehicles supporting cruise vessels, the primary user of the transportation staging shuttle parking area.

14. Future Improvements on Reconfigured Public Portion of Property: As used herein, the term "Future Improvements" means any permanent or temporary structure or improvement to be placed or constructed upon those portions of the present Archipelago subdivision parcels 1, 2, 3 and 4, after acquisition by CBJ, for public or private use, by either Party hereto or any third party. The term expressly excludes the area designated by CBJ for cruise ship passenger staging, loading and transportation (the "B Permit Parking Lot"); the area and structure designated for covered passenger staging, welcome and assembly; the act of decking over of the remaining open areas of the aforesaid parcels; and the commercial/retail development on the uplands

portion of Lots 1 and 2; all of which are expressly contemplated within this transaction and consented to by the Parties (herein, the "Approved Structures").

With respect to Future Improvements other than the Approved Structures, Archipelago shall have, and hereby reserves for itself and its successors and assigns, a limited right to object in advance of placement or construction of such improvements on the portion of the subject property designated on Exhibit E hereto, based upon the following considerations: Archipelago may object if the Future Improvement does not provide an identifiable public purpose or benefit, and is reasonably likely to impair, interfere with, or unfairly compete with, the businesses and operations taking place on the adjacent Archipelago premises. If CBJ proposes a Future Improvement it shall notify Archipelago in writing at least 180 days in advance of the intended date of commencement, and Archipelago shall have not more than 60 days to consider and state in writing its objection to the improvement, if any. In the event of objection, the two Parties will work in good faith to attempt to resolve the objectionable issues. Archipelago's approval shall not be unreasonably withheld, provided the above conditions are met.

15. No Violations: Both Parties represent that at this time and at the time of the closing of title, there shall exist no violations of government (including environmental, zoning and planning) rules, regulations or limitations, unless the same have become legally nonconforming, and no violations of any restrictive covenant, agreement or condition subject to which the title is to be conveyed in accord with the terms hereof.

16. Taxes: All local taxes applicable to the Property shall be prorated and paid through the date of closing.

17. Closing: Closing on the sale of the Property shall occur no later than March 31, 2019, unless the closing date is extended by written agreement of the parties. Such agreement shall not be unreasonably withheld.

18. Costs: CBJ shall be responsible for obtaining survey and subdivision of the Property; provided however that Archipelago and the CBJ shall share equally in the cost for survey and subdivision of the Property and title insurance. All reasonable and customary closing costs shall be split evenly between Archipelago and CBJ at time of closing. Each Party shall pay its own separate attorney fees incurred in negotiations, drafting, and documenting this transaction.

19. Conditions Precedent: The parties acknowledge that closing is subject to the following conditions:

a. Both Parties' receipt of a preliminary commitment to issue title documenting clear title to the Property, acceptable to each Party.

b. First American Title Insurance Company shall serve as closing and escrow agent for the parties hereunder.

c. Each Party and its representatives, consultants and contractors shall have the privilege, opportunity and right of entering upon the Property, in order to inspect and examine

same and perform (i) a comprehensive inspection and review of the physical condition of the property; (ii) such environmental analysis as each Party deems necessary; (iii) a review of all plans, drawings, specifications and surveys pertaining to the property boundary, as well as other tests and inspections of same (including, without limitation, environmental tests, studies and examinations, soil tests, borings, percolation tests and other tests needed to determine surface, subsurface and topographic conditions); (iv) a land survey to establish the purchase area.

d. If any of these conditions are not satisfied within the timeframe provided, and the deadline has not been waived, then either party may elect to terminate this Agreement upon written notice.

20. General Agreement Terms:

a. Possession. Each Party shall continue in possession of its portion of the Property until closing. Possession shall be transferred at closing, subject to the easements granted herein.

b. Assignment. This Agreement is binding on the heirs, successors, and assigns of the parties, but shall not be assigned by either party without prior written consent of the other party.

c. Modifications. Any changes to this Agreement must be mutually agreed upon in writing before they will be regarded as part of this Agreement.

d. Notices. Any notice to be delivered pursuant to the terms hereof shall be in writing and shall be sent by certified mail, hand delivered, or by facsimile to the parties at the addresses set forth above, unless written notice of a different address shall be given to the other party.

e. Construction. This Agreement should not be construed in favor of or against any party, as both parties participated in negotiating and drafting it. This Agreement contains the entire agreement between the parties and supersedes all previous communications, representations or agreements, either oral or written, between the parties.

f. Choice of Law; Jurisdiction. This Agreement shall be governed by the law of the State of Alaska. The Superior Court for the State of Alaska, First Judicial District at Juneau, Alaska, shall be the exclusive jurisdiction and venue for all actions of any kind and any nature arising out of or relating to this Agreement or arising out of or relating to any performance under this Agreement. In the event that one party is required to take legal action to enforce any portion of this Agreement, the parties agree the non-prevailing party will pay the reasonable attorney fees incurred by the prevailing party.

g. Compliance with Applicable Laws. Both parties shall, at their sole cost and expense, comply with all applicable requirements of federal, state, and local laws, ordinances and regulations now in force, or which may be in force, during the performance of this Agreement.

h. Taxes and Other Obligations. Archipelago shall pay all federal, state and local taxes incurred by Archipelago, and shall require their payment by any subcontractor or any other persons in the performance of this Agreement. Archipelago has paid or will pay CBJ 2018 property taxes on its portion of the property; thereafter, the area of the Property, for taxation purposes shall be reduced by the amount of the conveyance herein/and the taxes for the remainder of the current tax year apportioned accordingly.

i. Conflict of Interest. Archipelago warrants that no employee or officer of the CBJ has violated the conflict of interest provisions of the CBJ code regarding this Agreement. Archipelago also warrants that Archipelago has not solicited or received any prohibited action, favor or benefit from any employee or officer of CBJ, and that it will not do so as a condition of this Agreement. If Archipelago learns of any such conflict of interest, Archipelago shall without delay inform the City Attorney or CBJ representative for this Agreement.

j. Agreement Execution. This Agreement is not binding or effective until fully executed by all parties. This Agreement may be executed in two or more counterparts, which when taken together shall constitute a single, integrated and binding document. A facsimile signature of an authorized party shall be binding and valid as an original.

k. Brokers. It is understood by the parties that no agent or broker has been employed by either Party in this transaction. No claims of agents or brokers shall be recognized by CBJ or Archipelago regarding the Property.

ARCHIPELAGO: ARCHIPELAGO PROPERTIES, LLC

_____ Date: _____
Archipelago Properties, LLC

ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____, 2018, by _____, Member/Manager of Archipelago Properties, LLC, an Alaska limited liability company, on behalf of the limited liability company for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day, month and first year in the certificate first above written.

(Seal)

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

CBJ: CITY AND BOROUGH OF JUNEAU

_____ Date: _____
Rorie Watt, City Manager

Approved as to form: _____ CBJ Law Department

Approved as to content: _____ Lands and Resources Manager

Approved to content: _____ Docks & Harbors Director

ACKNOWLEDGEMENT

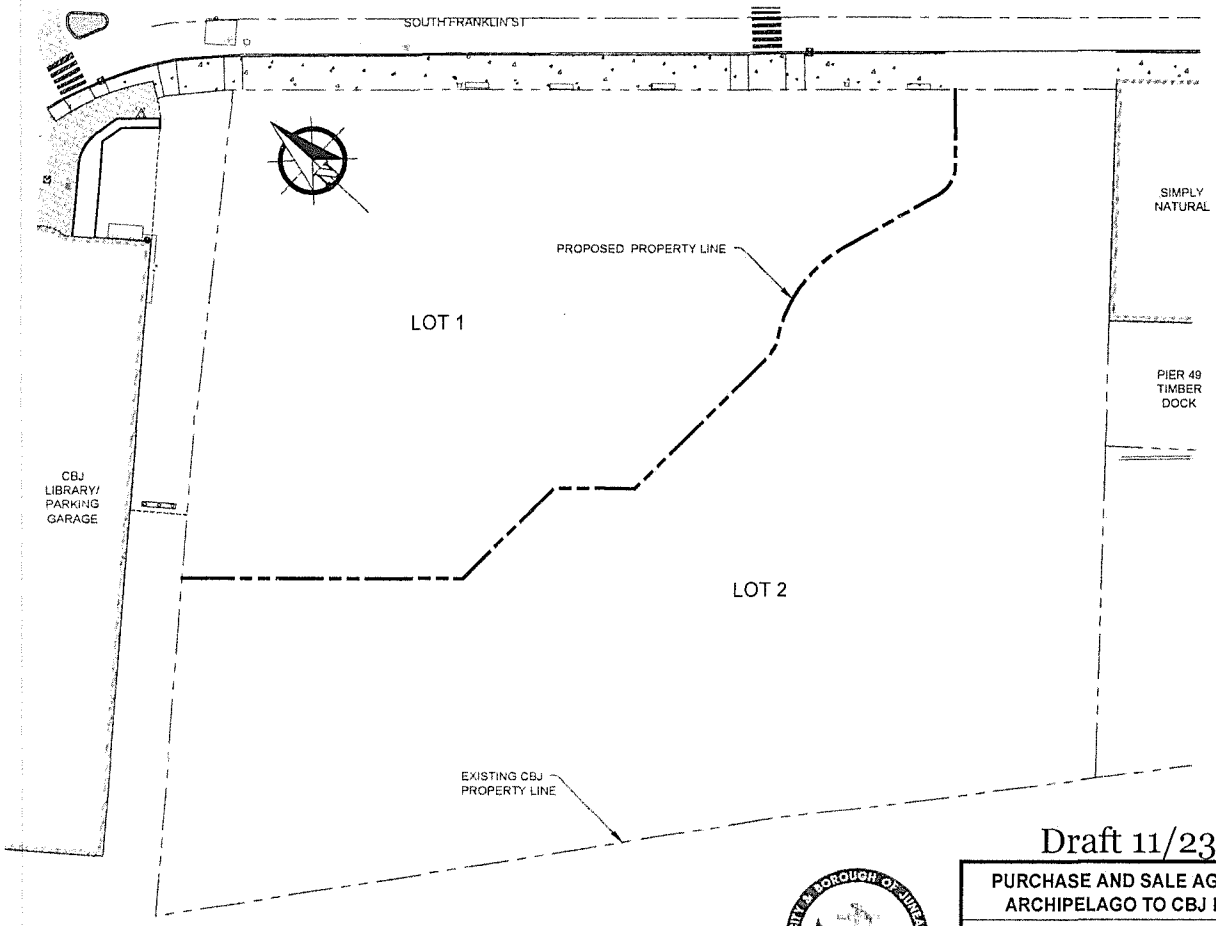
STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____, 2018, by Rorie Watt, the City Manager of the City and Borough of Juneau, an Alaska municipal corporation on behalf of said corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day, month and first year in the certificate first above written.

(Seal)

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



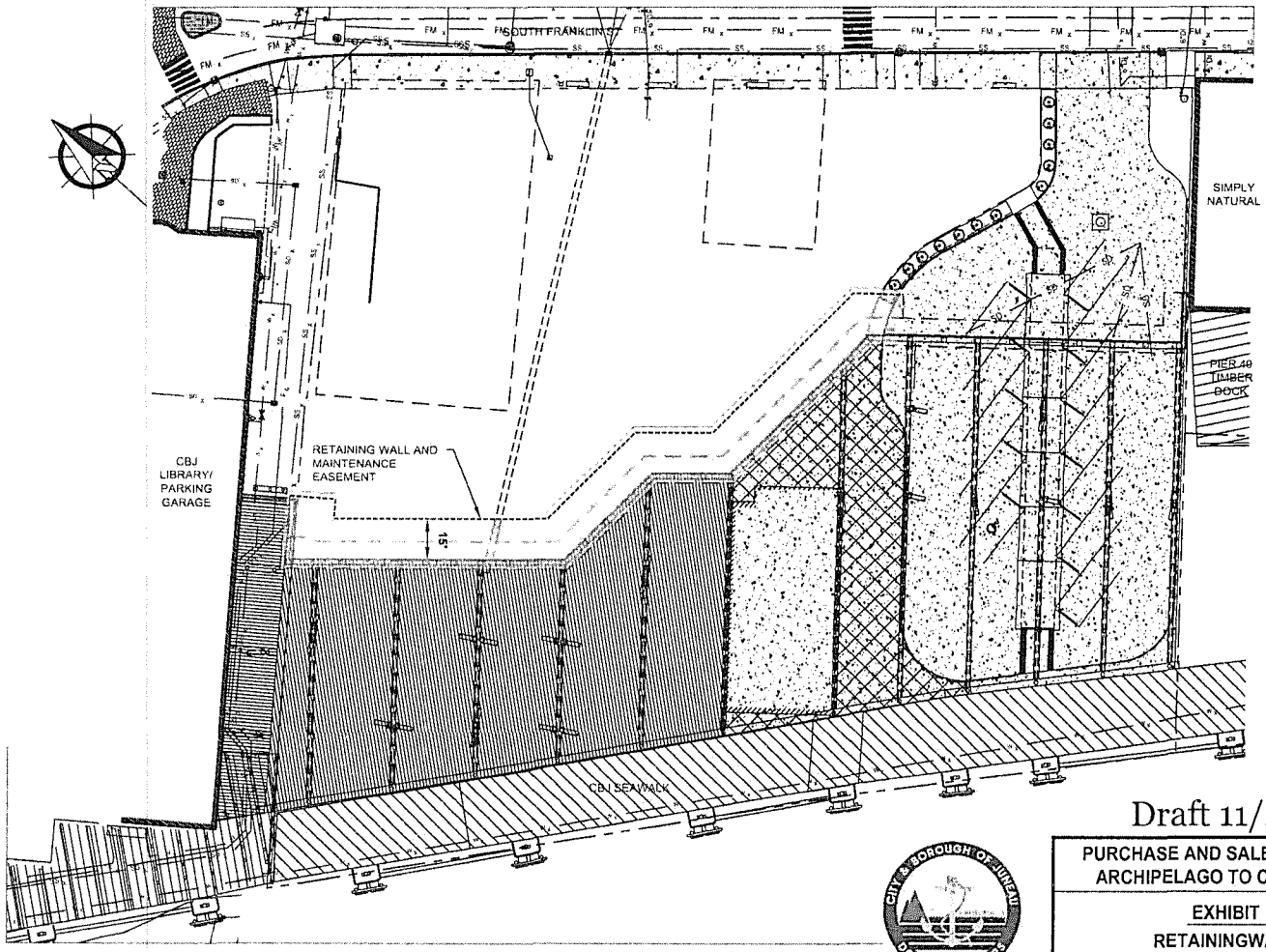
Draft 11/23/18

PURCHASE AND SALE AGREEMENT
ARCHIPELAGO TO CBJ EXHIBITS

EXHIBIT A

SURVEY PLAT

Exhibits A through E to Attachment A
of Ordinance 2019-02



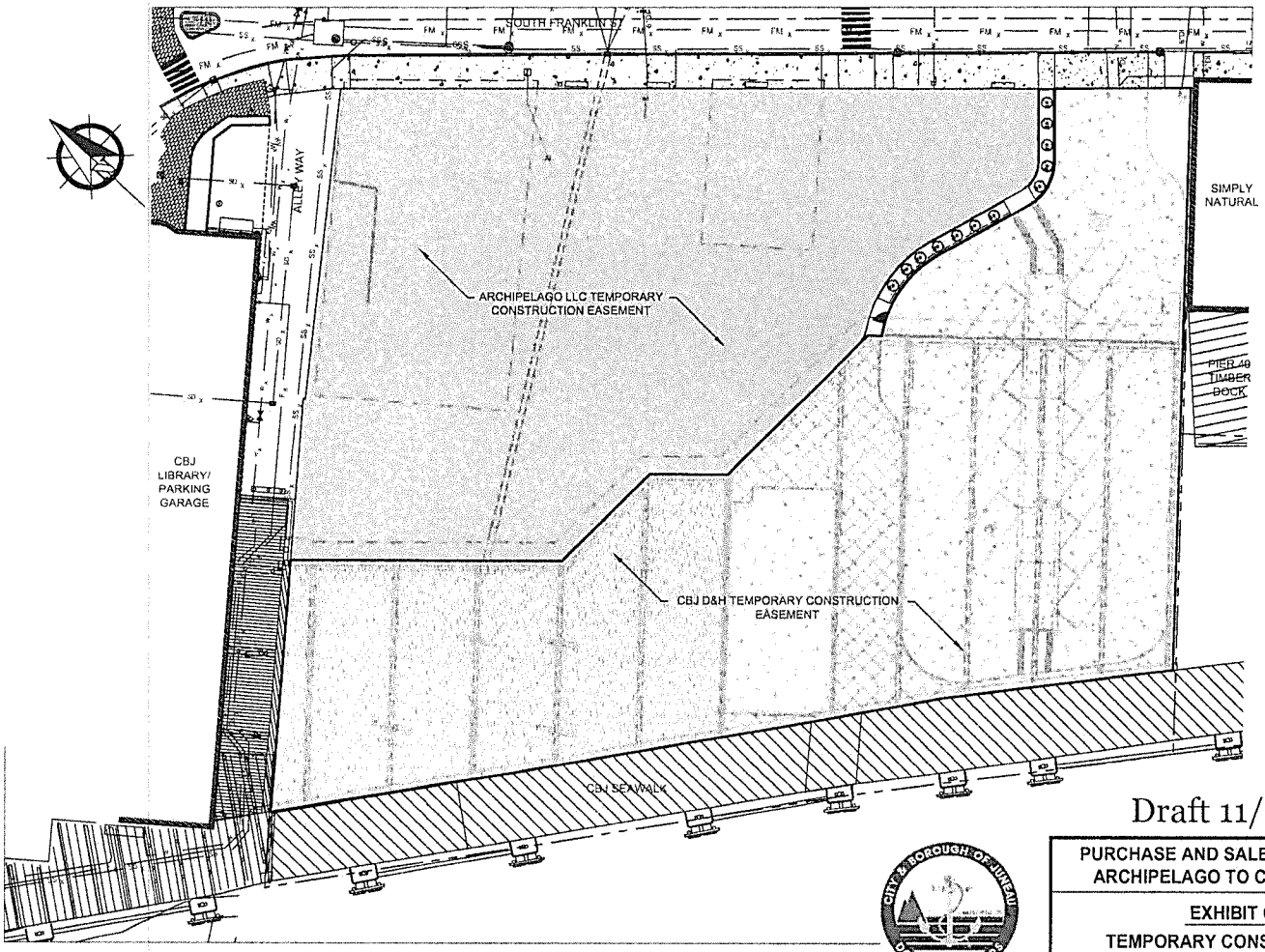
Draft 11/23/18

CITY & BOROUGH OF JUNEAU
DOCKS & HARBORS

PURCHASE AND SALE AGREEMENT
ARCHIPELAGO TO CBJ EXHIBITS

EXHIBIT B

RETAININGWALL &
MAINTENANCE EASEMENTS

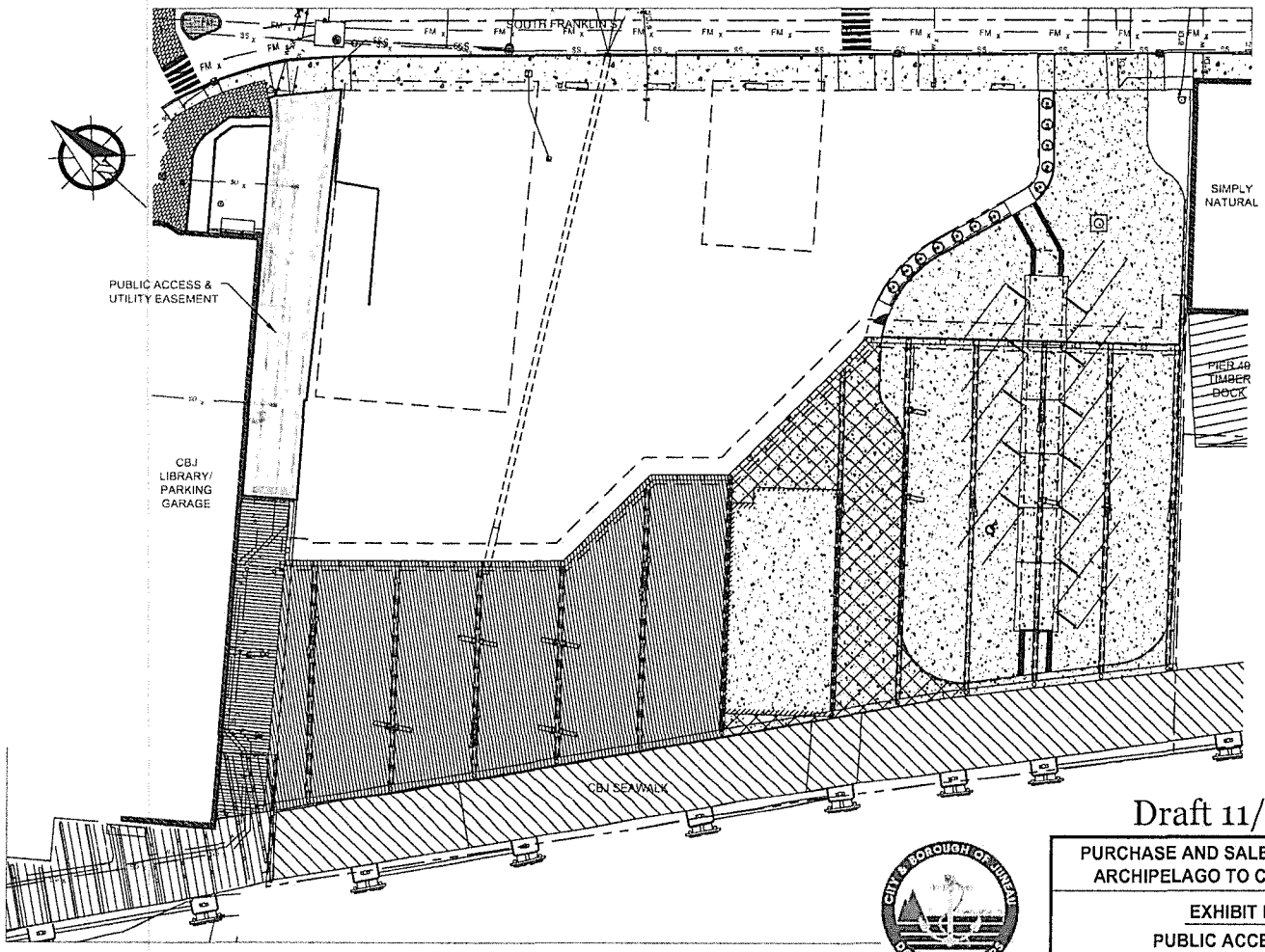


Draft 11/23/18

CITY & BOROUGH OF JUNEAU
DOCKS & HARBORS

PURCHASE AND SALE AGREEMENT ARCHIPELAGO TO CBJ EXHIBITS
EXHIBIT C TEMPORARY CONSTRUCTION EASEMENTS

Exhibits A through E to Attachment A
of Ordinance 2019-02

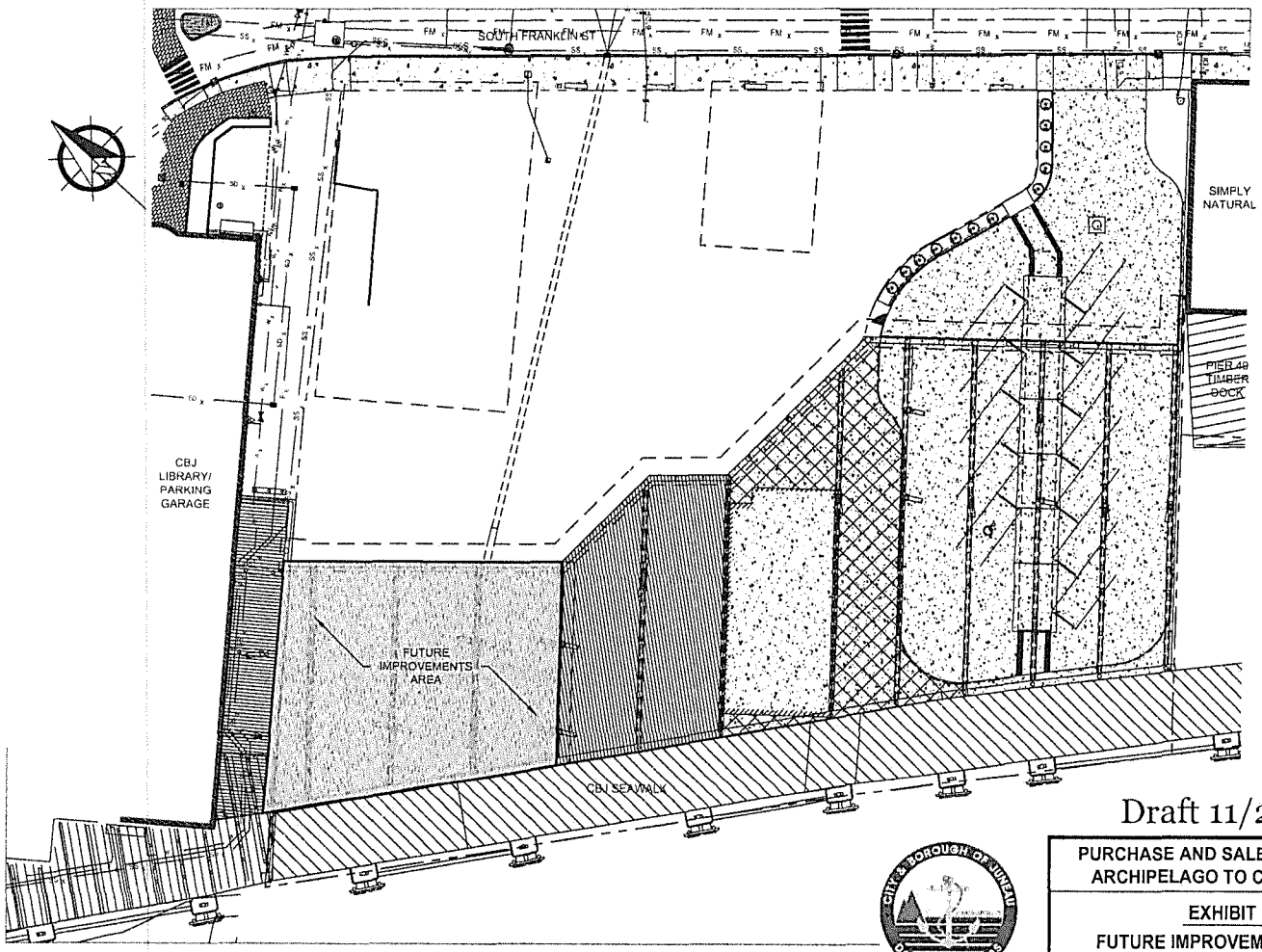


Draft 11/23/18

CITY & BOROUGH OF JUNEAU
DOCKS & HARBORS

PURCHASE AND SALE AGREEMENT
ARCHIPELAGO TO CBJ EXHIBITS

EXHIBIT D
PUBLIC ACCESS &
UTILITY EASEMENT



Draft 11/23/18

PURCHASE AND SALE AGREEMENT
ARCHIPELAGO TO CBJ EXHIBITS

EXHIBIT E

FUTURE IMPROVEMENTS AREA

Michael Dahle – Background Summary

Background Summary

Michael Dahle has 18 years of experience in appraisal work including private (fee) appraisal work as well as appraisals for ad valorem (tax) purposes. Prior to that were 10 years of experience in market analysis and property valuations for investment purposes and over 10 additional years of business experience in government, non-profit entities and small to large businesses. The business experience includes ownership, management, and accounting including financial reports and budgeting.

Michael Dahle has worked in the assessment profession at the local jurisdictional level as well as the State oversight level. Besides work in analyzing real estate markets and appraising properties (both residential and commercial) Michael Dahle has provided oversight services for the Washington State Department of Revenue Property Tax Division, consultation to Assessor's Offices in all 39 counties in Washington State, evaluation of assessment systems, training for Assessor's Offices and appraisal staff, and directed the establishment of assessment systems.

Education

Assessment related education includes (but is not limited to):

AAAO Winter Conference, 2019
Workshop on BOE Presentations, 2019
Appraising After A Disaster or Traumatic Events, 2019
Valuation of Barndominiums, 2019
Collection, Interpretation and Model Building, 2015
Appraisal Methodology - BOE Section (Taught), 2014
Appraisal Methodology (Developed Course), 2014
WA DOR - Developed & taught courses for DOR, 2009-2013
Field Device Best Practices, 2013
Sketching, 2013
Revaluation Appraisal, 2013
SQL Monitors, 2013
Assessor Roundtable, 2013
Supplemental Tax Rolls Part 1 & 2, 2013
Commercial & Industrial Modeling Concepts, 2012
WPSC IAAO 2012 Spring Seminar - Cost Approach (Taught), 2012
WPSC IAAO 2012 Spring Seminar (Attended), 2012
Using GIS in Property Assessment, 2012
E WA IAAO - Cost Approach (Taught), 2012
Terrascan Users Meeting – Washington, 2011
Valuation of Green Buildings, 2011
Valuation of High-End and Difficult Homes, 2011
Principles of Industrial Valuation, 2010
Current Use – Basic, 2010
Current Use – Advanced, 2010
Ratio Study/Statistical Analysis, 2010
Land Model Development Using SPSS, 2008
IAAO Course 500- Assessment of Personal Property, 2008
IAAO Course 310- Applications of Mass Appraisal, 2008

Education (Cont.)

Fundamentals of the Assessor's Office, 2008
Advanced Personal Property, 2008
Introduction to Personal Property, 2008
USPAP - Update, 2008
GIS & the Assessor's Office, 2008
IAAO Annual Conference- Attended and Co-Presented a Session, 2005
Appraisal Principles, 2003
Appraisal Practices, 2003
USPAP (Full), 2003
Other Related University and Professional Courses

Employment

Employment has included (but is not limited to):

City and Borough of Juneau
Washington Department of Revenue
Wahkiakum County
Lewis County
Private Appraisal Firms

Areas of Expertise

Areas of expertise include (but are not limited to):

Appraisal
Analysis
Assessment Administration
Assessment System Development
GIS / Mapping
Training
Accounting, Budgeting & Finance
Business Consulting
Project Management
Database Administration
Web Development
Computer System Conversions
Technology

Certifications

Include (but are not limited to):

WA Ad Valorem Appraiser Accreditation #1183 since 06/2007
AK Certified Assessor Appraiser #214 in 2003 (in process of renewal)

CITY AND BOROUGH OF JUNEAU
BOARD OF EQUALIZATION

ARCHIPELAGO PROPERTIES, LLC, Appellant.	Appeal No. APL20200046 **APPELLANT'S EVIDENTIARY MATERIALS AND MEMORANDUM IN SUPPORT OF APPEAL**

Appellant Archipelago Properties, LLC ("Archipelago"), through undersigned counsel, hereby provides to the City and Borough of Juneau ("CBJ")'s Board of Equalization ("BOE") its evidentiary materials and memorandum in support of its appeal of the CBJ Assessor's Office ("Assessor")'s valuation of Parcel 1C070K830022 ("the Archipelago Property"). Archipelago respectfully submits that the Assessor's valuation is improper for the reasons outlined herein, and should be adjusted downward significantly to reflect the actual full and true value of the Archipelago Property as of the assessment date, January 1, 2020.

INTRODUCTION

Archipelago's burden at the upcoming BOE hearing on this appeal is not to present a competing appraisal or method of valuation, but simply to demonstrate that the Assessor's valuation of the Archipelago Property was improper. Archipelago will demonstrate with the attached evidentiary materials, and in its presentation at the hearing, that the Assessor's valuation of the Archipelago Property was improper in several material respects: (1) failure to consider the sales price per square foot of the most comparable property; (2) failure to make downward adjustments for numerous negative land attributes associated with the Archipelago Property; (3) reliance on future events, approvals and speculation subsequent to the date of valuation of January 1, 2020; (4) inclusion of unusable square footage in the valuation; and (5) reliance on hypothetical conditions and extraordinary assumptions to artificially inflate the value of property that as of the assessment date, January 1, 2020, remained burdened and completely undeveloped.

Had all of these factors been properly taken into consideration, Archipelago respectfully submits that the Assessor would have valued the Archipelago Property at less than five million dollars, not ten million dollars or more. Archipelago encourages the BOE members to carefully review the attached report and evidentiary materials, consider the arguments that will be presented at the hearing, and direct the Assessor to make a significant downward adjustment to the valuation of the Archipelago Property in response to this appeal.

SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.
One Sealaska Plaza, Suite 300
Juneau, Alaska 99801
Phone: (907) 586-1400 Fax: (907) 586-3065

SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.
One Sealaska Plaza, Suite 300
Juneau, Alaska 99801
Phone: (907) 586-1400 Fax: (907) 586-3065

PROCEDURAL HISTORY AND SUMMARY OF EVIDENTIARY MATERIALS

The Assessor provided an initial market valuation of the Archipelago Property as of January 1, 2020 (AY2020) of $10,162,500. Archipelago filed a Petition for Review, asserting that the Assessor's valuation was excessive, and failed to take into consideration the Horan appraisal of Archipelago's purchase of the Property from the CBJ, the adverse easements, soils, foundation, and parking requirements, or the DOT drainage culvert on the site. In response, the Assessor affirmed the initial assessment, and claimed that all of those factors *were* taken into consideration when performing the initial assessment, which is not borne out by the record.

Archipelago converted its Petition for Review to an Appeal (Attachment 1), and submitted a request to the Assessor for the documents supporting the valuation methodology considerations made when assessing and affirming the initial valuation of the Archipelago Property (Attachment 2).

The CBJ Department of Law ("Department") responded on behalf of the Assessor. The Department stated that the methodology used for the Archipelago Property was "calculation of square foot times the rate of square foot," which, in the case of Archipelago's property, was 33,875 sf x $300 = $10,162,500. (Attachment 3, p. 1). The Department asserted that no computer programs or other formulas were used in the Archipelago Property's valuation, denied that the income approach was utilized by the Assessor, and rejected the notion that any particular land attributes unique to the Archipelago Property were considered in the Assessor's valuation. (Attachment 3, pp. 1-5).

These two positions are inconsistent. Either the unique characteristics of the Archipelago Property were taken into account by the Assessor or they were not. The CBJ Department of Law also declined to provide any information about the Assessor's qualifications, experience, and education, stating: "Given the valuation methodology employed above, this is not relevant to the valuation of the Archipelago Property; however this may be supplied in the BOE packet." (Attachment 3, p. 5).

Archipelago was subsequently provided the BOE Assessor Packet ("BOE packet") associated with the Archipelago Property, which consists of a single, 19-page report recommending that the strict $300 per square foot calculation should actually be *increased* to a strict $340 per square foot calculation. The BOE packet report relies on equalization assessment indicators that are not relevant to this appeal (this appeal is based on an excessive and improper valuation, not an unequal valuation) and are not comparable (the Archipelago Property is

completely undeveloped land, whereas the properties featured in the BOE packet are developed, with the land overvalued and the buildings grossly undervalued). The renderings in the BOE packet report also misrepresent what could be built, as Archipelago has not received permit approvals and likely won't. The BOE packet report's author again claims that the Horan Appraisal of purchase from CBJ, the adverse easements, soils, foundation, parking requirements and DOT's drainage culvert on the site were all considered (*See* BOE packet, p. 10), despite: (1) the lack of any evidence or analysis that any of that information was, in fact, considered; (2) the Department's position that some or all of these factors were "not applicable to the Assessor's review" (Attachment 3); and (3) the fact that consideration of these factors would have resulted in a significant adjustment *downward*, not upward.

Archipelago respectfully submits that a strict valuation of $300 per square foot (or more) for Archipelago's property based on Archipelago's gross site area (as opposed to usable site area) is excessive and improper for the reasons outlined, in detail, in the attached Report of Kim M. Wold (Attachment 4), and the evidence submitted therewith (Exhibits 1-13 thereto). Mr. Wold has over 40 years of experience appraising real properties, extensive knowledge of the valuation methodologies applicable to real estate appraisals, and a deep and complex understanding of the unique characteristics of the large, undeveloped, and compromised Archipelago Property that must be considered in order properly determine its full and true value as required by AS 29.45.110(a).

As Mr. Wold demonstrates in his written materials, and will testify to at the hearing, the 2020 assessment for the Archipelago Property should actually be no greater than $4,852,000 (30,325 sq. ft. usable area x $160/sq. ft.), based on the most comparable property to Archipelago's (the Mental Health Trust's pending sale to Norwegian Cruise Lines Holdings of CBJ Parcel 1C060K010031) which, for reasons unknown, the Assessor declined to consider. (Attachment 4, pp. 1-2 and Exhibit 1 thereto; *see also* Attachment 3, p. 4 ("[The Mental Health/Norwegian Cruise Lines pending sale] was not utilized in the valuation methodology.")

Mr. Wold further opines and will testify, in his expert opinion, that:

(1) All of the following negative land attributes inherent to the Archipelago Property should have resulted in downward adjustments to the Archipelago Property's value, but were either ignored by the Assessor or never taken into consideration:

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Juneau, Alaska 99801
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(a) the construction and maintenance easement in favor of the CBJ, as noted on Plat 2019-19, which inhibits Archipelago's ability to fully develop the Archipelago Property (Attachment 4, p. 2, and Exhibit 2 thereto);

(b) the drainage line installed in trespass by the State of Alaska, Department of Transportation, which impairs the marketability of the Archipelago Property because no one wants to have to initiate a lawsuit or give up a property right without compensation (Attachment 4, p. 2 and Exhibit 3 thereto);

(c) the CBJ Code 49.40.210(d)(5)(D) Fee in Lieu of Parking requirement, which, in the case of Archipelago's 33,875 sq. ft. property, would either prohibit development by requiring Archipelago to install a minimum of 101 parking spaces, or result in an approximately $858,500 Fee in Lieu of Parking penalty, and in either event, reduce the Archipelago Property's value accordingly (Attachment 4, p. 2);

(d) the depth adjustment to the land value, which was outlined in the November 16, 2018 Horan appraisal, but not taken into consideration by the Assessor (Attachment 4, p. 2 and Exhibit 4 thereto);

(e) the construction easement set forth in the purchase and sale agreement between Archipelago and the CBJ, which once again, impairs Archipelago's ability to fully develop the Property (Attachment 4, p. 2 and Exhibit 5 thereto, *see also* Attachment 5 (extending this easement until June 1, 2020));

(f) the substandard soil conditions set forth in the geotechnical report prepared by PND Engineers, which also decrease the Archipelago Property's market value, but did not result in a downward adjustment by the Assessor (Attachment 4, p. 3 and Exhibit 6 thereto);

(g) the irregular site configuration, as depicted on the property plat (Attachment 4, p. 3 and Exhibit 2 thereto), which was not taken into consideration; and

(h) the existence of remaining foundations located on the easterly portion of the site, which devalue the property, and/or will require significant expense to remove (Attachment 4, p. 3 and Exhibit 6 thereto).

(2) The Assessor improperly relied on the occurrence of future events, approvals and speculation subsequent to the required date of valuation, January 1, 2020 (AY 2020) (*See, e.g.*, Attachment 4, Exhibit 7 at p. 5 (referring to inspections of the property on 2/13/30 and 5/1/20 showing no remaining foundations observed on the site, a Special Meeting of 2/4/20

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addressing the parking space variance) and p. 6 (speculating that Phase 2 of this project, when done by CBJ, will provide further benefit to this parcel)); included photos taken after January 1, 2020 that inaccurately depict the property as of January 1, 2020; and speculated that the Archipelago Property's size presents opportunities that some smaller parcels don't have, when, in fact, the Archipelago Property's size and configuration is a liability;

(3) The Assessor improperly considered public improvements, when no other property value has been adjusted for public improvements; improperly assumed that increases in passengers is an indication of increases in land value; and failed to consider that changing tourist traffic patterns resulting from the seawalk construction have an adverse effect on South Franklin Street pedestrian traffic patterns;

(4) A $300 or more per square foot calculation of the Archipelago Property is inconsistent with the valuations discussed in the referenced Horan appraisal circa 2010/2011 (Attachment 4, Exhibit 8), and the Assessor's 95% overall assessment rate in denying Archipelago's Petition for Review (Attachment 4, Exhibit 7) cannot be reconciled with the 47.3%, 58% and 83% overall assessment rates of the comparable parcels used in the CBJ's 2010/2011 downtown land valuation model;

(5) The income approach set forth in the Assessor's denial of Archipelago's Petition for Review (Attachment 4, Exhibit 7) is improper and produces excessive valuation for numerous reasons outlined in Mr. Wold's report (Attachment 4, pp. 5-6); and

(6) The Assessor did not properly consider the conditions, assumptions, and qualifications set forth in the Horan & Company appraisal of November 16, 2018, updated in June of 2019 (Attachment 4, Exhibit 4). Had the Assessor done so, Archipelago Property would have been valued at something approximating the $160 per square foot valuation of the Norwegian Cruise Lines/Mental Health property (Attachment 1, Exhibit 1), as opposed to the excessive $300 or more per square foot valuation that cannot be supported.

ARGUMENT AND RECOMMENDATION

The Alaska Supreme Court has outlined the standards for evaluating evidence at a hearing before the Board of Equalization as follows:

> A taxpayer contesting an assessment need only prove that the valuation is improper. The taxpayer does not have to offer the correct amount, range or method of valuation…. The burden then shifts to the taxing authority to introduce credible evidence which substantiates its assessment.

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Cool Homes Inc. v. Fairbanks North Star Borough, 860 P.2d 1248, 1263 (Alaska 1993) (internal citations omitted).

In his written materials, Mr. Wold presents a compelling argument for why the Assessor's valuation of the Archipelago Property is improper. In contravention of AS 29.45.110(a), the Assessor did not "assess property at its full and true value as of January 1 of the assessment year," opting, instead, to factor in speculation of what the Archipelago Property might be worth based on actual and hypothetical considerations occurring subsequent to January 1, 2020. (Attachment 4, pp. 3-4 and 5-6).

The Assessor also violated AS 29.45.110(a) by failing to assess the "full and true value" of the Archipelago Property as "the estimated price that the property would bring in an open market under the then prevailing market conditions in a sale between a willing seller and willing buyer both conversant with the property and with prevailing general price levels." Mr. Wold's written materials and anticipated oral presentation will demonstrate that no willing buyer would have paid upwards of $10 million for the Archipelago Property on January 1, 2020, given the myriad negative land attributes associated with the property, the pending $160 per square foot price of the most comparable property to Archipelago's, and the fact that having to pay taxes to the CBJ based on assessed value that is more than twice what the market would bear would render any future development of the property economically unfeasible.

Although not required to offer the correct range, amount, or valuation at this level of appeal, Archipelago presents a compelling case that a more accurate valuation range for its property is something in the neighborhood of $5 million, not $10 million or more. Archipelago appreciates the opportunity to appear before the BOE next month to further illustrate why the BOE should consider a significant downward adjustment from the Assessor's improper $10,162,500.00 valuation, and Mr. Wold looks forward to fielding any questions the BOE members may have after reviewing the attached evidentiary materials.

DATED at Juneau, Alaska this 28th day of August, 2020.

SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.
Attorneys for Appellant

E. Budd Simpson, ABA No. 7710167
Kristen P. Miller, ABA No. 9411115

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Juneau, Alaska 99801
Phone: (907) 586-1400 Fax: (907) 586-3065

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on August 28, 2020, a true and correct copy of this document was served on the following by email:

Teresa Bowen, Assistant Municipal Attorney
City & Borough of Juneau, Department of Law
Teresa.Bowen@juneau.org
Assessor.Office@juneau.org

Kim M. Wold
Reliant LLC Advisory Services
kim@reliantadvisory.com

Barbara Hagstrom

SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.
One Sealaska Plaza, Suite 300
Juneau, Alaska 99801
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CITY AND BOROUGH OF JUNEAU
BOARD OF EQUALIZATION

ARCHIPELAGO PROPERTIES, LLC, Appellant.	Appeal No. APL20200046 **NOTICE OF CONVERSION TO APPEAL**

Appellant Archipelago Properties, LLC, through undersigned counsel, hereby submits the attached City & Borough of Juneau ("CBJ") Assessor's Office form indicating that Appellant's Response to Action by Assessor is to reject Assessor's valuation of Parcel 1C070K830022, and to convert its Petition for Review to an Appeal to the Board of Equalization ("BOE").

Appellant respectfully rejects Assessor's valuation as unequal, excessive, and improper for reasons that will be more completely outlined in Appellant's evidentiary materials and memorandum in support to be submitted to the BOE in advance of the hearing. Because of the relative complexity, probable length of the hearing, and convenience of potential witnesses, Appellant requests that the hearing be scheduled for the first appeal of the day, if possible. For the same reasons, Appellant further requests that the hearing on this matter be conducted live and in-person, not telephonically or by Zoom, when such arrangements become feasible; and that Appellant be permitted to supplement its written materials with live testimony and argument at that time.

DATED at Juneau, Alaska this 19th day of June, 2020.

SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.
Attorneys for Appellant

E. Budd Simpson, ABA No. 7710167
Kristen P. Miller, ABA No. 9411115

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on June 19, 2020, a true and correct copy of this document was served on the following by email:

Michael Dahle, Deputy Assessor
Assessor's Office
City & Borough of Juneau
Michael.Dahle@juneau.org
Assessor.Office@juneau.org

Kim M. Wold
Reliant LLC Advisory Services
kim@reliantadvisory.com

E. Budd Simpson

SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.
One Sealaska Plaza, Suite 300
Juneau, Alaska 99801
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Step 1 – Administrative Review

Appeal # APL20200046

Appraiser to fill out			
Appraiser	Michael Dahle	Date of Review	May 14, 2020

Comments: Parcel 1C070K830022 - After review of the property, assessed values, the valuation model and the market it is the opinion of this appraiser that the assessed value of $10,162,500 for this parcel does not exceed market value. The land residual approach indicates a land market value of $15,950,053. Market value indicated by the Assessor's downtown land model if the prime location rate were to be applied would be $15,243,800. Being a review in response to a Petition for Review I recommend no change to the assessed value for this year.

Post Review Assessment					
Site	$ 10,162,500	Building	$ 0	Total	$ 10,162,500
Exemptions	$0				
Total Taxable Value	$10,162,500				

APPELLANT RESPONSE TO ACTION BY ASSESSOR

My acceptance or rejection of the assessment valuation in the amount of $ 10,162,500 is indicated below.

[ ] **Accept New Assessed Value** [ ] **Close Review (Assessment Remains Unchanged)** [x] **Reject and Appeal**

If appealed, appellant will be scheduled before the Board of Equalization and will be advised of the date & time to appear.

Appellant's Signature: By: Archipelago Properties, LLC Date: 6/19/20

Appellant Accept Value	[ ] Yes [x] No *(if no skip to Board of Equalization)*
Govern Updated	[ ] Yes [ ] No
Spreadsheet Updated	[ ] Yes [ ] No
Corrected Notice of Assessed Value Sent	[ ] Yes [ ] No

Step 2 – Appeal

BOARD OF EQUALIZATION	
Scheduled BOE Date	[ ] Yes [ ] No
10-Day Letter Sent	[ ] Yes [ ] No

The Board of Equalization certifies its decision, based on the Findings of Fact and Conclusion of Law contained within the recorded hearing and record on appeal, and concludes that the appellant [ ] **Met** [ ] **Did not meet** the burden of proof that the assessment was unequal, excessive, improper or under/overvalued.

Notes:

Site	$	Building	$	Total	$
Exemptions	$				
Total Taxable Value	$				

Contact Us: CBJ Assessors Office			
Phone/Fax	**Email**	**Website**	**Mailing Address**
Phone: (907)586-0333 Fax: (907)586-4520	Assessor.Office@juneau.org	http://www.juneau.org/finance	155 South Seward St. Juneau AK 99801

LAW OFFICES OF
SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.

ONE SEALASKA PLAZA, SUITE 300 ▪ JUNEAU, ALASKA 99801
TELEPHONE: 907-586-1400 FAX: 907-586-3065

June 26, 2020

VIA EMAIL ONLY

Mr. Michael Dahle, Deputy Assessor
Assessor's Office
City & Borough of Juneau
155 South Seward Street
Juneau, AK 99801
Michael.Dahle@juneau.org

Re: Archipelago Properties, LLC
Appeal No. APL2020046

Dear Mr. Dahle:

In order to properly prepare Archipelago Properties, LLC ("Archipelago")'s appeal of your recent assessment, we need to understand the methodology you employed in performing your valuation, and to review the underlying documentation upon which you relied. To that end, please provide documents responsive to the following categories of document requests as soon as is practicable:

Valuation Methodology:

(1) The name of the computer program and formulas used to value the Archipelago property;
(2) All computer codes and formulas relating to the valuation of the Archipelago property;
(3) All comparable sales used to value the Archipelago property;
(4) The mathematical calculations replicating the computer code and formulas used to value the Archipelago property;
(5) All information and documentation demonstrating that the mathematical calculations reflect deductions for size, usable area, depth, adverse easements, substandard soils, on-site parking requirements, and any other deductions or additions taken into consideration; and
(6) What unit of comparison is used to value land on South Franklin Street.

Income Approach Documentation and Calculations:

(1) The rent comparables to support the income estimate used in the income approach;
(2) The area calculations for the rentable area in the income approach;

(3) All data supporting the vacancy and credit loss used in the income approach;
(4) All data used to support the expense estimate used in the income approach;
(5) All supporting data for the 9% capitalization rate used in the income approach;
(6) All data supporting the construction costs used in the income approach; and
(7) The calculation supporting a $15,243,800 and $15,950,053 land value in the income approach.

Determinations Regarding the Archipelago Property as of January 1, 2020:

(1) All supporting documents that the building plans for the Archipelago property were approved by the Community Development office and Planning Commission on or prior to January 1, 2020;
(2) All supporting information regarding the granting of a parking variance or determination of the fee in lieu of parking for the Archipelago property on or prior to January 1, 2020;
(3) All information used to form the opinion that direct access was available from the sea walk/docks on or prior to January 1, 2020;
(4) All data used to support the opinion that the "Objection Clause" provides immeasurable economic benefit to the Archipelago property;
(5) All supporting information that there are no remaining foundations on the Archipelago property as of January 1, 2020; and
(6) All information used to support the statement that the ADOT drainage line trespass was resolved as of January 1, 2020.

We would also appreciate it if you would provide a brief narrative response to the following questions raised by your denial of our Petition for Review:

(1) Please explain the relevance of the 2010 appraisal of the Partial Taking by Kim Wold;
(2) Please explain the relevance of the "Letter to Assessor's Office" written by Kim Wold on May 7, 2008;
(3) Please explain the relevance of the appeal of value AY 2007;
(4) Please provide the date the photos contained in the "Assessment Year 2020 Review" were taken;
(5) Please provide the 2010 and updated 2011 downtown land valuation model produced by Charles Horan, and explain how the 2010 and updated 2011 downtown land valuation model is relevant for the 2020 assessment roll;
(6) Please either admit, or deny and explain the basis for your denial, that the Pacific Pier building has a piling foundation;

(7) Please either admit, or deny and explain the basis for your denial, that the CBJ parking garage/library has a piling foundation;

(8) Please either admit, or deny and explain the basis for your denial, that several of the comparables used to value the Archipelago land are improved and that subjective allocations were made to the building values;

(9) Please either admit, or deny and explain the basis for your denial, that the Mental Health/Norwegian Cruise Lines pending sale was used to value the Archipelago property; and

(10) Please either admit, or deny and explain the basis for your denial, that the Archipelago property assessment is largely based on speculation and future events that may or may not occur.

In your response, please also provide a summary of your qualifications, experience and education that qualify you for your Deputy Assessor position.

Thank you.

Sincerely,

SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.

Kristen P. Miller

cc: Kim Wold
E. Budd Simpson

Robert H. Palmer, III
Municipal Attorney

Emily L. Wright
Assistant Municipal Attorney

Teresa E. Bowen
Assistant Municipal Attorney

Megan J. Costello
Assistant Municipal Attorney

Caleb A. Nagel
Assistant Municipal Attorney

Marie Anders
Assistant Municipal Attorney

Law Department
City & Borough of Juneau

Debbie L. Senn
Office Manager

Audrey Dean
Litigation and Support
Assistant - Criminal

Jesse G. Peterson
Litigation and Support
Assistant - Criminal

Junnie Chup
Litigation and Support
Assistant - Civil

July 27, 2020

Kristen P. Miller
Law Offices of Simpson, Tillinghast, Sheehan & Araujo, P.C
One Sealaska Plaza, Ste. 300
Juneau, AK 99801

RE: Archipelago Properties, LLC, Appeal No. APL2020046

Dear Ms. Miller,

The City and Borough of Juneau Assessor's Office has reviewed your request for documents in your upcoming Board of Equalization appeal. The following are responses to proper questions before the Assessor:

Valuation Methodology:

(1) The name of the computer program and formulas used to value the Archipelago property: Calculations for this particular property were performed either through excel or calculator. The Assessor has previously provided you with the replication of the formula. The methodology used for the Archipelago property is calculation of square foot times the rate for square foot. In the case of the Archipelago property, this was 33,875 sf x 300= $10,162,500.

The Assessor's Office does employ a Computer Assisted Mass Appraisal (CAMA) program for certain commercial properties; however, this was not utilized for the Archipelago property.

(2) All computer codes and formulas relating to the valuation of the Archipelago property: Please see the answer to number 1 above.

(3) All comparable sales used to value the Archipelago property: The valuation model used for downtown commercial properties appears to have been established in 2010 and updated in 2011. A spreadsheet of other comparable sales is attached to this response.

(4) The mathematical calculations replicating the computer code and formulas used to value the Archipelago property: Please see the answer to item number 1 above.

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(5) All information and documentation demonstrating that the mathematical calculations reflect deductions for size, usable area, depth, adverse easements, substandard soils, on-site parking requirements, and any other deductions or additions taken into consideration: As explained above, the base rate for the downtown South Franklin commercial area was applied. Adjustments for attributes related to the Archipelago property would result in an increased assessed value.

(6) What unit of comparison is used to value land on South Franklin Street: As explained above, the Downtown South Franklin commercial land values are based on square foot. Normally this would be adjusted for attributes; however this was not applied in arriving at the $10,162,500 assessed value. If attributes were applied, this would result in an increase in assessed value.

Income Approach Documentation and Calculations:

(1) The rent comparables to support the income estimate used in the income approach: It is understood that the income approach was mentioned in the Assessor's report. However, while it was considered, this methodology was not utilized for the Archipelago property. The purpose of mentioning this approach was for purposes of internal review when Archipelago contested the valuation of its property in its Petition for Review. This approach was meant to provide Archipelago additional information and an explanation for the Assessor's denial of the Petition for Review.

As this was not the basis of the assessed value, but rather meant to be demonstrative, it is not pertinent to the valuation of the Archipelago property.

(2) The area calculations for the rentable area in the income approach: As explained above, the income approach was considered, but not utilized. The Assessor utilized the rentable area calculations that the property owner submitted, but it was not the basis of the methodology utilized in the Archipelago property assessment.

(3) All data supporting the vacancy and credit loss used in the income approach: Please see the answer to number 1.

(4) All data used to support the expense estimate used in the income approach: Please see the answer to number 1.

(5) All supporting data for the 9% capitalization rate used in the income approach: Please see the answer to number 1.

(6) All data supporting the construction costs used in the income approach: Please see the answer to number 1.

(7) The calculation supporting a $15,243,800 and $15,950,053 land value in the income approach: Please see the answer to number 1. However, much of this information was provided in the Assessor's denial of the Petition for Review.

Determinations Regarding the Archipelago Property as of January 1, 2020:

(1) All supporting documents that the building plans for the Archipelago property were approved by the Community Development office and Planning Commission on or prior to January 1, 2020: Any information and documents related to building plans are in the property owner's control. It was noted in the Assessor's review that it was not assumed these plans were approved. As the methodology utilized on the assessed value is on a land model from 2010/2011, these plans had no impact on the assessed value for tax year 2020.

(2) All supporting information regarding the granting of a parking variance or determination of the fee in lieu of parking for the Archipelago property on or prior to January 1, 2020: As mentioned in the Assessor's review, it was not assumed that a variance was granted. Any information regarding this request is in the property owner's possession and control.

(3) All information used to form the opinion that direct access was available from the sea walk/docks on or prior to January 1, 2020: This was not applicable to the Assessor's review. Please see the answers to the Valuation Methodology.

(4) All data used to support the opinion that the "Objection Clause" provides immeasurable economic benefit to the Archipelago property: This was not applicable to the Assessor's review. Please see the answers to the Valuation Methodology.

(5) All supporting information that there are no remaining foundations on the Archipelago property as of January 1, 2020: This was not applicable to the Assessor's review. Please see the answers to the Valuation Methodology. However, it is noted that the property owner has not provided the Assessor's office with documentation that there were remaining foundations as of January 1, 2020.

(6) All information used to support the statement that the ADOT drainage line trespass was resolved as of January 1, 2020: Any information regarding this request is in the property owner's possession and control. However, it is noted that Property owner has not submitted documentation on how this impacts value and the Assessor has no evidence that this would impact value.

Request for a brief narrative response regarding the denial of our Petition for Review:

(1) Please explain the relevance of the 2010 appraisal of the Partial Taking by Kim Wold: This was only included as part of the history of activity regarding the Archipelago property. It has no relevance on the methodology used in the assessment.

(2) Please explain the relevance of the "Letter to Assessor's Office" written by Kim Wold on May 7, 2008: This was only included as part of the history of activity regarding the Archipelago property. It has no relevance on the methodology used in the assessment.

(3) Please explain the relevance of the appeal of value AY 2007: This was only included as part of the history of activity regarding the Archipelago property. It has no relevance on the methodology used in the assessment.

(4) Please provide the date the photos contained in the "Assessment Year 2020 Review" were taken: All photos provided in the Assessor's denial of the Petition for Review were date stamped.

(5) Please provide the 2010 and updated 2011 downtown land valuation model produced by Charles Horan, and explain how the 2010 and updated 2011 downtown land valuation model is relevant for the 2020 assessment roll: The 2010/2011 model is still the valuation methodology utilized for the Archipelago property, hence its relevance. The model is provided in the answer to number 1: Valuation Methodology. Sales are limited for commercial property in the South Franklin area; although evidence provided in the Assessor's denial of the Petition for Review would indicate that commercial properties are worth more than currently assessed utilizing this 2010/2011 downtown valuation model. When the model is updated, it will result in a property valuation increase.

(6) Please either admit, or deny and explain the basis for your denial, that the Pacific Pier building has a piling foundation: This is not applicable to this appeal and will not be answered.

(7) Please either admit, or deny and explain the basis for your denial, that the CBJ parking garage/library has a piling foundation: This is not applicable to this appeal and will not be answered.

(8) Please either admit, or deny and explain the basis for your denial, that several of the comparables used to value the Archipelago land are improved and that subjective allocations were made to the building values: Please see the answers to Valuation Methodology above. The methodology utilized is the same that has been established for the past decade. Certain properties were included in the Assessor's denial of the Petition for Review for demonstrative purposes.

(9) Please either admit, or deny and explain the basis for your denial, that the Mental Health/Norwegian Cruise Lines pending sale was used to value the Archipelago property: This pending land sale was not utilized in the valuation methodology. Please see the answers to

the valuation methodology above. It was only mentioned as demonstrative in the Assessor's denial of the Petition for Review.

(10) Please either admit, or deny and explain the basis for your denial, that the Archipelago property assessment is largely based on speculation and future events that may or may not occur: No such statement will be made and is categorically denied.

Finally, you have requested a summary of the qualifications, experience and education of the Deputy Assessor. Given the valuation methodology employed above, this is not relevant to the valuation of the Archipelago property; however, this may be supplied in the BOE packet.

Please note that the Petition for Review did lead to the conclusion that the Archipelago lot was undervalued compared to surrounding properties. As described in this letter, the lot was assessed using a base value used in prior years and adjusted based on the square footage provided in the 2019 plat. Adjustments were not made for attributes of the lot. This will be provided in the BOE packet.

Sincerely,

Teresa Bowen

Teresa Bowen
Assistant Municipal Attorney

Attachments: Spreadsheet utilized for downtown property valuation model.

Attachment 1

DOWNTOWN CM & IND PROPERTY SALES

COMP #	PARCEL	ZONING	ADDRESS	SITUS	COE	SALE PRICE	LAND AREA	FF	DEPTH	%PAD	SITE V	IMP VAL	TTL VAL	SITE/SF	SITE/FF	PAD/SF		AV/SP	NOTES
1	1C030J020030	D18	1420 GLACIER AVE	CM OFFICE	3/15/07	375,000	8867				221,700	155,000	376,700	25.00			x	1.00	Bldg demo val only
2	1C060K010010	MU2	350 WHITTIER ST	ARMORY	6/29/07	2,930,000	71984				2,880,000	100,000	2,980,000	40.01			x	1.02	Bldg demo val only
3	1C060K600110	WC	1255 W NINTH ST	HOTEL / APTS	6/28/05	875,000	4492				202,000	671,500	873,500	44.97			x	1.00	
4	1C060K660050	MU2	375 WHITTIER ST	RESTAURANT HOTEL	12/19/06	3,800,000	31847				1,433,000	2,245,000	3,678,000	45.00			x	0.97	
5	1C060K660080	MU	400 WILLOUGHBY ST	OFFICES/WARHSE	1/4/08	12,500,000	113645				3,672,900	9,473,400	13,146,300	32.32				1.05	
6	1C070A020030	MU	130 FRONT ST	RESTAURANTS/RETAIL	5/31/07	1,500,000	6719				671,800	763,600	1,435,400	99.99			x	0.96	
7	1C070A050021	MU	201 MAIN ST	OFFICE BLDG	8/24/06	580,000	3903				235,000	300,500	535,500	60.21				0.92	Bldg demo val only
8	1C070A110060	MU	224 GOLD ST	CM OFFICE	12/28/05	406,000	2456				98,000	245,000	343,000	39.90			x	0.84	
9	1C070A120020	MU	336 FIRST ST	VFW MEETING HALL	5/8/08	310,000	2446				98,000	213,300	311,300	40.07			X	1.00	
10	1C070A130030	MU	117 S FRANKLIN ST	CM RETAIL FMR ELK	9/29/06	850,000	11048				497,000	444,000	941,000	44.99			x	1.11	
11	1C070B0H0010	MU	145 S FRANKLIN ST	CM RETAIL JEWELER	8/2/07	1,100,000	4694				469,400	564,500	1,033,900	100.00			x	0.94	
15	1C070K840010	MU	100 MAIN ST	DWNTN PKNG GARAGE	8/24/06	6,600,000	73109				6,600,000	-	6,600,000	90.28				1.00	Govt Seller/Buyer
18	1C100K830024	WI	550 S FRANKLIN ST	RESTAURANT TAKU	3/26/08	7,000,000	73655				3,500,000	3,280,000	6,780,000	47.52			X	0.97	
19	1C100K830025	WI	550 S FRANKLIN ST	VACANT TAKU	3/26/08	3,000,000	50478				3,000,000	-	3,000,000	59.43			X	1.00	
12	1C070B0N0011	MU	259 S FRANKLIN ST	CM RETAIL JEWELER	12/27/06	2,300,000	10326			61%	1,394,010	812,500	2,206,510	135.00			x	0.96	
13	1C070H020020	MU	307 S FRANKLIN ST	CM MX FMR GROSS APTS	1/20/06	1,500,000	4500	50	100	50%	967,500	516,000	1,483,500	215	19,350	360	X	0.99	Downtown Core
14	1C070H030020	MU	373 S FRANKLIN ST	CM MX CRESCENT APTS	2/18/05	1,000,000	3000	27	100	85%	525,000	598,000	1,123,000	175	19,444	205	X	1.12	Downtown Core
16	1C070I020120	MU	439 FRANKLIN ST	CM MX FMR CITY CAFÉ	1/3/06	1,900,000	3625	55	63	70%	1,269,000	425,000	1,694,000	350	23,073	500	X	0.89	Downtown Core
17	1C100I050010	MU	489 S FRANKLIN ST	CM MX TRAM PLZA	12/27/07	6,400,000	15420	201	74	90%	4,626,000	1,633,000	6,259,000	300	23,015	333	X	0.98	Downtown Core
20	1C070K820040	MU	278 S FRANKLIN ST	RED DOG RESTRNT/ BAR	1/2/08	5,000,960	6159	70	70	100%	1,539,800	2,087,000	3,626,800	250	21,997	250	x	0.73	Downtown Core
							6,541	81	81	79%				258	21,376	330			

O/A RANGE OF LAND VALUE DWNTN CORE	$175-350/SF
O/A MEAN VALUE	$258/SF
O/A FRNT FT VALUE	$21,400 / FF
O/A PAD MEAN VALUE	$330/SF

O/A RANGE OF LAND VALUE	$25- $300 /SF	O/A	109.74		0.97
O/A MEAN VALUE	$110/ SF				

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August 26, 2020

Kristen Miller
Simpson, Tillinghast, Sorensen & Araujo, P.C.
One Sealaska Plaza, Suite 300
Juneau, Alaska 99801

Re: Archipelago Properties, LLC
Appeal No. APL 2020046

Dear Ms. Miller:

The following information constitutes my summary of the Appellant's case to be presented at the Board of Equalization:

The Appellant requests that the 2020 assessment for Parcel No. 1C070K83022, owned by Archipelago Properties, LLC, with a common address of 356 South Franklin Street, Juneau, Alaska, be reduced to $5,000,000. The Appellant believes the current assessed valuation of $10,162,500 is excessive and improper.

The applicable portion of AS 29.45.110 states:

> (a) The assessor shall assess property at its full and true value as of January 1 of the assessment year, except as provided in this section, AS 29.45.060, and 29.45.230. The full and true value is the estimated price that the property would bring in an open market under the then prevailing market conditions in a sale between a willing seller and a willing buyer both conversant with the property and with prevailing general price levels.

The statutory grounds for appeal are "… proof of unequal, excessive, improper, or under valuation based on facts that are stated in a valid written appeal or proven at the appeal hearing." AS 29.45.210(b).

The Appellant's case for an excessive and improper assessed valuation is predicated on multiple arguments supported by factual evidence, as follows:

1. The Mental Health Trust's pending sale to Norwegian Cruise Lines Holdings was not considered (CBJ Parcel No. 1C060K010031). The Mental Health Trust received an offer of $20,000,000 as of September 9, 2019. The site area is 125,406 square feet. The indicated sales price is $159.42 per square foot. Norwegian Cruise Lines Holdings plans to construct two berths plus retail and parking to support the cruise docks. (Exhibit 1). Archipelago Property's gross site area is 33,875 square feet. This area is reduced by the 3,550 square foot

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easement area noted on Plat 2019-19 (Exhibit 2) to yield 30,325 square feet of usable site area. Applying the $160 per square foot (rounded) sales price of the NCL / Mental Health property to the Archipelago Property's 30,325 square feet of usable site area results in a land value of $4,852,000.

2. The assessor failed to deduct for the following negative land attributes inherent to the Archipelago Property:

    a. Construction and Maintenance Easement in favor of the City/Borough of Juneau, as noted on Plat 2019-19 (Exhibit 2).

    b. Drainage line installed in trespass by the State of Alaska, Department of Transportation. This drainage line installation was never authorized by the owners of the Archipelago Property. The presence of the drainage line impairs the marketability of the Archipelago Property because no one wants to buy a lawsuit or give up a property right without compensation. (Exhibit 3)

    c. The property lies within Parking District – 2 and is required to provide parking on-site or pay a fee in lieu of parking. Retail commercial use requires 1 parking space for every 300 square feet of gross floor area. The site is zoned WC, which has no maximum lot coverage restrictions. Dividing the usable site area of 30,325 square feet by 300 results in a minimum parking requirement of 101 spaces, per CBJ Municipal Code 49.40.210. Section 49.40.210(d)(5)(D) allows properties located in the Downtown Fee in Lieu of Parking District Map to pay a one-time fee of $8,500 per parking space waived under this section. Multiplying the 101 parking spaces required by $8,500 results in a one-time fee requirement of at least $858,500 (assuming a one-story building). If parking is provided on-site, there would be no first floor area to support building construction. The cost of the Fee in Lieu of Parking requirement waiver should be deducted from the property value.

    d. The assessor failed to make a depth adjustment to the land value, contrary to the Horan appraisal dated November 16, 2018 and updated in June 2019. (Exhibit 4). The June 2019 update to the Horan appraisal was not provided by the CBJ.

    e. The assessor failed to make a downward adjustment for the construction easement set forth within the Purchase and Sale Agreement between Archipelago Properties, LLC and the CBJ (Exhibit 5).

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f. No downward adjustment for substandard soils was made. The substandard soil conditions are set forth in the geotechnical report prepared by PND Engineers (Exhibit 6).

g. No downward adjustment was made for the irregular site configuration, as depicted on the property plat (Exhibit 2).

h. The assessor failed to make a downward adjustment for the remaining foundations located on the easterly portion of the site, or pilings remaining buried (Exhibit 6).

3. The Appellant's grounds for improper assessment are based on the assessor's reliance on the occurrence of future events, approvals, and speculation subsequent to the date of valuation of January 1, 2020 (Exhibit 7).

   a. The photos were taken after January 1, 2020 and inaccurately depict the property as of January 1, 2020.

   b. The review speculates that size presents opportunities that some smaller parcels didn't have. This opinion is unsupported. The facts support the position that the parcel's size is a liability.

   c. The January 28, 2020 Approved Conditional Use Permit, No. USE 2019-0021 was issued after the date of value.

   d. The assessment improperly considers public improvements. "This property and its potential for development have been enhanced by the work and expenditures of CBJ." No other property value has been adjusted for public improvements (People's Wharf, Taku Smokery, Tram Plaza, Mt. Roberts Tram, etc.).

   e. The consideration of increases in passengers is not an indication of increases in land value. A substantial decline in passenger traffic on South Franklin Street is the near-term reality. The proper methodology would be to analyze actual sales of land in the neighborhood or competitive waterfront areas. Alternatively, some consideration could be given to retail sales increases occurring in downtown Juneau on a per square foot of building area basis. Number of passengers is not indicative of spending on South Franklin Street, as many passengers are choosing tours as opposed to retail or dining purchases. The proposed construction of the NCL docks will result in a loss of at least four NCL ships, one Regent ship, and one Oceania ship. There will be available berthing at the proposed NCL dock to accommodate eight additional ships.

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f. Changing tourist traffic patterns resulting from the seawalk construction have not been considered as having an adverse effect on South Franklin Street pedestrian traffic patterns.

g. The Archipelago Property will not benefit from "staging area" passengers milling until the facility is completed and utilized. The Archipelago buildings did not exist as of January 1, 2020 and, even if built, would not accommodate passengers until May 2022 at the earliest.

h. The assessor's opinion that off-season use and associated economic benefits resulting therefrom is wildly speculative.

i. The assessor wrongly and improperly assumes that the estimated 20 percent of remaining foundations can be removed "within the normal scope of the site prep and development." The assessor draws this conclusion without knowledge of the quantity of remaining foundations or the cost of their removal.

j. The value related to the "objection clause" is an intangible asset that is not a taxable interest in Alaska. Further, any intangible value is inherent to the CBJ dock, not to the Archipelago Property. Also, the clause is conditional and weak.

k. The drainage line installed by the State of Alaska, Department of Transportation impairs the placement of structures on the property and is a negative attribute that the assessor failed to consider.

l. The assessor failed to understand that the load bearing capacity of the soils on the Archipelago Property are substandard and that piling is required to support the building improvements. The assessor states: "The piling are on the CBJ parcel portion of the project. CBJ is paying for the piling and decking." This is neither accurate nor relevant. The piling are on CBJ land, not Archipelago's. The assessor is oblivious to the Archipelago Property's substandard soils, even after the issue was raised by the Appellant.

m. The assessor improperly considers "future benefits" that are not a reality as of January 1, 2020, including the completion of construction by CBJ.

4. Relative to the temporary construction easement, the assessor states: "I do not see this having a negative effect on land value." A temporary construction easement has a rental cost of 10 percent of the fee simple value, as commonly seen in

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Alaska Department of Transportation appraisals. Since the CBJ construction easement is for a term of up to ten months (and has now been extended), the rental value constitutes loss of use / value to the Archipelago Property. The rental value should have been deducted or accounted for in the assessment. (Exhibit 5).

5. The assessor relies on work product contained in a Horan appraisal circa 2010 / 2011. The sale of 425 South Franklin Street (Alaska-Juneau Mining Company) indicates a price of $142 per square foot. The sale at 265 South Franklin Street (Jeweler's International) had all of the purchase price allocated to the building footprint and failed to allocate value to the remainder land. The sale at 307 South Franklin Street (Lambros Goldsmith) indicates an allocation to the land of $189 per square foot, after deducting the assessor's building value of $646,600. (Exhibit 8). None of these transactions are supportive of a $300 per square foot base value for South Franklin Street land.

6. The income approach set forth in the Assessment Year 2020 Petition for Review (Exhibit 7) is improper and produces excessive valuation for the following reasons:

    a. The buildings envisioned by the assessor would not be complete and ready for occupancy until at least the 2022 cruise season; probably later now, due to COVID-19 delays and the tourism decline. The assessor unreasonably assumes that buildings will be constructed consistent with his income approach and will not be modified due to parking requirements, market changes, lack of lease up, changing passenger traffic patterns, etc.

    b. The hypothetical building design is not legally permissible, as it was not permitted as of January 1, 2020.

    c. The analysis uses gross building area as opposed to net rentable area, which market participants would use. This produces an over-valuation on the assessment.

    d. There was no support for the rental rates. The income estimate fails to consider likely unit sizes and prevailing rental rates relative to store and unit sizes.

    e. The assessor's estimated rental rate of $5 per square foot for second floor rentals is unsupported and contrary to prevailing market rents (example: Goldsmith Jewelers and People's Wharf).

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f. There is no support for a 2 percent vacancy factor for multi-tenant buildings.

g. The expense estimate is a guess and no support is provided.

h. There is no market evidence provided by the assessor to support a 9 percent overall capitalization rate.

i. The construction cost estimates for the building are too low by a factor of nearly 3. (Exhibit 9).

j. The assessor fails to include site improvement costs such as pavers, rain shelters, garbage enclosures, landscaping, etc.

k. The income analysis fails to reflect developer's profit margin.

l. The income analysis fails to include a lease up / absorption deduction to the net operating income.

7. The following relates to the ratio study contained in the Assessment Year 2020 Petition for Review (Exhibit 7):

   a. The 95 percent overall assessment rate is demonstrably incorrect by analyzing Parcels 1C070H020020, 1C070B0N0012, and 1C0701010011. These are the comparables used in the Horan 2010 / 2011 land value analysis. 1C070H020020 has a land ratio of 47.3 percent. $708,000 (current assessed valuation) divided by$1,498,500 (sales price) = $47.3%. Parcel 1C071010011 has a land ratio of 83 percent. $2,062,900 (current assessed valuation) divided by $2,472,000 (sales price) = 83%. 1C070B0N0012 has a land ratio of 58 percent. $932,400 (current assessed valuation) divided by $1,593,000 (sale price) = 58%. (Exhibit 10)

8. Following are the Appellant's comments regarding the Horan & Company appraisal of November 16, 2018, updated in June 2019 (Exhibit 4):

   a. CBJ code requires any purchase or sale of any real estate interest to be for not less than market value. Therefore, the value estimates provided by Horan in his appraisals are indicative of market value; however, they are based on hypothetical conditions and are subject to extraordinary assumptions.

   b. The appraisal is based on hypothetical conditions and extraordinary assumptions. The definitions of hypothetical condition and extraordinary

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assumption are set forth on Page 14 of the Horan November 16, 2018 appraisal.

c. Page 7, referring to the temporary construction easement, states: "While there may be a cost avoidance on both sides which may not be equal, these are project related for the benefit of each individual party" This opinion was effectively not considered by Horan in the loss of use of the Archipelago Property for the 2020 construction season.

d. Extraordinary Assumption No. 3 states: "The upland area has suitable soil conditions so that extraordinary piling costs are not necessary to support typical buildings found in the 300/400 Blocks of South Franklin Street." This is clearly wrong based on the geotechnical report prepared by PND Engineers. This assumption produced a higher value estimate than warranted by the facts.

e. Page 12, Ordinary Assumption 5 states, in part: "Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property … ." The appraiser was not aware of the former cold storage foundations and therefore failed to reflect the cost of remediation, which was $655,365 as of September 12, 2019.

f. Page 13, Ordinary Assumption 8 states: "The appraisal report may not be properly understood without access to the entire report. The appraisal is to be considered in its entirety, the use of only a portion thereof will render the appraisal invalid." It is questionable whether the assessor acquired the entire work file to fully understand the appraisal analyses, based on our prior request for all information used to develop the Archipelago Property assessment.

g. Page 13, Ordinary Assumption 10 states, in part: "The separate valuations for land, building, and chattel must not be used in conjunction with any other appraisal and is invalid if so used." The assessor should not have used the Horan appraisal value estimate to assess the Archipelago property.

h. At the end of the assumptions, on page 14, it states: "If any of these hypothetical conditions or assumptions are found to be different, it could impact the values estimated herein." Horan was unaware of detrimental conditions and the assessor chose not to reflect the detrimental conditions in the assessment.

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i. Page 17 of the Horan report states, in part: "According to the Juneau Economic Development Council's last published indicators in 2017, the Gross Business Sales by Tourist-Related Businesses have steadily grown since 2010." This overall statistic fails to consider the portion of sales made by tour companies and spending outside the South Franklin Street neighborhood.

j. On Page 18, Horan states: "Rents had trended upwards in the early parts of 2000, peaking out when the cruise ship traffic stalled after 2009." The assessor states the contrary, that values have appreciated at 2.5 percent per year.

k. Page 20, Horan states: "It's interesting to note that the typical depth of the retail spaces in these prime locations is about 50 feet from the street." The subject land depth is 179 feet at its maximum at 41.12 feet at its minimum, using the recorded plat (Exhibit 2) and the Horan appraisal for depth calculations.

l. Page 20 also states: "As competitive rents in a well-managed building, vacancy rates in this prime sub-market should be less than 5%." The assessor used a lower 2 percent vacancy rate in his income approach, without support.

m. Nowhere does Horan's appraisal state rental rates for second floor space. The assessor estimates a $5 per square foot monthly rental rate for the second floor of the proposed building in the income approach. There is no support for the assessor's rent estimate.

n. On page 20 of the Horan appraisal, there is inconsistent information regarding the sales. The 425 South Franklin 2004 land sale (Parcel 1C0701010011 – Alaska-Juneau Mining Company) indicates only $142 per square foot of land area. Even if the retaining wall is added to the purchase price, the price would adjust to $202 per square foot. However, the retaining wall is also the back wall of the store structure.

o. On Page 20, "Land Value Indicators," the sale of 265 South Franklin Street (Parcel 1C070B0N0012 – Jeweler's International) is a 2005 land transaction. Horan states that the site had "about 3,200 SF of immediately developable area." This is contrary to the assessor's records which show a developable area of 5,310 square feet. Please note that the assessor's records show this property as having an address of 263 S Franklin Street, 265 S Franklin Street, and 300 Bulger Way. (Exhibit 11)

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p. The sale of 307 South Franklin Street occurred in 2006 (Parcel 1C070H020020 – Lambros Goldsmith). The Horan appraisal acknowledges: "Some value in this transaction may be attributable to the building." The assessor has valued the building at $646,600 for the 2020 assessment roll (Exhibit 10). No improvements have been made to the building since its purchase. Therefore, a substantial deduction is required from the sales price to reflect the value contribution of the building. It should be noted that this building is currently being renovated and expanded into three condominium unit storefronts.

q. On Page 26, the Horan appraisal states: "The appraisal disregards any site improvements and assumes soil is competent for a feasible highest and best use development." Once again, it is clear that Horan did not consider the below grade foundations and the need for piling.

r. On Page 30, the Horan report states: "Typical site sizes would be 5,000 to 10,000 SF. This study disregards the influence of size for the purpose of the exchange … ." The appraiser clearly states that size was not considered. The assessor appropriates Horan's value estimates and fails to make a downward adjustment for size. The Archipelago property has 30,325 square feet of usable area, and is atypical in size, according to Horan's statement that most sites are 5,000 to 10,000 square feet. The NCL / Mental Health land is also atypical in size and would warrant no size adjustment relative to the Archipelago Property.

s. On Page 31, Horan's Comparable Sale 1-7341 (Parcel 1C100K830021 – Mt. Roberts Tram Base) is a poor indicator, as the comparable was not required to provide parking. Size was not factored into the analysis.

t. Also on Page 31, Comparable 2-7238 is the sale of a 1,650 square foot portion of the Archipelago Property to the CBJ (currently used as a sidewalk). This is not a buildable site (Exhibit 12). Comparable 3-7740 is also the sale of a portion of the Archipelago Property. The CBJ purchased a 25-foot strip of land along the southeast side of the property to increase the width of the CBJ's access easement (Exhibit 13). Neither of these transactions should be considered market transactions. Archipelago did not market either of these properties; rather the CBJ approached Archipelago to purchase these lands. Regardless, both transactions are of significantly smaller land parcels than Archipelago's 30,325 square feet of usable area, and Horan made no size adjustment.

u. The *Appraisal of Real Estate*, on Page 212, states: "Size differences can affect value and are considered in site analysis. … Generally, as size

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increases, unit prices decrease." The generally accepted appraisal theory is that smaller parcels typically sell for higher unit values than larger parcels.

v. Although no site adjustments are made to the comparables, Horan notes on page 32, that "Uplands off South Franklin" have values of $200 per square foot versus "Uplands on South Franklin" which have values of $300 per square foot. The assessor applied $300 per square foot to the entire Archipelago Property, resulting in an excessive and improper valuation.

w. The assessor has taken the Horan appraisal out of context, which has contributed to the excessive assessment. If Horan's report is unreliable, as outlined in the preceding subparagraphs a. through v., it follows that the assessor's reliance on Horan's appraisal led to an improper assessment of the Archipelago Property.

Conclusion:

Based on the above, the Appellant has met the burden and proved that the assessment was excessive and / or improper. The 2020 assessment for the Archipelago Property should be no greater than $4,852,000 (30,325 sq.ft. usable area x $160/sq.ft.) based on the Norwegian Cruise Lines / Mental Health transaction (Exhibit 1).

Please let me know if you have any questions or would like further information.

Sincerely,
RELIANT LLC

Kim M. Wold

Exhibits:

1. Norwegian Cruise Line Purchase (Article)
2. Plat Map 2019-19
3. Alaska Department of Transportation Drainage Trespass
4. Horan November 16, 2018 Appraisal (June 2019 update not provided)
5. Purchase and Sale Agreement between Archipelago and CBJ
6. Geotechnical Report prepared by PND
7. Assessment Year 2020 Petition for Review dated May 14, 2020

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8. Horan Appraisal Circa 2010 / 2011
9. Construction Costs
10. 2020 Comparable Property Assessment Data
11. 2020 Property Assessment 263 S Franklin St
12. Plat Map 2011-38
13. Plat Map 2013-22

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Kim M. Wold

Background

Mr. Wold's background includes over 40 years in the real estate appraisal sector. Mr. Wold has extensive experience in appraising properties such as single and multi-family residential, income-producing properties, special purpose properties (sawmills, fish processing plants, etc.), tidelands, logging camps, grocery stores, shopping centers, and aviation facilities. He also has extensive experience appraising urban and remote acreage of varying highest and best uses, such as residential, commercial, industrial, agricultural, forestry, mining claims, tidelands, recreational, etc. He has performed appraisals for mortgage underwriting, eminent domain, easement valuation, lease renewals, establishing market lease rates, and estate purposes.

Mr. Wold has appraised properties throughout Alaska, including Bristol Bay, Bethel, Anchorage, Haines, Hoonah, Juneau, Yakutat, Sitka, Wrangell, Petersburg, Craig, Klawock, Hydaburg, Metlakatla, Thorne Bay, Hollis, Ketchikan, Unalaska, Chignik, St. Paul Island, Kodiak Island, and numerous remote locations throughout Southeast Alaska.

Education

Real Estate Education

Mr. Wold has attended numerous appraisal-related courses presented by the American Institute of Real Estate Appraisers, Northwest Center for Professional Education, Marshall Valuation Service, University of Alaska, and the International Right-of-Way Association. Mr. Wold has also completed courses sponsored by the American Institute of Real Estate Appraisers and the Appraisal Institute in conjunction with the University of Portland, University of Colorado, University of San Diego, and Arizona State University. Specific courses completed include:

- Law and Value; Communication Corridors, Tower Sites & Property Rights, 2001
- Attacking and Defending an Appraisal in Litigation, 2001
- Valuation of Detrimental Conditions in Real Estate, 2002
- Appraisal Litigation Practice & Courtroom Management, 2003
- The Road Less Traveled: Special Purpose Properties, 2004

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- Hospitality Properties, 2004
- Condominiums, Co-Ops, and PUDs, 2006
- Current Issues and Misconceptions in the Appraisal Practice, 2007
- Business Practices and Ethics, 2009
- Highest and Best Use and Market Analysis, 2009
- Self-Storage: Emerging Core Asset, 2011
- Fundamentals of Separating Real Property, Personal Property, & Intangible Business Assets, 2012
- Litigation Appraising – Specialized Topics, 2014
- Forecasting Revenue, 2015
- Review Theory, 2015
- Uniform Standards of Professional Appraisal Practice, 2018
- The Appraiser as an Expert Witness: Preparation and Testimony, 2019

Employment History

Reliant, LLC	Appraiser, March 2019 to Present
Integra Realty Resources – Seattle	Appraiser, April 2017 to March 2019
Alaska Appraisal Associates, Inc.	President and Chief Appraiser, October 1978 to April 2017
Ketchikan Gateway Borough	Appraiser, January 1976 to October 1978

Designations, Certifications and Awards

State License's / Certifications

- State of Alaska, Certified General Real Estate Appraiser, License No. 52 (expires June 30, 2021).

Organization Affiliations, Offices & Memberships

- Senior Member – National Association of Review Appraisers and Mortgage Underwriters
- Associate Member – Appraisal Institute
- Fee Appraiser – Federal Housing Authority (FHA/HUD #2218)

Qualified Before Courts & Administrative Bodies

- US Bankruptcy Court
- Superior Court of the State of Alaska
- Superior Court of the State of Washington
- Board of Equalization for Ketchikan Gateway Borough and the

9330 Vanguard Dr., Ste. 201
Anchorage, AK 99507
Phone: (907) 929-2226
Fax: (907) 929-2260
Email: admin@reliantadvisory.com

City of Craig

- Testified in Internal Revenue Service tax appeal hearings

Partial List of Clients

Clients include:

Government Agencies (FDIC, State of Alaska, Federal, and Local)
Financial Institutions
Fisheries
Forestry
Native Corporations
Tourism

A more detailed list of clients and professional references is available upon request.

EXHIBIT 1
NORWEGIAN CRUISE LINES/ MENTAL HEALTH TRUST TRANSACTION (ARTICLE)

The Alaska Mental Health Trust Authority has sold its subport land along Egan Drive in downtown Juneau to NCL Bahamas Ltd., which does business as Norwegian Cruise Lines, for $20 million. Norwegian Cruise Lines has until Sept. 19 to fulfill all the requirements of the bidding process, which includes paying 10 percent of the purchase price. (Michael Penn | Juneau Empire)

Cruise line buys downtown waterfront property for $20M

Three-acre lot next to Coast Guard station sold to highest bidder

By Peter Segall

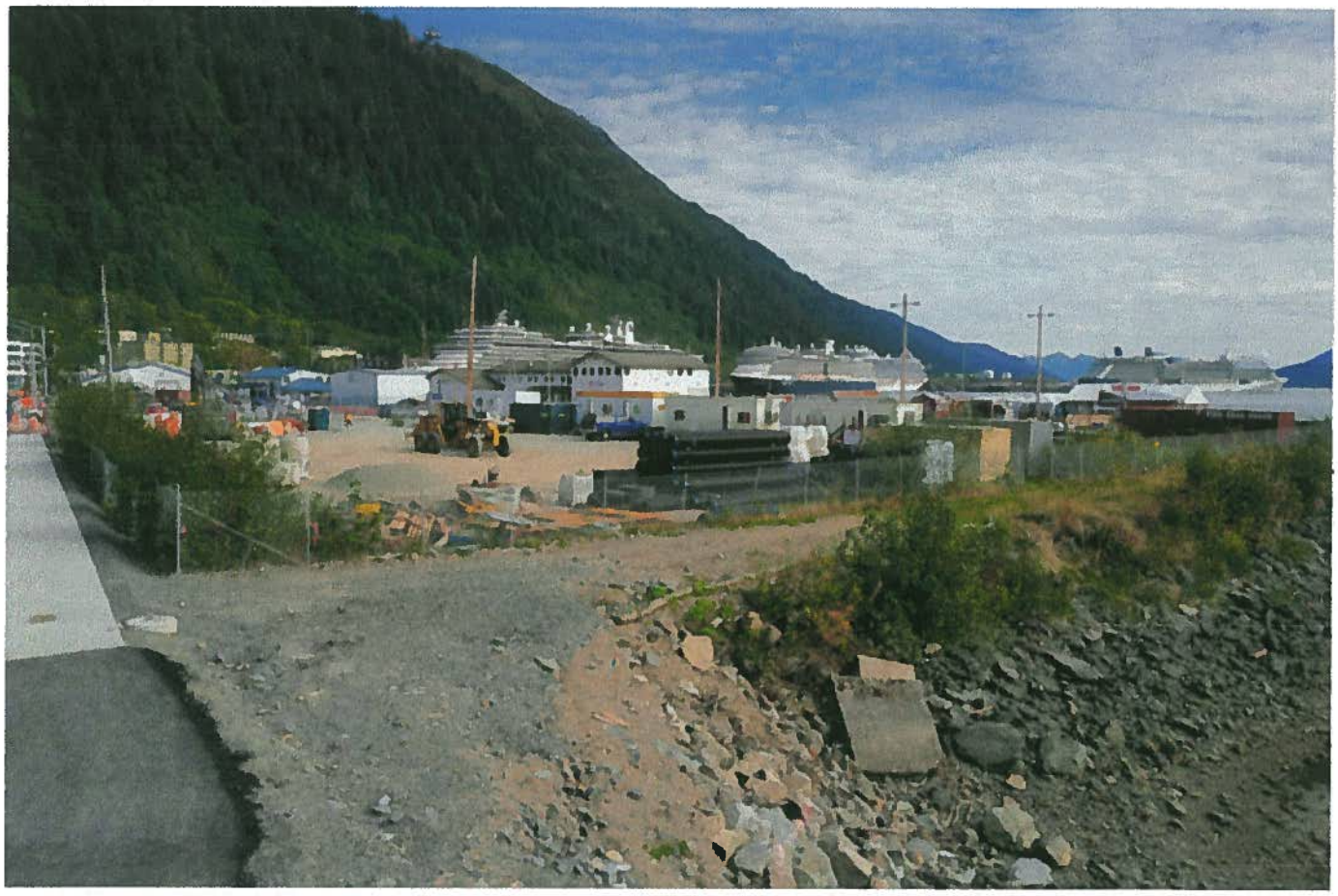
Tuesday, September 10, 2019 6:04pm | NEWS LOCAL NEWS

Norwegian Cruise Lines has purchased a vacant lot in downtown Juneau, which is now pending finalization of the bidding process.

NCL Bahamas Ltd., which does business as Norwegian Cruise Lines, offered $20 million for the land. The next highest bidder was Royal Caribbean Cruises, which offered $13 million, according to Aaron O'Quinn, Program Related Investment Manager for the Alaska Mental Health's Trust Authority Trust Land Office (TLO).

The TLO, which manages land owned by AMHTA, currently owns the 3-acre lot, just off of Egan Drive. The provisional sale was announced following the reading of five sealed bids Monday morning via teleconference in Anchorage.

Quality local journalism is more important than ever.
SUPPORT OUR WORK »



The Alaska Mental Health Trust Authority has sold its subport land along Egan Drive in downtown Juneau to NCL Bahamas Ltd., which does business as Norwegian Cruise Lines, for $20 million. Norwegian Cruise Lines has until Sept. 19 to fulfill all the requirements of the bidding process, which includes paying 10 percent of the purchase price. (Michael Penn | Juneau Empire)

The plot has been vacant since the TLO bought the property in the mid-1990s. Juneau city officials have been encouraging the trust to sell the land for some time, and earlier this year the trust commissioned a study examining how it could best profit from the sale of the land.

According to the trust's website, the minimum bid for the land was just over $3.6 million.

The City and Borough of Juneau entered a bid of $4,250,049, which ended up being the lowest bid offered.

Ketchikan-based Survey Point Holdings, Inc., offered up the next lowest bid of $5.265 million.

Godspeed Inc., owned by the Binkley family of Fairbanks, which also owns the Alaska Dispatch News, offered $12.8 million.

EXHIBIT 2
PLAT MAP 2019-19

RELIANT LLC
ADVISORY SERVICES

OWNERSHIP CERTIFICATE

ARCHIPELAGO PROPERTIES, LLC HEREBY CERTIFY THAT THE CORPORATION IS THE OWNER OF LOTS 1 AND 2 AS SHOWN AND DESCRIBED HEREON AND THAT THE CORPORATION HEREBY ADOPTS THIS PLAT OF SUBDIVISION WITH FREE CONSENT, AND DEDICATES ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACE TO PUBLIC OR PRIVATE USE AS NOTED.

DATE 5-28-2019

BY CRAIG MITCHELL
SENIOR VICE PRESIDENT
SHIVERS LENDING, LLC, SOLE MEMBER
ARCHIPELAGO PROPERTIES, LLC

NOTARY ACKNOWLEDGEMENT

STATE OF GEORGIA)
)S.S.
COUNTY OF Richmond)

THIS IS CERTIFY THAT ON THIS 28th DAY OF May 2019 BEFORE ME THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF GEORGIA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED Craig E. Mitchell TO ME KNOWN TO BE THE PERSON DESCRIBED IN AND WHO EXECUTED THE ABOVE AND FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE/SHE SIGNED AND SEALED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN MENTIONED, BEING FULLY AUTHORIZED TO DO SO. WITNESS MY HAND AND OFFICIAL SEAL THE DAY AND YEAR THIS CERTIFICATE FIRST ABOVE WRITTEN.

Notary Public Richmond County, Georgia
Jill Schwerer
Notary Public
Richmond County, Georgia
My Commission Expires 11-13-2020

NOTARY PUBLIC FOR GEORGIA

MY COMMISSION EXPIRES 11-13-2020

OWNERSHIP CERTIFICATE

THE CITY AND BOROUGH OF JUNEAU, ALASKA (CBJ) HEREBY CERTIFY THAT CBJ IS THE OWNER OF LOTS 3 AND 4 AS SHOWN AND DESCRIBED HEREON AND THAT CBJ HEREBY ADOPTS THIS PLAT OF SUBDIVISION WITH FREE CONSENT, AND DEDICATES ALL STREETS, ALLEYS, WALKS, PARKS, AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE May 23 2019

BY GREGORY CHANEY
LANDS AND RESOURCES MANAGER
CITY AND BOROUGH OF JUNEAU

NOTARY ACKNOWLEDGEMENT

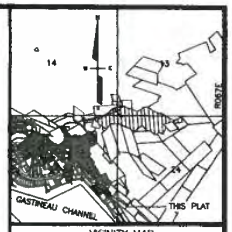
STATE OF ALASKA)
)S.S.
FIRST JUDICIAL DISTRICT)

THIS IS CERTIFY THAT ON THIS 23rd DAY OF May 2019 BEFORE ME THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED Gregory P. Chaney TO ME KNOWN TO BE THE PERSON DESCRIBED IN AND WHO EXECUTED THE ABOVE AND FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE/SHE SIGNED AND SEALED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN MENTIONED, BEING FULLY AUTHORIZED TO DO SO. WITNESS MY HAND AND OFFICIAL SEAL THE DAY AND YEAR THIS CERTIFICATE FIRST ABOVE WRITTEN.

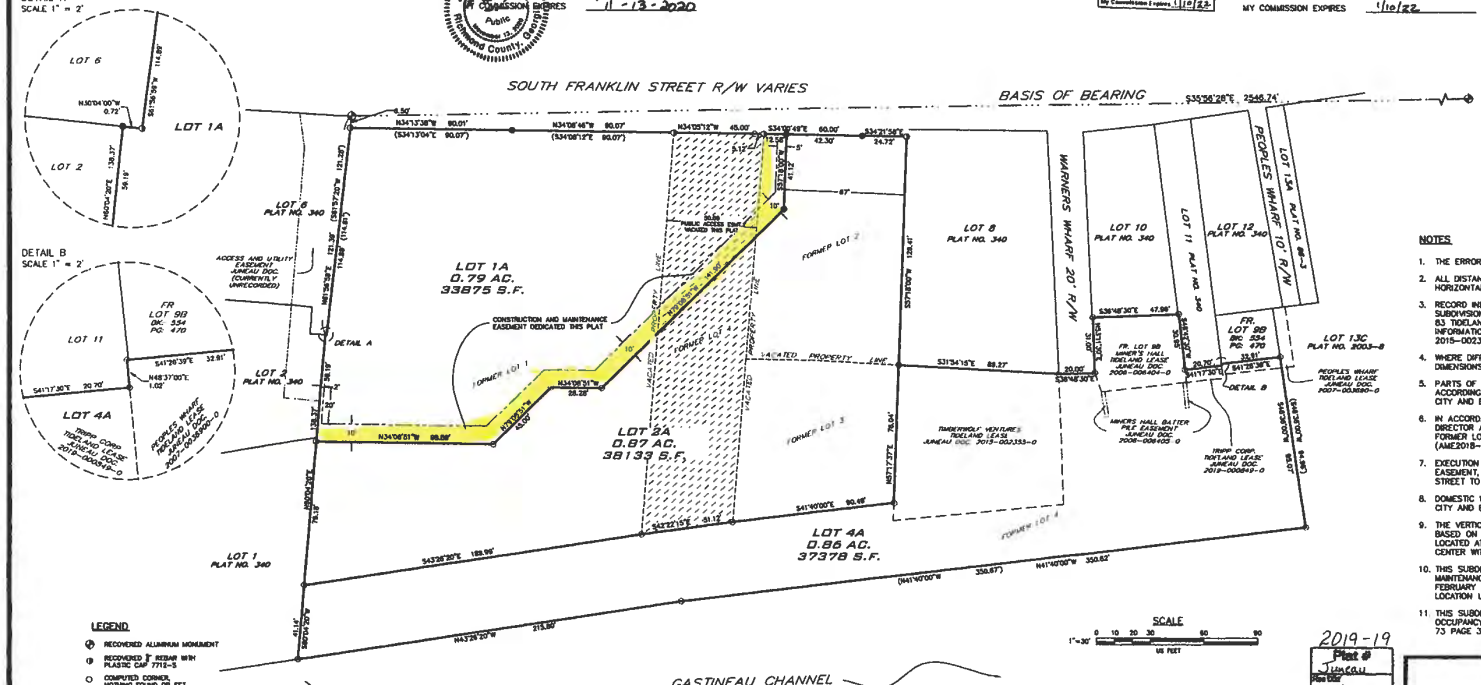
STATE OF ALASKA
OFFICIAL SEAL
Susan B. Phillips
NOTARY PUBLIC
My Commission Expires 1/10/22

NOTARY PUBLIC FOR ALASKA Susan B. Phillips

MY COMMISSION EXPIRES 1/10/22



VICINITY MAP
SCALE 1" = 1/2 MILE



BASIS OF BEARING

THE BASIS OF BEARING FOR THIS PLAT IS THE CALCULATED RECORD BEARING OF S35°56'28"E BETWEEN THE NORTH CORNER OF LOT 7A, BLOCK 83, TIDELANDS ADDITION TO THE CITY OF JUNEAU, PLAT NO 87-10 AND THE RESET MARKING RM C44 ATS NO. 3, AS NOTED.

NOTES

1. THE ERROR OF CLOSURE OF THIS SURVEY DOES NOT EXCEED 1:5000
2. ALL DISTANCES ARE MEASURED IN U.S. SURVEY FEET, REDUCED TO HORIZONTAL.
3. RECORD INFORMATION DERIVED FROM ARCHIPELAGO SUBDIVISION, A SUBDIVISION OF LOT 7A1, LOT 9A AND FRACTION OF LOT 9B, BLOCK 83 TIDELANDS ADDITION, ATS NO. 3, PLAT NO. 2013-22. RECORD INFORMATION ALSO OBTAINED FROM JUNEAU DOCUMENT NO. 2015-002355-0.
4. WHERE DIFFERENT FROM MEASURED OR CALCULATED, RECORD DIMENSIONS ARE SHOWN IN PARENTHESIS
5. PARTS OF THIS SUBDIVISION ARE LOCATED IN A VELOCITY FLOOD ZONE, ACCORDING TO THE ADOPTED FLOOD INSURANCE RATE MAPS OF THE CITY AND BOROUGH OF JUNEAU. SPECIAL REGULATIONS MAY APPLY.
6. IN ACCORDANCE WITH CITY CODE, THE COMMUNITY DEVELOPMENT DIRECTOR AMENDED THE LANDSLIDE AND AVALANCHE MAPS TO REMOVE FORMER LOTS 1, 2, 3, AND 4 FROM THE MODERATE HAZARD ZONE (AME2018-0010).
7. EXECUTION OF THIS PLAT VACATES THE EXISTING 50' PUBLIC ACCESS EASEMENT, DEDICATED BY PLAT 2013-22, FROM SOUTH FRANKLIN STREET TO LOT 4.
8. DOMESTIC WATER AND SANITARY SEWER DISPOSAL PROVIDED BY THE CITY AND BOROUGH OF JUNEAU PUBLIC UTILITIES.
9. THE VERTICAL DATUM FOR THIS SURVEY IS MEAN LOWER LOW WATER BASED ON A GPS RTK TIE TO NOAA BENCH MARK "2210 K 2011" LOCATED AT THE BASE OF A FLAGPOLE BY THE JUNEAU ARTS/CULTURE CENTER WITH A PUBLISHED ELEVATION OF 27.10' MLLW.
10. THIS SUBDIVISION IS AFFECTED BY A CITY OF JUNEAU DOCK MAINTENANCE, OPERATION AND RECONSTRUCTION EASEMENT, DATED FEBRUARY 14, 1967, RECORDED AS JUNEAU BOOK 85, PAGE 20, LOCATION UNDETERMINED AND NOT SHOWN HEREON
11. THIS SUBDIVISION IS AFFECTED BY A CITY OF JUNEAU JOINT USE AND OCCUPANCY EASEMENT, DATED AUGUST 05, 1964, RECORDED AS BOOK 73 PAGE 333, LOCATION UNDETERMINED AND NOT SHOWN HEREON.

LEGEND

- RECOVERED ALUMINUM MONUMENT
- RECOVERED ½" REBAR WITH PLASTIC CAP 7712-S
- COMPUTED CORNER NOTHING FOUND OR SET
- SET ½" X 30" REBAR WITH 1.5" STAINLESS STEEL CAP, LS 107707
- SET PK NAIL WITH 1.5" STAINLESS STEEL FLASHER, LS-107707
- ( ) RECORD DATA, SEE NOTES 3 & 4
- EASEMENT VACATED THIS PLAT
- VACATED PROPERTY LINE
- EASEMENT DEDICATED THIS PLAT
- TIDELAND LEASE LINE
- SURVEY TIE
- EXISTING EASEMENT LINE
- SURVEYED LOT LINE
- SURROUNDING STATUS LINE
- TYPICAL CAP SET

SCALE
1"=30' 0 10 20 30 60 90
US FEET

2019-19
Plat #
Juneau
Rec Dist
5/29/2019
Date
10:35AM
Time

COMMUNITY DEVELOPMENT APPROVAL

I HEREBY CERTIFY THAT THE PLAT HEREON HAS BEEN FOUND TO COMPLY WITH TITLE 49 OF THE CODE AND CITY AND BOROUGH OF JUNEAU AND IS APPROVED BY THE CITY AND BOROUGH OF JUNEAU, DEPARTMENT OF COMMUNITY DEVELOPMENT, FOR RECORDING IN THE OFFICE OF THE JUNEAU RECORDING DISTRICT, JUNEAU, ALASKA.

BY Jill MacLean DATE 5/23/2019
JILL MACLEAN, DIRECTOR
CITY AND BOROUGH OF JUNEAU
COMMUNITY DEVELOPMENT DEPARTMENT

SURVEYORS CERTIFICATE

I, IAIN BROWN, IN MY CAPACITY AS A PROFESSIONAL LAND SURVEYOR REGISTERED IN THE STATE OF ALASKA, CERTIFY THAT THIS PLAT REPRESENTS THE SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION, THAT THE ACCURACY OF THE SURVEY IS WITHIN THE LIMITS REQUIRED BY TITLE 49 OF THE CODE OF THE CITY AND BOROUGH OF JUNEAU, THAT ALL DIMENSIONAL AND RELATIVE BEARINGS ARE CORRECT, AND THAT MONUMENTS ARE SET IN PLACE AND NOTED UPON THIS PLAT AS PRESENTED.

Date 5/15/19

STATE OF ALASKA
IAIN C. BROWN
LS-107707
5/15/19
49TH

PND
LS-107707

Attest: Elizabeth J. McEwen, Municipal Clerk
City and Borough of Juneau

PLAT OF
LOTS 1A, 2A, & 4A
A SUBDIVISION OF
LOTS 1,2,3, & 4
ARCHIPELAGO SUBDIVISON
WITHIN CITY & BOROUGH OF JUNEAU, ALASKA
JUNEAU RECORDING DISTRICT

STATE RECORDER'S OFFICE AT JUNEAU

OWNERS: ARCHIPELAGO PROPERTIES LLC
ONE SEALASKA PLAZA, STE 300
JUNEAU, ALASKA 99801
&
CITY AND BOROUGH OF JUNEAU
155 SOUTH SEWARD STREET
JUNEAU, ALASKA 99801

PND ENGINEERS, INC.
1506 West 36th Avenue
Anchorage, Alaska 99503 Phone: 907.561.1011
www.pndengineers.com
AK LIC# AECC250

SCALE:	1" = 30'	FIELD BOOK:	N/A	GRID:	JUNEAU
DESIGNED BY:	IB	DATE:	2/21/19	CASE NO:	MP2019 0004
CHECKED BY:	DS/MW	PROJECT NO:	182045	SHEET NO:	1 OF 1

EASEMENT 355 LF X 10' = 3550 SQUARE FEET
10.5% OF GROSS SITE AREA

ARC 000006

EXHIBIT 3
ALASKA DEPARTMENT OF TRANSPORTATION DRAINAGE TRESPASS

RELIANT LLC
ADVISORY SERVICES

LAW OFFICES OF
SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.

ONE SEALASKA PLAZA, SUITE 300 • JUNEAU, ALASKA 99801
TELEPHONE: 907-586-1400 FAX: 907-586-3065

July 26, 2019

VIA U.S. FIRST CLASS MAIL AND EMAIL

Mr. Eugene F. Hickey
Assistant Attorney General
Alaska Department of Law
Transportation Division
P.O. Box 110300
Juneau, AK 99811
gene.hickey@alaska.gov

Re: DOT Storm Drain Outfall on Private Property, Juneau South Franklin Street

Dear Gene:

This letter follows up and responds on behalf of the affected property owner, Archipelago Properties, LLC, to your email of July 11th concerning the above subject. After an initial meeting between representatives of Archipelago, City and Borough of Juneau Docks & Harbors, and DOT, on June 11th, the property owners were under the impression that DOT desired to work cooperatively to find a mutually agreeable solution. We were disappointed by your and DOT's refusal to even meet with us last week, despite CBJ Port Director Carl Uchytil's repeated best efforts to arrange a meeting of the parties. Your email of July 11th essentially cutting off further discussion conveys a sense of bad faith not consistent with usual practices of Alaska State agencies.

By way of background for anyone reading this letter who is not already familiar with the facts of the case, there is a DOT-installed storm drain on South Franklin Street, adjacent to the Archipelago property, that drains onto Archipelago's land. According to DOT's records as you have related them, the drain and associated vault were installed in the 1980s. The drain pipe "ended at daylight" a short distance seaward at what would have been at that time the sloping bank of the Gastineau Channel tidelands. The resulting storm water would have drained on the surface of the private property until it reached the channel across the property, then owned by Archipelago's predecessor, Sealaska Corporation (or one of its affiliates). Assuming for the sake of this discussion that DOT's representation is correct, it would appear that sometime shortly after the drain was installed, someone—possibly Sealaska—added a corrugated metal pipe to convey the storm water seaward to daylight at the bank of Gastineau Channel when Sealaska added fill to the site to level it after the former Cold Storage burned down. The crux of DOT's position seems to be that DOT's responsibility ended when it found daylight to discharge its storm water onto Sealaska's fee simple private land.

The problem with DOT's position is that, even if no corrugated pipe was ever added, the discharge site was always on private property. Unlike most waterfront parcels in Juneau, or Alaska

in general, this particular site was and remains to this day in private ownership, including both filled and submerged tidelands. Further, while neither DOT nor other State land records reflect that any easement was ever requested or granted for this purpose, DOT admits that it did place a vault with a manhole access squarely on the private land, some 12 to 14 feet seaward from the DOT right-of-way, with a discharge point onto the private land. It is our conclusion that this placement was made with the property owner's consent, since the placement was obvious and the owner could have demanded that an easement be purchased at the time, but did not. Further, if in fact it was the owner who installed the corrugated pipe running some hundred or so additional feet seaward to accommodate the fill project, that too was only done with the owner's consent, as a convenience to the owner rather that having the storm water running onto its land, or blocked off on the street. So for several decades, DOT has benefitted from the private owner's voluntary placement of the metal drain pipe from DOT's vault (on the owner's land) to the nearest point of outfall.

Of course, as you are aware, where consent is given it can be revoked. Accordingly, Archipelago hereby revokes its consent under which DOT's storm water has been permitted to cross Archipelago's private land without compensation. In addition, the offer made in my June 12th email to you, of granting a perpetual easement in favor of DOT without cost, is hereby withdrawn.

As you are also aware from our first meeting, the existing corrugated metal pipe is at the end of its life. When the owner recently excavated the site to remove the old foundations and pilings for its planned development, the pipe was exposed and inspected by the owner's engineer. The bottom of the pipe is disintegrating and must be replaced or it will fail in the foreseeable future, blocking the storm water outfall and causing untold damage to the owner's future project, as well as DOT's roadway. The same is probably true for the DOT-installed vault, which is connected to the roadway by DOT-installed pipe of the same or older vintage. If DOT continues in its refusal to engage with the owner to correct this situation, Archipelago will be left with no real alternative but to mitigate its exposure and damage by undertaking corrective action—that is, installing the replacement pipe itself. Otherwise, its planned project will be delayed for an unknown amount of time; and, significantly, the planned project now underway by CBJ Docks & Harbors, may also be delayed and impacted. Docks & Harbors, as you know, has purchased a portion of the property and plans to construct a new retaining wall and deck-over at the seaward edge, which must be designed to accommodate the storm drain outfall. If DOT refuses to participate in this accommodation, it will have no say in any design or configuration.

Archipelago is fully aware that DOT is in a position to acquire the easement it needs through the usual condemnation process. While this is typically avoided through good-faith arms-length negotiation between the parties, DOT's conduct in this matter by refusing to engage makes it more likely that litigation will ensue. Archipelago cannot wait for lengthy litigation to conclude, which is why it may be required to proceed without DOT's involvement. When the damages are known, Archipelago can proceed with whatever claims are available to it. The other alternative is

for DOT to step up for a good-faith, arm's-length negotiation, take some responsibility, and share in the planning as well as expense of what is a relatively minor matter from DOT's perspective. Archipelago's owners prefer the cooperative and negotiated approach, but are prepared to go the other route if forced.

Sincerely,
SIMPSON, TILLINGHAST, SHEEHAN & ARAUJO, P.C.

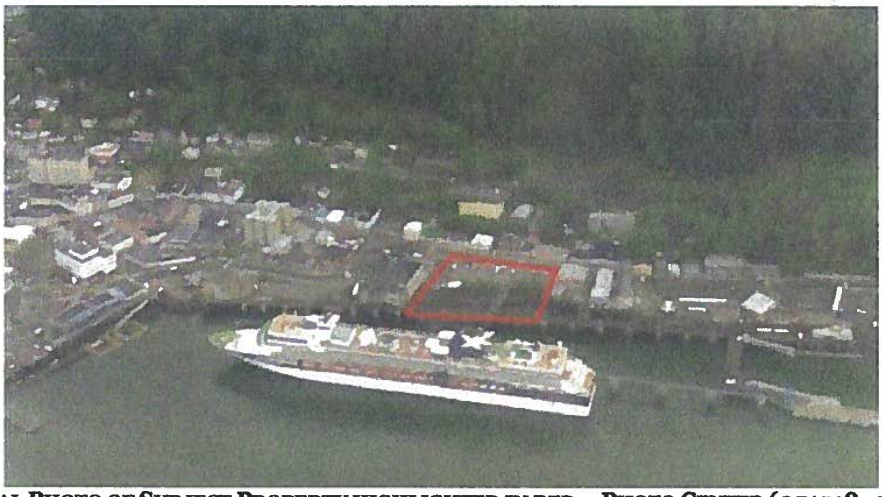
E. Budd Simpson

cc: Rorie Watt, CBJ Manager
Carl Uchytil, CBJ Port Director
John MacKinnon, Commissioner, State of Alaska, DOTPF
Robert Kuhar and Allen Grinalds, Morris Communications Company, LLC/Archipelago Properties, LLC

EXHIBIT 4
HORAN 11/16/18 APPRAISAL
(JUNE 2019 UPDATE NOT PROVIDED)

RELIANT LLC
ADVISORY SERVICES

APPRAISAL REPORT
MARKET VALUE DIFFERENCE
CBJ AND ARCHIPELAGO
PURCHASE AND SALE AGREEMENT
ARCHIPELAGO SITE
356 SOUTH FRANKLIN STREET
JUNEAU, ALASKA



AERIAL PHOTO OF SUBJECT PROPERTY HIGHLIGHTED IN RED – PHOTO CENTER (051518_2497)

PREPARED FOR: Carl J. Uchytil, PE, Port Director
City and Borough of Juneau Docks and Harbors
155 South Seward Street
Juneau, Alaska 99801

PREPARED BY: Charles E. Horan, MAI
HORAN & COMPANY, LLC
403 Lincoln Street, Suite 210
Sitka, Alaska 99835

EFFECTIVE DATE: November 16. 2018

REPORT DATE: November 26, 2018

OUR FILE #: 17-142 – Nov. 2018

HORAN & COMPANY

REAL ESTATE APPRAISERS/CONSULTANTS
CHARLES E. HORAN MAI / WILLIAM G. FERGUSON,
JOSHUA C. HORAN, AND SLATER M. FERGUSON

403 LINCOLN STREET, SUITE 210, SITKA, ALASKA 99835
PHONE NUMBER: (907)747-6666 FAX NUMBER: (907)747-7417 commercial@horanappraisals.com

November 26, 2018

Carl J. Uchytil, PE, Port Director
City and Borough of Juneau Docks and Harbors
155 South Seward Street
Juneau, Alaska 99801 Sent via email to: carl_uchytil@juneau.org

Re: Appraisal Report Market Value Difference CBJ and Archipelago Purchase and Sale Agreement, Archipelago Site, 356 South Franklin Street, Juneau, Alaska, Our File #17-142 – Nov. 2018

Dear Mr. Uchytil:

The CBJ and Archipelago Properties, LLC are negotiating a real property Purchase and Sale Agreement (PSA) that results in a mutually beneficial exchange of properties to be purchased and sold at market value and grants additional temporary and permanent easements, restriction on development in specific locations, and the planned, but not required, construction of municipal improvements that would provide benefit to Archipelago. The CBJ is acquiring more land interest than it is giving up, resulting in a deficit. The CBJ code requires that it be compensated for the sale of any real estate interest for not less than its market value and that it does not purchase a real estate interest for more than market value.

The purpose of the appraisal is to estimate the market value difference in the real property interest being exchanged subject to the PSA, which we have reviewed, and a copy of which is in the addenda of this report. The effective date is November 16, 2018. The intended users of this report are the owners involved; City and Borough of Juneau and Archipelago Properties, LLC (Morris). The intended use of the appraisal, is as a basis for calculating the difference in the acquisition values. This appraisal has not been completed for any other use or any other users.

The PSA envisions a variety of shared access and mutually beneficial uses that cancel each other out or do not have a measurable market impact. These include the reciprocal temporary construction easements and free and open access between properties to the transportation area and other public elements on the site. Elements of the exchange which represent measurable compensable market value are summarized below. The summary shows the value of the purchased real estate for its fee simple interest by each party offset by value elements which benefit Archipelago.

CBJ purchase fee property		$2,571,735
Less Archipelago purchase fee property	$1,131,200	
Less benefit of seawall	$ 420,935	
Less access along northern property line	$ 60,000	
Less objection to development portion Lot 1	$ 194,625	
Total Archipelago acquired	$1,806,760	
CBJ balance due		$ 764,975

It should be noted that cost of construction does not necessarily equate to value realized in the market, especially the cost of public infrastructure. This appraisal anticipates a hypothetical development of the site and is subject to the final wording of the agreement and surveyed areas. The appraisal is made based on hypothetical conditions, extraordinary assumptions and other generalized assumptions and limiting conditions outlined in the attached report. These numbers could be modified if those assumptions or conditions change.

The attached report includes the Assumptions and Limiting Conditions, Certification of Appraisal, Definitions, and the most pertinent data considered and analyses used in arriving at a final conclusion.

Thank you for this opportunity to be of service. If you have any questions or comments, please feel free to contact me.

Respectfully Submitted,

Charles E. Horan, MAI AA41
HORAN & COMPANY, LLC

Slater Ferguson, #133619

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Addenda

Subject Photos
Comparable Sales Write-ups
Exhibits A – E (Draft 11/23/18)
Purchase Sales Agreement (Draft 10/29/18)
Qualifications of Charles E. Horan

CERTIFICATION OF APPRAISAL

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.

- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.

- The use of this report is subject to the requirements of the Appraisal Institute relating to the review by its duly authorized representatives.

- We have made a personal inspection of the property that is the subject of this report.

- No one provided significant real property appraisal assistance to the person signing this certification.

- Charles Horan completed a valuation consultation on this property, effective December 4, 2017. We have not performed any other services regarding the subject property, as an appraiser or in any other capacity, within the three year period immediately preceding acceptance of this assignment.

- As of the date of this report, Charles Horan has completed the continuing education program for Designated Members of the Appraisal Institute.

Charles Horan

Charles Horan, MAI
APRG 41
November 16, 2018
Effective Date of Appraisal

Slater Ferguson

Slater Ferguson
133619
November 26, 2018
Date of Report

1 INTRODUCTION

1.1 PROPERTY IDENTIFICATION

FIGURE 1.1 - The existing site configuration showing proposed new subdivision line and properties to be sold and purchased by each party. Not to scale - for visual purposes only.

Location

The proposed exchange involves a large, undeveloped area between 356 South Franklin Street and 388 South Franklin Street, in downtown Juneau, Alaska; between the CBJ parking structure-Library to the north, and the Pacific Pier Building (Pier 49 Building) to the south. These lands are in the heart of the Juneau cruise ship pedestrian retail corridor. This block of land extends from South Franklin Street southwest to the Seawalk. See Figure 1.1.

Background

The current configuration includes Lots 1 and 2 owned by Archipelago Properties, LLC, controlled by Morris Communications (Morris), Lot 3 and a portion of Lot 4 currently owned by CBJ Docks and Harbors (CBJ), all within the Archipelago Subdivision Plat 2013-22.

These adjacent land owners are negotiating a mutually beneficial reconfiguration (purchase and sale-exchange) of their lands which include portions of existing plated lots. Under the current draft of the Real Property Purchase and Sales Agreement (PSA),which we marked 10/29/18 Draft (copy in the Addenda), the boundary lines are proposed to be altered (Section 3). This will shift CBJ ownership along South Franklin Street to the south and access to the remaining land seaward (west) of the new property line within the larger area. As a result of the agreement, the CBJ will acquire certain fee simple property and give certain easements and concessions to Archipelago Properties, LLC, who will also give up certain fee simple property in the newly reconfigured subdivision. In calculating the exchange values within the hypothetically subdivided area the appraisal will disregard improvements and existing title encumbrances and address those envisioned by the proposed (PSA).

Section 10 of the PSA indicates the CBJ and Archipelago will grant temporary construction easements (TCE) for development of each respective owner's lands. The benefits are mutual and do not reflect a valuable property right beyond the benefit obtained from the other party. While there may be cost avoidance on both sides which may not be equal, these are project related for the benefit of each individual party.

Additionally in Section 13 there are certain mutual regulated access easements across each other's boundary lines and maintenance agreements that are equally beneficial elements of the exchange and not considered a valuable compensable real estate right on either side of the agreement.

There are several elements of the agreement however which reflect a transfer of valuable real estate interests, the value of which are estimated in this appraisal. The following outlines those elements which are considered to have an impact on the real estate rights sold by the CBJ.

- Section 3, The market square foot (SF) value of the land to be **sold and purchased.**
- Section 9 of the PSA indicates the CBJ will construct a **retaining wall** which will create filled lands on Archipelago's Property, presently not filled. The enhanced value of the newly filled lands in the after state will be estimated based on the value of these lands as filled minus the value as unfilled based on our valuation matrix.
- Section 12 of the PSA allows Archipelago non-exclusive access for service vehicles and utilities along the common strip of land adjacent to the public parking structure along the north property line. The easement language and area impacted will be considered as best as it is known to the appraiser by the completion of the appraisal. This creates a **beneficial access** attribute to the Archipelago property encumbering off site interests in CBJ property.
- Section 14 of the PSA grants Archipelago the **right to object** to improvements placed on a portion of Lot 1 of the Archipelago subdivision which may impair, interfere or unfairly compete with businesses taking place on its adjacent upland property. This appears to limit future economic uses on the CBJ remainder land after the exchange. The fee simple value of this area will be discounted to reflect the market value of this encumbrance.

The general location of these valuation elements are identified in Figure 1.2 an adaptation of the PSA exhibited D below.

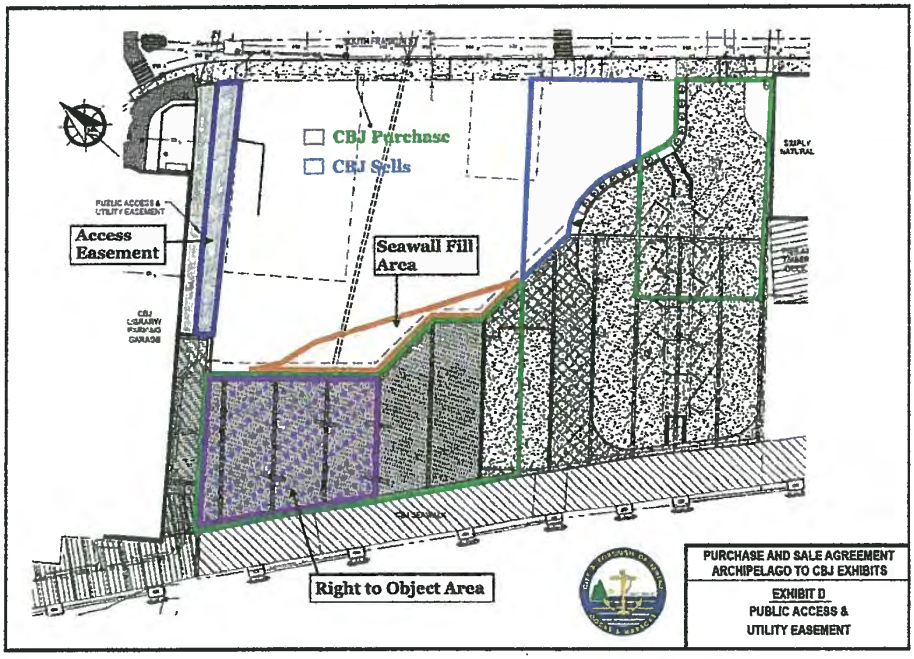


FIGURE 1.2 - PSA Exhibit D (Draft 11/23/18) modified by appraiser to show valuation elements of the purchase and sale agreement.

1.2 PURPOSE OF APPRAISAL

The purpose of the appraisal is to estimate the market value difference in the real property interest being exchanged subject to the PSA. The CBJ is acquiring more land interest than it is giving up, resulting in a deficit to be made up by cash or equivalent. CBJ code requires the land acquired not to be done in excess of appraised market value.

1.3 INTENDED USERS AND INTENDED USE

The client is the City and Borough of Juneau. The intended users are the owners involved; City and Borough of Juneau and Archipelago Properties, LLC (Morris).

The intended use of the appraisal, is as a basis for calculating the difference in the acquisition values. This appraisal has not been completed for any other use or any other users.

1.4 EFFECTIVE DATE OF APPRAISAL

The effective date of the appraisal is November 16, 2018. The subject property was inspected on December 4, 2017 by Charles Horan, MAI Appraiser, with Allen Grinalds of Morris Communications. Mr. Horan also viewed the property October 1, 2018. It is considered an extraordinary assumption of this report that no significant changes have been made to the subject property since the inspection date.

1.5 SCOPE OF THE APPRAISAL

The character of the property is estimated by the appraiser with the assistance of CBJ-GIS maps, documents, aerial photography, surveys, maps, and other exhibits available to the appraiser. The appraiser also made a walk-through inspection of the subject December 4, 2017 and has observed it from time to time as a neighborhood feature during routine appraisal work in the area over the last 30 years. The appraiser last viewed the property October 1, 2018.

The final value is subject to final surveying and size estimates of the land and rights to be exchanged. It's an extraordinary assumption of this appraisal that the agreement and the exhibits are as described herein. The appraisal is made subject to certain extraordinary assumptions about the impact of legal rights acquired or reserved. If any of these assumptions is found to be different it could impact the values estimated herein.

Primary reliance for estimating the value distribution of the various sites has been made on estimating the market value per SF basis based on a variety of market transactions. These include land sales, capitalized land leases and adjustments to improved properties to indicate the land value contribution of particular sales.

The appraisal concludes SF values by certain areas of site value characteristics such as topography and location within the larger land area influenced by proximity to South Franklin Street.

In order to identify transactions of competitive properties, the appraiser obtained comparable information through interviews with knowledgeable participants in the real estate market such as existing land owners, the city, lenders, brokers, state recorder's office, and others who are familiar with the Juneau real estate market. After finding transfers of property that might be comparable, we attempted to contact the buyer, seller, or other parties knowledgeable of the transaction to determine the details of sale and physical characteristics of the site.

1.6 ASSUMPTIONS AND LIMITING CONDITIONS

Given the intended use and users of the appraisal, our analysis and the concluded SF values are subject to certain hypothetical conditions (HC) and extraordinary assumptions (EA) as follows:

Hypothetical Conditions (HC)

HC 1. The property rights appraised are the fee simple interest. The existing easements are ignored. Given the purpose of the appraisal it focuses on the area transferred with a larger parcel based on the sizes contributed by each of the exchanging parties as hypothetically subdivided.

HC2 The existing improvements do not add value to the proposed development plans or the highest and best use and are considered to add no value nor are considered an encumbrance to the land as appraised.

Extraordinary Assumptions

EA 1. The parcels are economic units that are not impaired by size or shape.

EA 2. The upland parcel has frontage on the 300 Block of South Franklin Street near road grade.

EA 3. The upland parcel has suitable soil conditions so that extraordinary piling costs are not necessary to support typical buildings found in the 300/400 Blocks of South Franklin Street.

EA 4. The sloping tideland and submerged parcel may require a piling foundation for development at a cost not to exceed $150 per square foot.

EA 5. All utility services are available to the parcels.

EA 6. The tideland parcel has frontage on the Seawalk.

EA 7. The final value is subject to final surveying and size estimates of the land and property rights to be exchanged.

EA 8. The purchase and sale agreement and referenced exhibits have not been finalized. It's an extraordinary assumption of this appraisal that the agreement and the exhibits are as described herein. The appraisal is made subject to certain extraordinary assumptions about the impact of legal rights acquired or reserved.

EA 9. No significant changes have been made to the subject land since the prior inspection date of December 4th, 2017 and viewing of the property October 1, 2018.

This appraisal report and valuation contained herein are also expressly subject to the additional following assumptions and/or conditions:

1. It is assumed the data, maps and descriptive data furnished by the client or his representative are accurate and correct. Photos, sketches, maps, and drawings in this appraisal report are for visualizing the property only and are not to be relied upon for any other use. They may not be to scale.

2. The valuations are based on information and data from sources believed reliable, correct and accurately reported. No responsibility is assumed for false data provided by others.

3. No responsibility is assumed for building permits, zone changes, engineering or any other services or duty connected with legally utilizing the subject property. No responsibility is assumed for matters legal in character or nature. No opinion is rendered as to title, which is assumed to be good and marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, having responsible ownership and competent management. It is assumed that the title to the property is marketable. No investigation to this fact has been made by the appraiser.

4. The property described herein has been examined exclusively for the purpose of identification and description of the real property. The objective of our data collection is to develop an opinion of the highest and best use of the subject property and make meaningful comparisons in the valuation of the property. The appraiser's observations and reporting of the subject improvements are for the appraisal process and valuation purposes only and should not be considered as a warranty of any component of the property.

5. This appraisal report may or may not note any significant adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) discovered during the data collection process in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and make no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

6. The appraiser obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable public and/or

private sources that the appraiser believe to be true and correct. It is assumed that no conditions existed that were undiscoverable through normal diligent investigation which would affect the use and value of the property. No engineering report was made by or provided to the appraiser.

7. The Client is the party or parties who engage an appraiser (by employment contract) in a specific assignment. A party receiving a copy of this report from the client does not, as a consequence, become a party to the appraiser-client relationship. Any person who receives a copy of this appraisal report as a consequence of disclosure requirements that apply to an appraiser's client, does not become an intended user of this report unless the client specifically identified them at the time of the assignment. The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public through advertising, public relations, news, sales, and other media.

8. The appraisal report may not be properly understood without access to the entire report. The appraisal is to be considered in its entirety, the use of only a portion thereof will render the appraisal invalid.

9. If this valuation conclusion is subject to satisfactory completion, repairs, or alterations, it is assumed that the improvements will be completed competently and without signification deviation.

10. Any distribution of the valuation in the report between land, improvements, and personal property applies only under the existing program of utilization. The separate valuations for land, building, and chattel must not be used in conjunction with any other appraisal and is invalid if so used.

11. One (or more) of the signatories of this appraisal report is a member or associate member of the Appraisal Institute. The bylaws and regulations of the Institute require each member and candidate to control the use and distribution of each appraisal report signed by such member or candidate. Therefore, except as hereinafter provided, the party for whom this appraisal report was prepared may distribute copies of this appraisal report in its entirety to such third parties as selected by the party for whom this appraisal report was prepared; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media or other media for public communication without the prior written consent of signatories of this appraisal report.

12. The appraiser shall not be required to give testimony or appear in court by reason of this appraisal with reference to the property described herein unless prior arrangements have been made.

If any of these hypothetical conditions or assumptions are found to be different, it could impact the values estimated herein.

1.7 TERMINOLOGY

Market Value

The definition of Market Value to be used in the appraisal is as follows: "The price in (terms of) money that the property could be sold for on the open market under fair conditions between an owner willing to sell and a buyer willing to buy, with a reasonable time allowed to find a purchaser. State v. 7.026 Acres, Sup. St. Op. No.601, 466 P2d 364, 365; (1970)." The opinion further reads, in part: "The highest and most profitable use for which the property is adaptable is to be considered, to the extent that the prospect of demand for such use affects the market value while the property is privately held. Fair Market value is normally based on the parcel's fee simple value"

The Dictionary of Real Estate Appraisal, 5th Edition, Appraisal Institute, Page 78

Hypothetical Condition

That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

(USPAP, 2010-2011 ed.) *The Dictionary of Real Estate Appraisal*, 5th Edition, Appraisal Institute, Page 97

Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

(USPAP, 2010-2011 ed.) *The Dictionary of Real Estate Appraisal*, 5th Edition, Appraisal Institute, Pages 73

2.1 JUNEAU AREA ANALYSIS

Overall Market

The demand for real property is driven by population, which is in large part driven by employment.

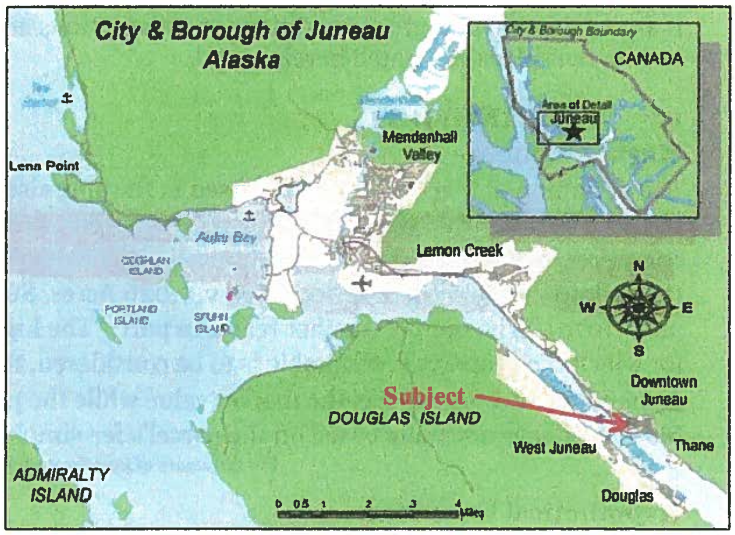
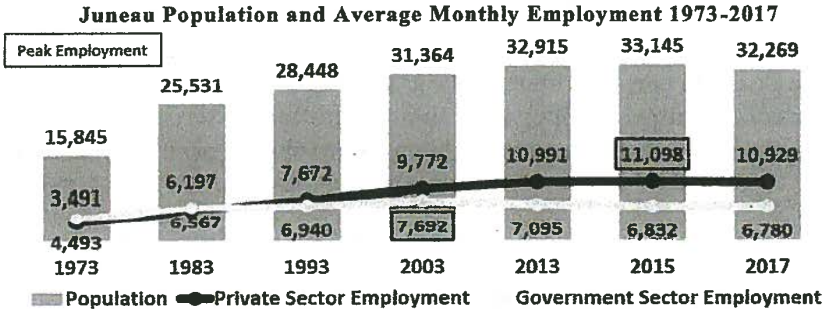


FIGURE 2.1 – Juneau Location Map

The Juneau economy is primarily driven by the government. 38% of all jobs and 46% of all wages in Juneau are Federal, State or Tribal Government, based on the Juneau Economic Development Council (JEDC) 2017 report on the 2016 numbers. This shows a decline from prior years, when 40% of all jobs and 50% of wages were in the combined government sector. The private sector has been growing, but remained flat from 2015 to 2017. Despite continued cuts in state employment, Juneau's economy shows resilience due to diversifying elements such as tourism, mining (Greens Creek and Kensington), and regional and local health care. The seafood industry had an off year, but this is relatively cyclical.



Source: Alaska Department of Labor and Workforce Development, Quarterly Census of Employment and Wages

FIGURE 2.2 - Population and average monthly employment for Juneau, published by the Juneau Economic Development Council, August 2018

The Juneau and Southeast Alaska Economic Indicators August 2018, released by the Juneau Economic Development Council (JEDC-2018), indicates that from 2016 "Juneau's average monthly employment declined by 221, from 17,930 in 2015 to 17,709 in 2017." This was mostly due to 52 government job losses. Despite these losses, earnings in Juneau went up slightly over the same time as a result of increased annual government wages. Between 2013 and 2016 there was a rise in self employment by sole proprietors (2,572 to 2,894). The unemployment rate in Juneau has fallen from about 5% to 4.5% from 2013 to 2017. Juneau's per capita income grew about 5% between 2013 and 2015, but appears to be leveling. Juneau is still on average about 12% higher than the state average. These indicators seem to suggest a leveling of the economy.

According to the Alaska Department of Labor estimates included in JEDC's report, Juneau's **population** declined for the first time in 10 years, dropping almost 900 from 2015 to 2017, which indicated 32,269. Juneau's annual growth rate over the past 10 years has been 0.1% compared to southeast regional growth of 0.3% and the overall state growth of 0.8% annually compounded.

2.2 JUNEAU CRUISE SHIP PASSENGER TRENDS

Juneau's downtown waterfront has developed over the past several decades in response to the increasing cruise ship tourism to the area. The volume has increased over time from a low in 2010 of 871,000 passengers, topping 1,072,000 for the 2017 season as indicated by Figure 2.4, Cruise Ship Passenger Visitation Numbers.

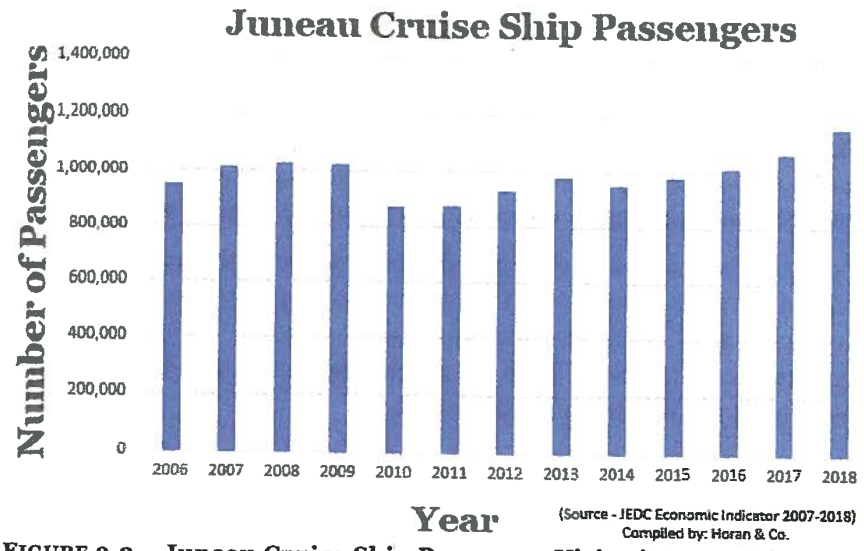


FIGURE 2.3 – Juneau Cruise Ship Passenger Visitation 2006 through 2018.

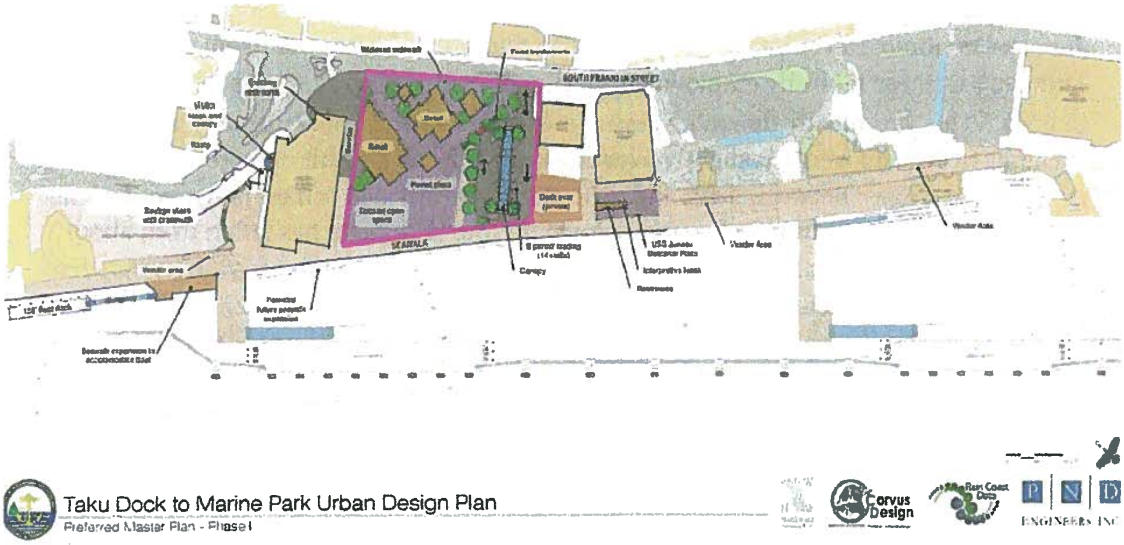


FIGURE 2.4 - A conceptual site plan from a community presentation showing existing neighborhood features, the position of two new cruise ship docks, where passengers enter the Seawalk, and the South Franklin Street tourist retail area.

This growth has been accommodated by the expansion of cruise ship berths along Juneau Harbor to accommodate larger Panamax class vessels. The south berth opened for the 2016 season just south of the subject and the north berth opened for the 2017 season just north of the subject as indicated in Figure 2.4.

2.3 SOUTH FRANKLIN RETAIL

The retail core area is along South Franklin Street, with primary retail activity closer to the city docks where more passengers are concentrated in the drop off and pickup areas.

Overall retail spending in the area has increased to coincide with the increased visitation from cruise ships. According to the Juneau Economic Development Council's last published indicators in 2017, the Gross Business Sales by Tourist-Related Businesses have steadily grown since 2010. See Figure 2.5 which reflects selective business sales that would most impact retail in the immediate area.

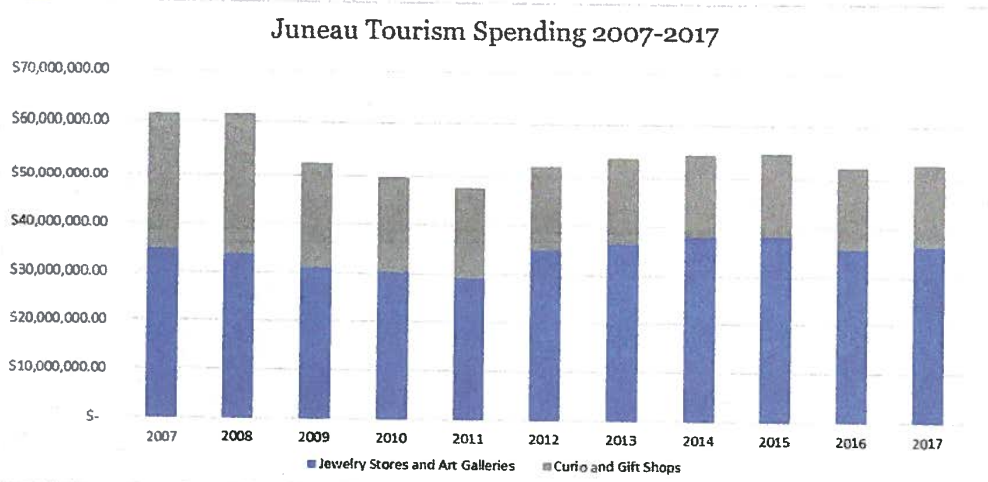


FIGURE 2.5 –Juneau Tourist Spending 2007-2017. Source: Juneau Sales Tax Office. Compiled by: Horan & Co

The demand for shore-side retail locations in this area is highest in the 300 and 400 block of South Franklin and tends to trail off to the north in the 200 block of South Franklin Street. Demand for retail space appears to stop at the Taku Smokery Building in the 500 block.

Rents had trended upwards in the early parts of 2000, peaking out when the cruise ship traffic stalled after 2009. They have gradually increased and are stabilizing for most properties. It appears that small jewelry shops have a higher SF rent than larger general tourist oriented retail shops. There have been very few property sales, but this rental trend suggests that sale value indicators of the last several years would be relatively stable.

A current updated rent survey of the prime competitive area to the subject between the 200 block and 500 block of South Franklin (See Fig. 2.6) indicate rent contracts for the 2019 season have been negotiated would be similar to last season between $6.50/SF and nearly $11.00/SF. The best located, newer buildings with small space that are rented to jewelry shops have achieved the highest rents. The lesser quality buildings with larger spaces or with obsolete features are at the lower end. North of the Red Dog Saloon toward the end of the 200 block of South Franklin Street, rents are in the $3.00/SF to $5.00/SF range for first floor retail.

In a neighborhood such as the subject, rents drive the demand for land. If building construction costs are the same at any location, but rents change due to location, higher values can be paid for the land at locations achieving the higher rents. Our recent rent

survey indicates properties in the 300 to 400 South Franklin Street blocks across from the subject achieve the highest rents.

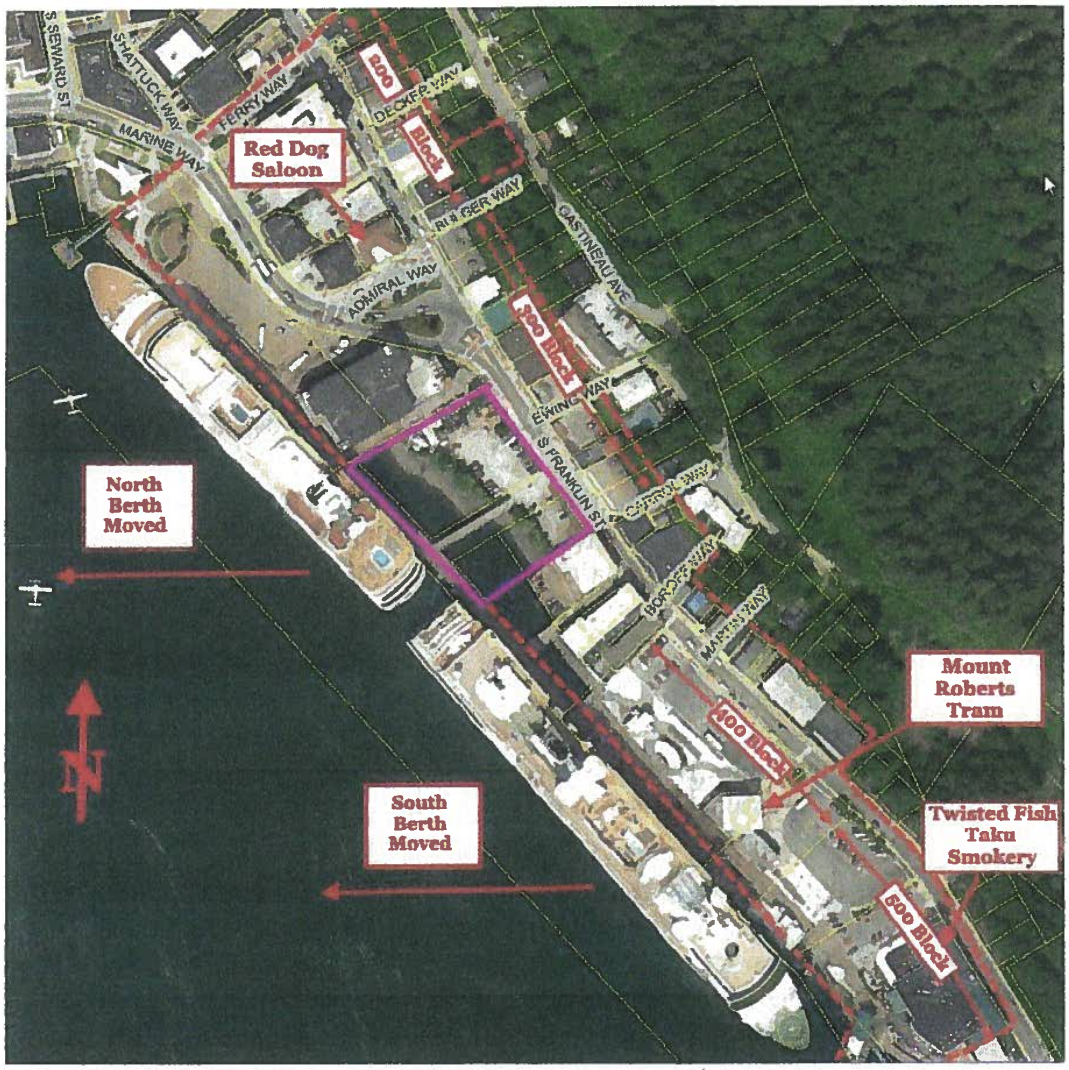


FIGURE 2.6 - South Franklin Street neighborhood showing the 200 block to the 500 block limits of property inventory.

The immediate neighborhood is mostly built out with no vacant developable sites except for the subject 74,700 SF site. We have inventoried over three dozen properties in the immediate area as noted in Fig. 2.6, from the 200 to 500 block of South Franklin Street. This represents about 240,000 SF of privately owned land. A significant portion of that is steep hillside above South Franklin Street. These properties are developed with nearly

320,000 SF of gross building areas of which about 123,000 SF represent first floor retail building area. The 31-building inventory shows that the first floor retail building space size ranges from 1,000 SF to just over 9,000 SF. The median first floor retail gross building area (GBA) size is about 3,500 SF and typically comprises several rental spaces. The small retail spaces along South Franklin Street produce the highest SF rents. It's interesting to note that the typical depth of the retail spaces in these prime locations is about 50 feet from the street. Vacancies are difficult to determine as most of these properties are vacated for seven months or so of the off-season. Some of the properties in our inventory are known to have vacancies. This is due to poor building condition, layout or excessive asking rent. With typical market rent rates the vacancy is expected to be very low. Some building managers said several recently rented retail spaces had back up rent offers. It appears that the 2018 season was stronger than the 2017 season, which was a little better than the 2016 season. At competitive rents in a well-managed building, vacancy rate in this prime sub-market should be less than 5%.

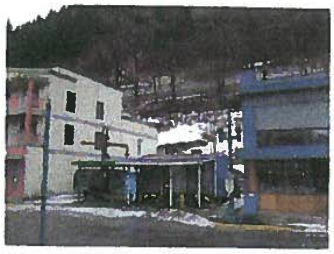
2.4 LAND VALUE INDICATORS

The competitive neighborhood is built out with the exception of the subject lots. There has been no significant land sales for new construction in the area since 2006. Land values had gone up significantly in the early 2000s.

425 South Franklin 2004 Land Sale

For instance 425 South Franklin Street (#5193) sold as a vacant lot in 2001 for one million dollars. A partnership buyout indicated a price of $1,200,000 for the same site in 2004. This was an 8,420 SF lot indicating $142/SF. In addition to the value paid for the land, an additional $500,000 was spent in site work digging into and shoring up the steep hillside.

265 South Franklin 2005 Land Sale



265 South Franklin Street (#3900) sold in 2005 for $960,000 for a 15,500 SF steep hillside site which had about 3,200 SF of immediately developable area. Applying a price to the development area indicated about $300/SF. This property was developed with two retail spaces on the first floor and two large apartments above.

307 South Franklin 2006 Land Sale

307 South Franklin, (#4761), a multi-story split level concrete structure, sold in 2006 for $1,500,000. This indicates about $333/SF for this 4,500 SF lot. Some value in this transaction may be attributed to the building.

Rents continued to rise for several more years after these sales in 2009. However, the commercial property market stagnated since that time with a downturn in tourism, which caused a reduction in retail sales and a series of renegotiating rents through 2012 or so. The rent market has since stabilized. The expected rent levels at the time of these last two sales, in 2005 and 2006, are similar to what they would be in the current market.

The most recent sales transactions that occurred from 2011 to 2013 are from the Archipelago Properties, LLC (Morris) to the City and Borough of Juneau involving portions of the subject site or adjacent to it. These were negotiated sales that appear to reflect market prices. A more recent sale occurred in the 500 block of the subject neighborhood in January of 2018, however, it is considered significantly inferior to the subject due to location, and steep topography. There have also been several land leases in the area which, when capitalized, indicate uplands and tidelands values in the immediate vicinity. Some of these indicators were on South Franklin Street, and some were in the tidelands closer to the Seawalk. They confirm the market trend that the highest prices are paid for lands likely to achieve the highest rents if developed for retail no more than 100 feet from South Franklin Street. Land beyond this distance or with development challenges over the water indicate values significantly less per SF.

2.5 LAND USE REGULATIONS
Parking Districts

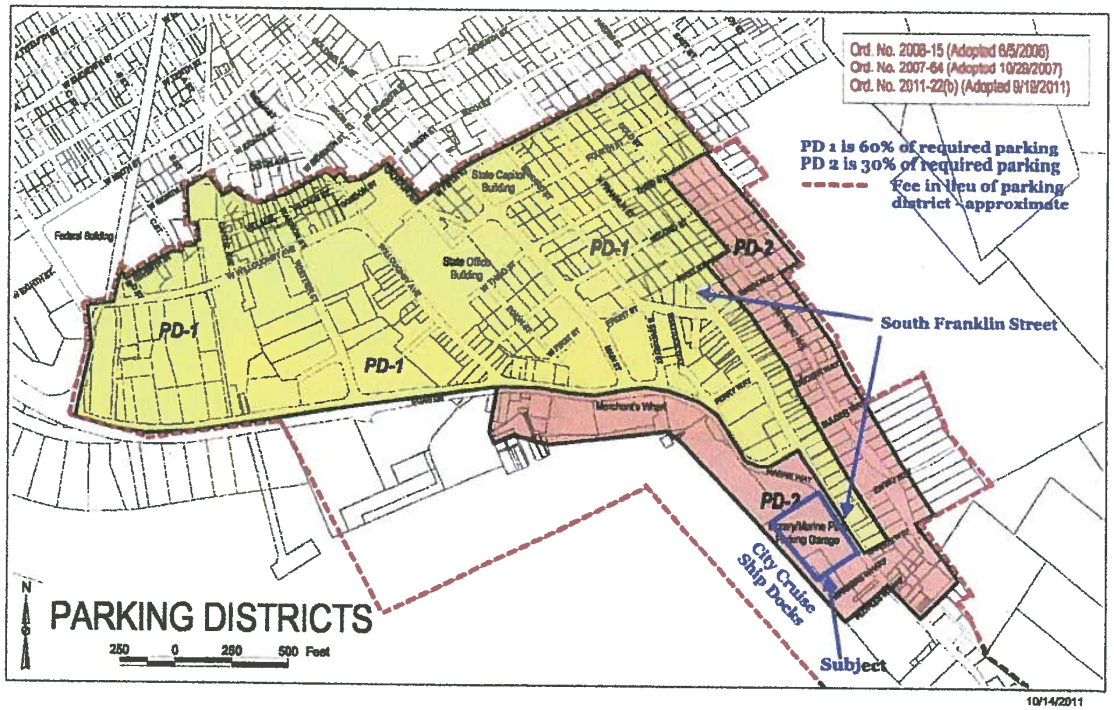


FIGURE 2.7 – Neighborhood location map showing downtown Juneau parking districts

The subject is in the Fee In Lieu of Parking District and the PD-2 Parking District. The Fee In Lieu of Parking District allows owners or property developers the option to pay a one time fee to the CBJ in lieu of providing required onsite parking for redevelopment or use. The fees collected are intended to be spent on projects to increase the parking supply within the district. The PD-2 Parking District allows the standard parking requirements to be reduced by 30%. This allows denser development on the subject site as compared to sites without this advantage.

PD-1
vs. PD-2

Zoning

The property is zoned Waterfront Commercial (WC). The WC, Waterfront Commercial 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.

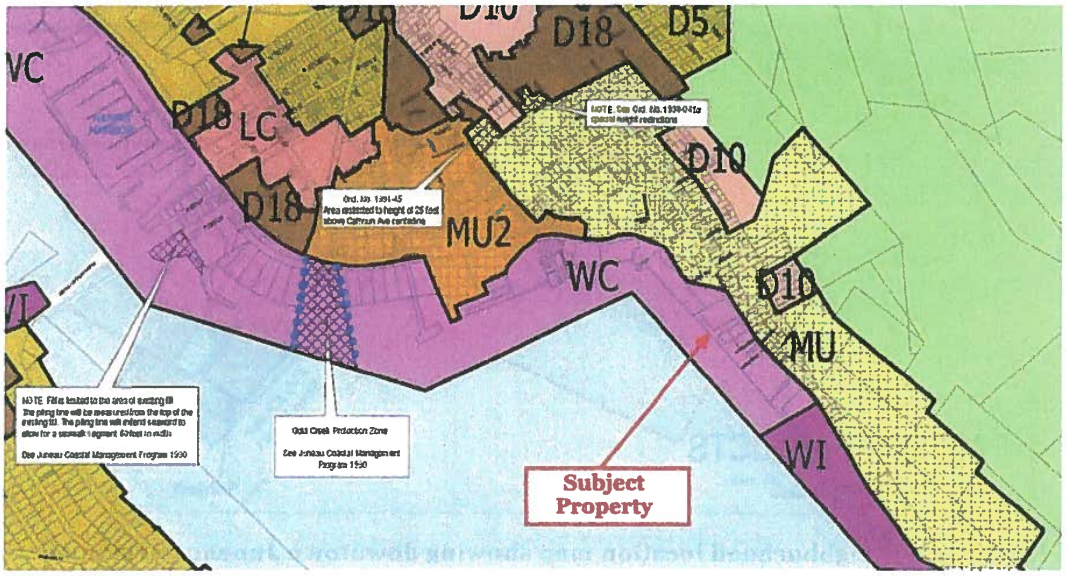


FIGURE 2.8 - Zoning Map

FEMA Requirements

Legal constraints on this site include a FEMA prohibition on non-waterfront dependent uses below the 15.4' high tide mark, not precluding the construction of a dock.

3 SITE DESCRIPTION

3.1 DESCRIPTION OF SITE

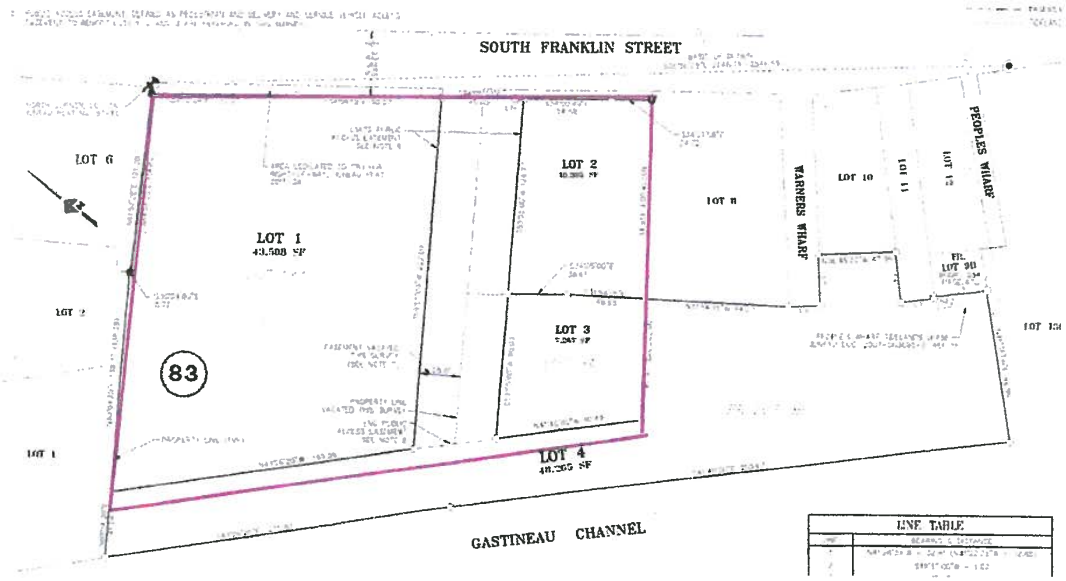


FIGURE 3.1 - Excerpt from Archipelago Subdivision Plat 2013-22, JRD showing subject lands as currently subdivided. Note only a portion of Lot 4 is included in our analysis.

The subject includes Lot 3 and a portion of Lot 4 currently owned by CBJ Docks and Harbors (CBJ), and Lots 1 and 2 currently owned by Archipelago Properties, LLC (Morris) all within the Archipelago Subdivision Plat 2013-22.

As currently configured and subdivided, the city's portion of Lot 4, which extends from South Franklin Street SW to the Seawalk, is encumbered by a public access easement defined as a pedestrian and delivery and service vehicle access easement to benefit Lots 1, 2, and 3 (Plat note 8). The unit value developed for the purpose of this appraisal is made under the hypothetical condition that this easement does not exist.

Additional plat notes include, but are not limited to the following:

5. PARTS OF THIS SUBDIVISION ARE LOCATED IN A VELOCITY FLOOD ZONE, ACCORDING TO THE ADOPTED FLOOD INSURANCE RATE MAPS OF THE CITY & BOROUGH OF JUNEAU (FLOOD PANEL #020009 725 B, DATED FEBRUARY 4, 1981). SPECIAL REGULATIONS MAY APPLY.

6. ACCORDING TO THE ADOPTED CITY & BOROUGH OF JUNEAU LANDSLIDE AND AVALANCHE MAPS, ADOPTED DATE 1987, THIS SUBDIVISION IS LOCATED IN A MODERATE LANDSLIDE/ MASS WASTING ZONE. SPECIAL REGULATIONS MAY APPLY.

As hypothetically appraised, the larger site is allocated for its uplands and sloping tidal lands as generally indicated in Figure 3.2.

FIGURE 3.2 - Outline of the total site, not to scale, over aerial photo (dated 2006) showing uplands and tidelands features.

The hypothetical composite site has a total of 309.86 feet along South Franklin Street according to Plat 2013-22. The appraiser roughly estimates the northern boundary extends about 267 feet from South Franklin Street to the existing Seawalk and the southern boundary about 208 feet based on the CBJ GIS map measuring tool. The site appears to be slightly wider along the Seawalk, about 332 feet more or less. The Valuation Area Allocations map suggests about 74,733 SF total site area and various indicators from the CBJ GIS maps suggest between 72,000 SF and just over 74,000 SF. For the purpose of our analysis we will assume about 35,943 SF of filled uplands, and 38,790 SF of tidelands. This indicates a total site area of 74,733 SF.

The appraisal disregards any site improvements and assumes soil is competent for a feasible highest and best use development.

Access and Utilities

The site has public street access along South Franklin Street which is paved, with concrete curbs and gutters. There's a wide sidewalk along this street frontage. There is pedestrian and service vehicle access along the Seawalk on the seaward side of the subject. As appraised, the subject neighborhood has private and public utilities including water, sewer, power, communications and fuel delivery.

3.2 ASSESSED VALUATION AND TAXES

The CBJ assessor valued subject Lots 1, 2 and 3 in 2017 as outlined on the following table.

TABLE 3.1 - 2017 CBJ Assessor's Allocation of Values for Plat 2013-22, Lots 1, 2 and 3

Owner	Parcel Account #	Plat 2013 -22	Land Description	SF Area	Value /SF	Assessed Value
Morris Comm.	1C070K830036	Lot 1	Filled	20,013.68	$ 255.00	$ 5,103,488
			Unfilled	13,487.48	$ 27.50	$ 1,719,654
			Submerged	10,006.84	$ 32.00	$ 320,219
			Subtotal	**43,508.00**		$ 7,143,361
Morris Comm.	1C070K830037	Lot 2	Filled	5,153.00	$ 300.00	$ 1,545,900
			Unfilled	3,864.00	$ 150.00	$ 579,600
			Submerged	1,237.00	$ 37.50	$ 46,388
			Subtotal	**10,254.00**		$ 2,171,888
CBJ	1C070K830038	Lot 3	**Submerged**	**7,267.00**	**$ 37.50**	$ 272,513
CBJ		Lot 4	Not allocated			
Totals without Lot 4				61,029		$ 9,587,761

The 2018 assessment records indicate a slight change in value. The city owned Lot 3 is no longer taxable. We were unable to determine an updated breakdown for the uplands/ tideland areas. The following table notes current overall assessed values for the subject parcels.

TABLE 3.2 – 2018 CBJ Assessors Values for Plat 2013-22, Lots 1, 2, and 3				
Owner	**Parcel Account #**	**Plat 2013-22**	**SF Area**	**Assessed Value**
Archipelago Properties, LLC	1C070K830036	Lot 1	43,508	$7,175,900
Archipelago Properties, LLC	1C070K830037	Lot 2	10,305	$2,132,900
CBJ	1C070K830038	Lot 3	7,267	Not Assessed
CBJ	NA	Portion of Lot 4	NA	Not Assessed

3.3 DESCRIPTION OF PROPERTIES BEING EXCHANGED

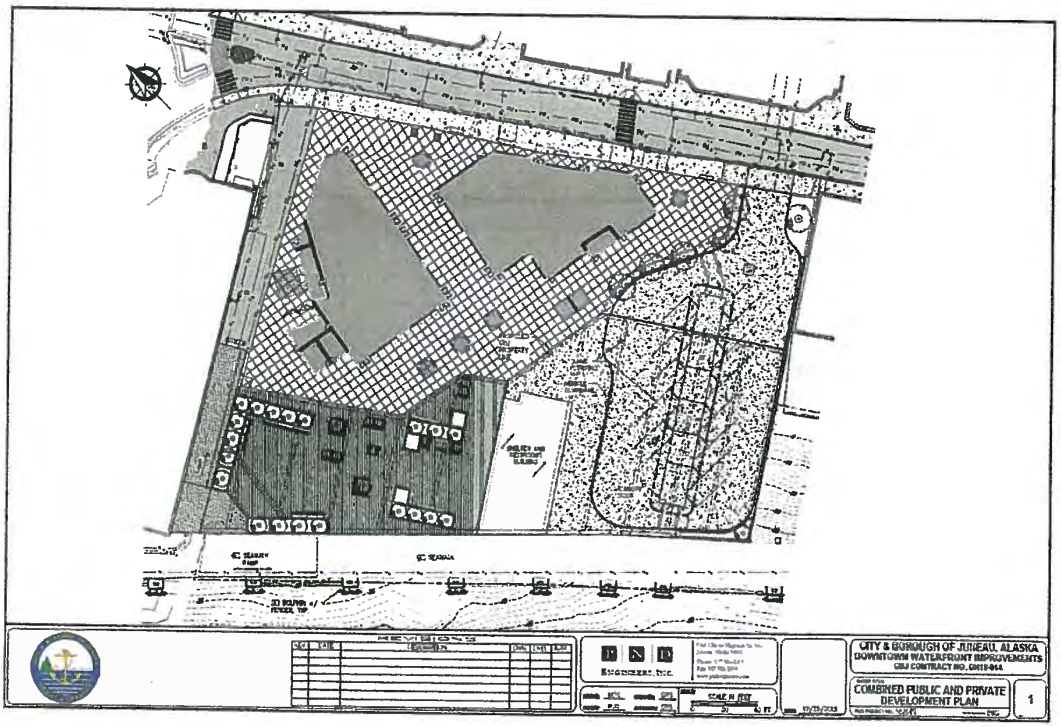


FIGURE 3.3 – Combined Public (South portion) and Private (North portion) Development Plan. Note this concept has been slightly modified to accommodate a wider entrance into the CBJ transfer site. Draft 11/23/18

The subject land and interests in land proposed to be purchased and sold (exchanged) will result in a mutually beneficial property configuration that will enable each party to pursue their separate but integrated development plans as depicted in Figure 3.3 above.

The CBJ will purchase from Archipelago approximately 23,776 SF and Archipelago will purchase from CBJ approximately 3790 SF as shown in Figure 3.4 which summarizes what CBJ will purchase and sell. This figure also shows the Value Area Allocations that have separate contributory value components which will be discussed in the valuation section of this report.

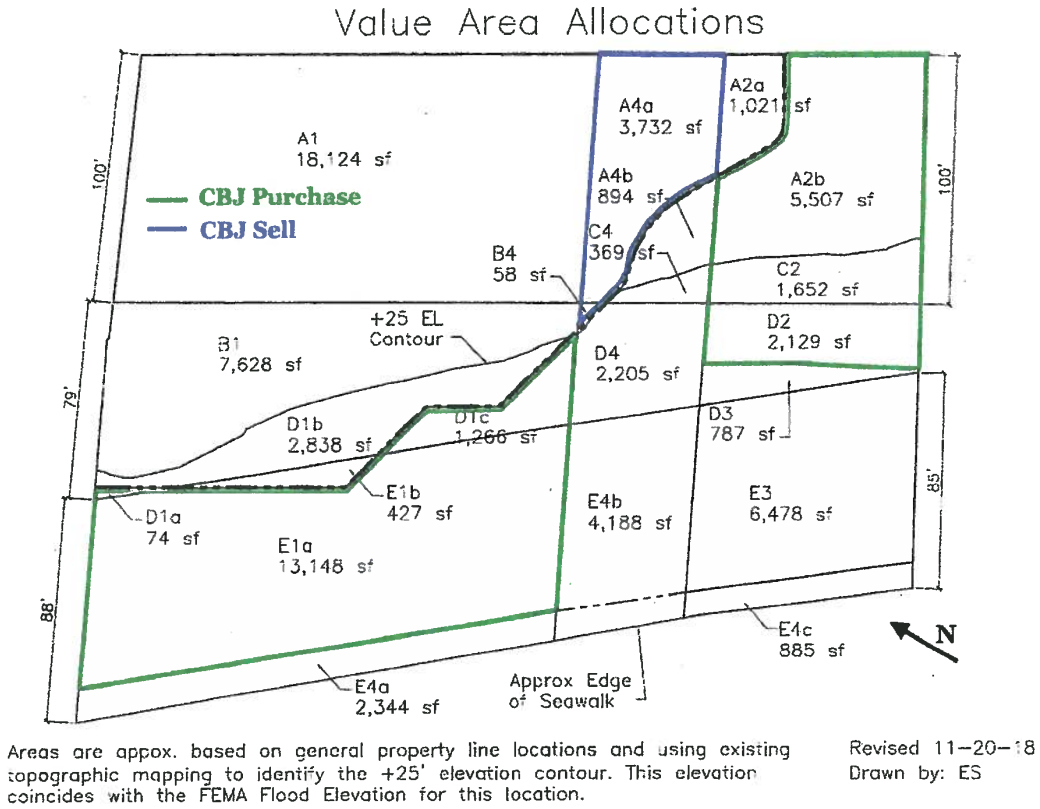


FIGURE 3.4 – Depicting areas to be sold and purchased in the agreement. This figure shows a breakdown of those areas that have different contributory value components. Draft 11/23/18

In addition to the fee simple transfer of land has noted above the CBJ will enhance Archipelago's lands by filling in sloping tidelands within lot 1, granting a right to object certain competitive uses on a portion of Lot 1 and grant perpetual limited non-exclusive access along 150 feet on the north border of Lot 1. These three elements of the agreement are estimated as compensable market values and are noted on Figure 1.2, modified PSA Exhibit D and more particularly described in the valuation section of this report. There are additional agreements which are mutually beneficial such as open access between the newly created subdivision sites and the retaining wall maintenance easement.

4 VALUATION

4.1 HIGHEST AND BEST USE

The highest and best use is defined as the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property– specific with respect to the user and timing of the use–that is adequately supported and results in the highest present value.

The Dictionary of Real Estate Appraisal, 5th Edition, Appraisal Institute, page 93

The highest and best use for the subject lands would be those allowable uses in the Waterfront Commercial (WC) zone including "uses which are directly related to or dependent upon a marine environment." The commercial waterfront uses in the immediate area include waterfront related tourism uses such as float plane docks, marinas and access to nearby adjacent retail, restaurants and tour facilities that cater to the seasonal cruise ship tourism.

The subject sites are in the heart of the South Franklin Street tourism retail area with high pedestrian traffic volume along South Franklin Street and access from the Seawalk on the water side. The highest rents achieved along South Franklin Street are across the street from the subject. It is in the prime block. These rents range from $6.00/SF for the larger, poorer quality spaces to over $10.00/SF for the smallest, good quality jewelry store spaces. This rent range is found in building spaces which extend approximately 50 feet or so from South Franklin Street. The lower end of this rent range may be achieved for buildings of up to 100 foot depth off South Franklin Street at the most. Based on typical space, size influence of rents, and the average depth of buildings developed over the last 15 years we conclude that the prime South Franklin Street rental influence extends to a depth of 100 feet into the site. This would influence the highest and best use of portions of Lots 1, 2 and 4 with frontage on South Franklin Street.

Site development along the Seawalk side has been for less intense uses including lower volume retail building, restaurant, outdoor restaurant seating, tourist attractions, and open air and food cart vendors. These are all types of feasible allowable uses which could occur on those portions of the subject lots which extend from the Seawalk toward South Franklin. Uses developed over the tidal and submerged land areas would need to incorporate the development of a deck to support those uses.

It's beyond the scope of this appraisal to define the optimum blend of uses for all the lots. The size and shape of some of the lots are outside the market norm. Typical site sizes would be 5,000 to 10,000 SF. This study disregards the influence of size for the

SIZE

purpose of the exchange, but more critically considers the locational influence relative to South Franklin Street and the Seawalk.

The highest and best use for the subject lots are for retail tourist oriented uses on the first floor with secondary support for storage or employee housing. Those lands more closely associated with the Seawalk would be for less intense retail with appropriate open areas or other tourism oriented venues.

4.2 LAND VALUE INDICATORS

As indicated earlier, the most recent sales transactions involve portions of the subject site or areas adjacent to it and capitalized land leases. The square foot value indicators are summarized in the Table 4.1 below and identified in Figure 4.1. Details of these indicators are summarized in the addenda of this appraisal.

Table 4.1 displays the adjusted sales or lease value indicators on a price per SF basis. The lease rents have been capitalized into an indicator of value by dividing the annual rent by the stated contract percentage lease rate as is the case with Comps 1 (9%) and 7 (10%), or market lease rate (8%) as is the case with Comps 5 and 6. This results in the adjusted SF value. Comp 3 was a sale of a strip of property that had uplands (3A) and tidelands (3B) characteristics which was allocated as indicated in the table.

TABLE 4.1 - Summary Market SF Value Calculation

Comp No./ ID No.	Address	Sales Date	Transaction Type	Price	SF Size	Adjustment	Adjusted SF Value
1 - 7341	490 S. Franklin	3/2015	Lease	$270,000	10,000	Capped at 9%	$300
2 - 7238	356 S. Franklin	12/2011	Sale Price	$498,300	1,650	None	$302
3 - 7740	356 S. Franklin	8/2013	Sale Price	$910,352	5,287	See Below	$172
3A			Upland	$760,500	2,535	Allocated Upland	$300
3B			Tideland	$149,852	2,752	Allocated Tideland	$54
4 - 7889	386 S. Franklin	9/2013	Sale Price	$298,035	7,267	None	$41
5 - 7062	406 S. Franklin	5/2013	Lease	$26,082	7,245	Capped at 8%	$45
6 - 5012	422 S. Franklin	7/2016	Lease	$15,638	1,955	Capped at 8%	$100
7 - 7659	432 S. Franklin	7/2012	Lease	$5,950	476	Capped at 10%	$125

FIGURE 4.1 - SF value indicators Comp location map

This sales map confirms there are several areas with different value characteristics which influence the nominal SF values between $41/SF and $300/SF. Based on our extensive analysis of sales of development sites, Comps 1 through 7, typical retail building depth characteristics and the value indicators along the Seawalk, we have developed several value indication areas based on this market evidence as applied to the character of the subject lots for tidelands and uplands.

Our study of the subject indicates the following value influence areas based on proximity to South Franklin Street and the Seawalk. They are also influenced by the topography as filled lands, sloping tidal, or submerged land. These value influence areas are roughly identified in Figure 4.2. The adjacent Table 4.2 also includes a conclusion of the values assigned to each of those site characteristic areas based on the discussion which follows.

TABLE 4.2 – Concluded SF Value By Value Characteristic Areas

Area ID	Land Character-Location	Concluded SF Values
Area A	Uplands on South Franklin	$300
Area B	Uplands off South Franklin	$200
Area C	Sloping South Franklin	$150
Area D	Sloping middle lands	$75
Area E	Tidelands off Seawalk	$45

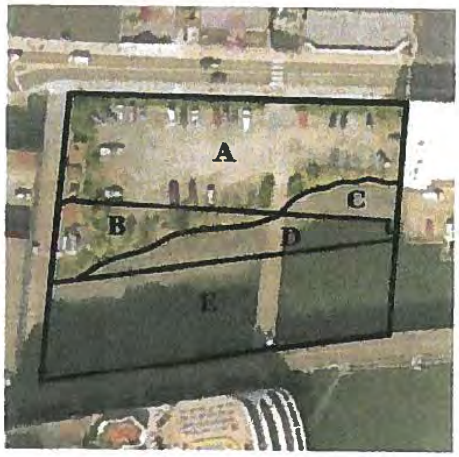


FIGURE 4.2 –Map showing Valuation area elements. Not to scale.

4.3 AREA VALUE INDICATORS DISCUSSION

One of the market strategies to develop on the tidelands is to build a decking platform. The cost to deck these lands have ranged from about $100/SF to about $200/SF depending on the design capacity and construction materials used. As stipulated we will use $150/SF to adjust for decking as an aid to guide our judgment in selecting nominal SF values for these various value influence areas.

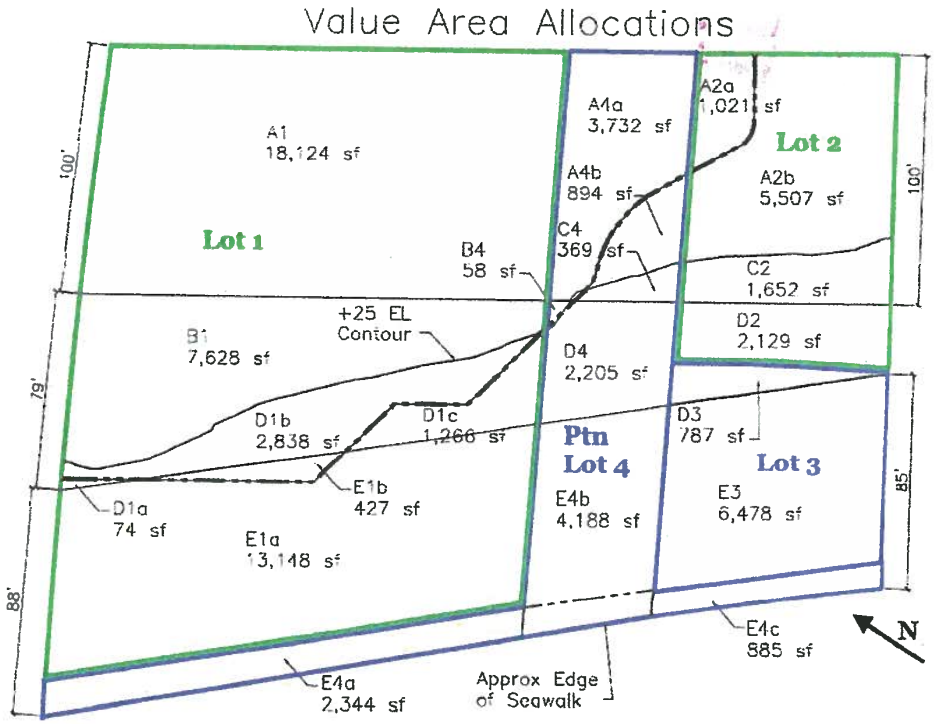
Area A is the prime South Franklin Street land. Comp 1 is at the tram site, ground zero of pedestrian tourism traffic. This site is approximately 50 feet deep, and reflective of the prime Franklin Street frontage valued at $300/SF. Comps 2 and 3A are uplands with access directly on South Franklin Street, with a site depth of 100 feet or less. These indicators suggest the primary influence off South Franklin Street, the first 100 feet of depth of uplands has a nominal value of $300/SF. Area A is given a value of $300/SF. The small **Area C** is within this 100 feet of influence but unfilled tidelands are given a value of $150/SF, considering the cost of decking this area at $150/SF, putting it on par with uplands ($300/SF - $150/SF for deck equals $150/SF for tideland).

The remaining uplands, **Area B,** is beyond the first 100 feet area of influence and is discounted based on the lower expected rents and discounted value reflected for secondary locations. The prime rents within the 300 block which extend in buildings about 50 feet to 100 feet deep, are in the $6.00/SF to $10.00/SF Range. Rents then drop to $3.00/SF to $5.00/SF at the north end of the 200 block of South Franklin Street. This suggests a 50% discount which appears to be higher than what would be warranted in this instance since the subject has the potential to be influenced by the Seawalk or design characteristics to funnel traffic from South Franklin Street into this area. A 33% discount would be reasonable suggesting a value of the remaining filled lands, Area B, at $200/SF ($300/SF -33%).

The bulk of the remaining lands are in the **Area E** and are influenced by their location on the Seawalk. The best indicators for this area would be Comps 3B, 4 and 5. They range between $41/SF to $54/SF. The middle of this range at $45/SF is given most weight for the nominal influence of the Area E.

The remaining **Area D** is a small sliver of sloping lands between these outer submerged lands (E) and the more valuable uplands and the South Franklin Street-influenced lands. Discounting Area B, which was $200/SF, by the decking cost of $150, suggests $50.00/SF for these adjacent lands. It can be seen by the indicators of Comps 6 and 7 that these in between tidelands have a greater value. This small sliver of land would have increasing influence by South Franklin Street the further it moves south. Comps 6 and 7 indicate closer tidelands values of $100/SF to $125/SF. The suggested range of value for the sliver of land is between $50 and $100/SF. It contributes an estimated $75/SF.

Based on this analysis the indicated value of each of the subject lots can be calculated. The value areas allocated for these calculations are based on the best estimate from CBJ GIS mapping as provided by CBJ Docks and Harbor personnel as outlined in Figure 4.3 Value Area Allocations. The calculated value of each of the lots are summarized in Table 4.3 which follows.



Areas are appox. based on general property line locations and using existing topographic mapping to identify the +25' elevation contour. This elevation coincides with the FEMA Flood Elevation for this location.

Revised 11-20-18
Drawn by: ES

Figure 4.3 - Drawing showing Value Area Allocations (Draft 11/23/18) with individual existing Lots highlighted by the appraiser. The green areas are currently owned by Archipelago and the blue areas are currently owned by CBJ. Proposed exchange subdivision shown by bold dashed line.

TABLE 4.3 - Summary Value of Existing Lots

Owned by Archipelago Properties, LLC

Lot 1

Area ID	SF Size	SF Value	Indicated Value
Area A	18,124	$300	$5,437,200
Area B	7,628	$200	$1,525,600
Area D	4,178	$75	$313,350
Area E	13,575	$45	$610,875
	43,505		$7,887,025

Lot 2

Area ID	SF Size	SF Value	Indicated Value
Area A	6,528	$300	$1,958,400
Area C	1,652	$150	$247,800
Area D	2,129	$75	$159,675
	10,309		$2,365,875

Owned by CBJ

Lot 3

Area ID	SF Size	SF Value	Indicated Value
Area D	787	$75	$59,025
Area E	6,478	$45	$291,510
	7,265		$350,535

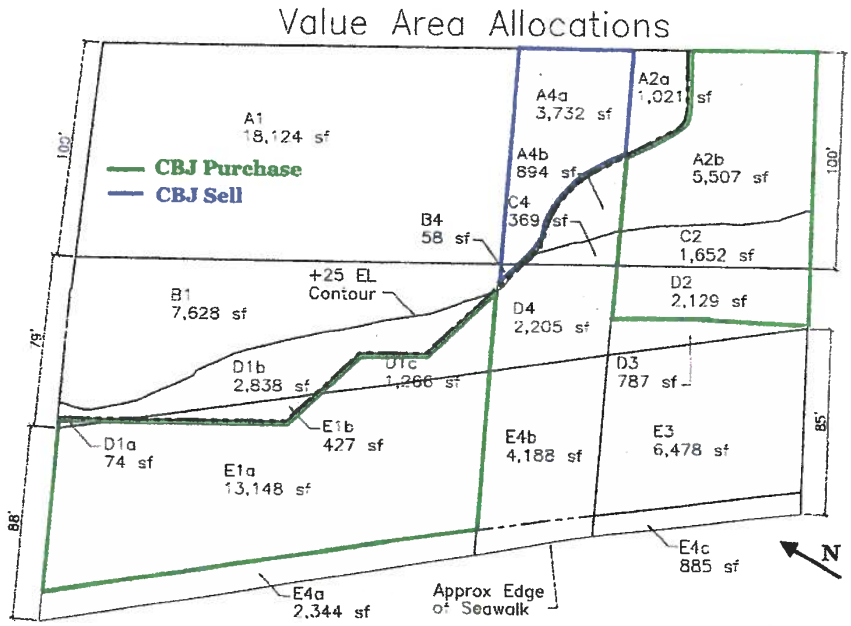
Ptn. of Lot 4

Area ID	SF Size	SF Value	Indicated Value
Area A	4,626	$300	$1,387,800
Area B	58	$200	$11,600
Area C	369	$150	$55,350
Area D	2,205	$75	$165,375
Area E	7,417	$45	$333,765
	14,675		$1,953,890

4.4 VALUATION ELEMENTS OF EXCHANGE

Fee simple value of purchased and sold land

The market of the land being purchased and sold by the CBJ are identified in Figure 4.4 below and summarized in the following Table 4.4.



Areas are appox. based on general property line locations and using existing topographic mapping to identify the +25' elevation contour. This elevation coincides with the FEMA Flood Elevation for this location.

Revised 11–20–18
Drawn by: ES

FIGURE 4.4 - Drawing showing Value Area Allocations (Draft 11/23/18) with proposed lands to be exchanged highlighted.

TABLE 4.4 - Calculation of CBJ Purchase of Fee Lands before Adjustments			
Area ID	**CBJ Sell (SF)**	**SF Value**	**Indicated Value**
Area A	3,732	$300	$1,119,600
Area B	58	$200	$11,600
Totals	3,790		$1,131,200
Area ID	**CBJ Purchase (SF)**	**SF Value**	**Indicated Value**
Area A	5,507	$300	$1,652,100
Area C	1,652	$150	$247,800
Area D	3,469	$75	$260,175
Area E	13,148	$45	$591,660
Totals	23,776		$2,751,735

Value of Filled Land created by Sea Wall

Section 9 of the PSA indicates the city will construct a retaining wall which will create filled lands on Archipelago's Property presently not filled. The newly filled lands will increase the value of Archipelago's Property by creating up lands valued at $200/SF (Area B) over lands which were formally valued at $75/SF (Area D) and $45/SF (Area E) as sloping or submerged tidelands. This value is an offset to the CBJ purchase price calculated in Table 4.5 below.

TABLE 4.5 - Calculation of CBJ Increased Value to Archipelago's Property by Seawall					
Enhanced Value by New Filled Areas behind Retaining Wall					
SF Values				**Change in Value**	
Area ID	**Filled**	**Unfilled**	**Difference in $/SF Value**	**Area**	**Indicated Value**
Area D	$200	$75	$125	2,838	$354,750
Area E	$200	$45	$155	427	$66,185
Total Value offset to CBJ Purchase by Retaining Wall					$420,935

Value of Easement along Northern Property Line

Section 12 of the PSA allows Archipelago and its tenant's non-exclusive access and utility easements along the common strip of land adjacent to the public parking structure along the north property line (Exhibit D). This areas has historically been used as a buffer between the parking garage/library structure and the adjacent property giving service and parking access to the Seawalk and docks. It is anticipated to be used as a service and access point for the Taku Dock to Marine Park Urban Design Plan as indicated in Figure 4.5. It is highly likely that access to this area would not change for the subject although this agreement would guarantee future access and perpetuity. It is highly likely that pedestrian and service access would remain through this area although it could be severely curtailed due to a number of regulatory issues.

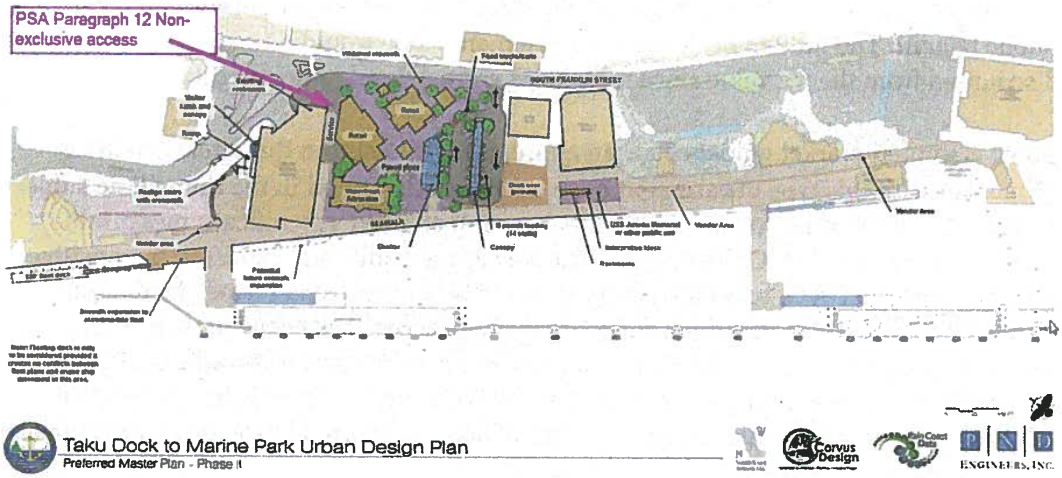


FIGURE 4.5 - Excerpt from Taku Dock to Marine Park Urban Design Plan showing the general location of access easement which has not yet been fully defined.

The design life of the subject project and the docks which have effective access through this area is about 50 years. At the end of this time the area could be significantly reconfigured ending this access. One way to view this easement is that it would guarantee perpetual access to the private land beyond the life of these projects. Using an annual discount rate of 4% for a future benefit in 50 years would imply a present value benefit of about 14%[1].

The immediate benefit of this easement is that it eliminates the need to encumber the benefited land for access and services. This frees the benefited land to expand its retail use, traffic circulation or other development purposes. It also guarantees a visual pedestrian access to draw on to the site from South Franklin Street from the north. On the other hand, the area envisioned for this access is non-exclusive and would not inhibit the CBJ to continue its other uses which do not interfere with the intended access granted. The area encompassed by this easement would retain the overwhelming benefit to the CBJ with a positive but less benefit to the adjacent private land.

The appraiser estimates by substitution that the benefit to Archipelago would be most immediately experienced within a 10 foot wide strip 150 feet along the northern edge of Lot 1. See Figure 4.6 for a concept of this area. Its fee value would be similar to Area A ($300/SF) for the first 100 feet and Area B ($200/SF) for the next 50 feet along this border. For our purposes of estimating the value of the area of benefit to Archipelago (adjacent private land) it would encumber about 1500 feet and have a fee value of about $400,000[2]. Even within this area the majority of the "bundle of rights" or uses would be

[1] Present value of one in 50 years discounted at 4% per year equals 14.07%.
[2] The first 1000 SF at $300/SF and the next 500 SF at $200/SF equals $400,000.

retained by the CBJ for its continued public access and regulatory authority for the public benefit. The limited non-exclusive easement value would be significantly discounted from the fee value since it includes no real development rights.

There is limited market guidance for an appropriate discount in this situation. Many properties with this type of easement have not been discounted in the immediate subject neighborhood. In other words, corner lots have not enjoyed a significant measurable premium in the market. On the high traffic corner the additional exposure is a positive. If there's a gap between retail attractions it could be a negative in terms of siphoning traffic away. Situations outside of the market where access has been curtailed have shown discounts ranging from 0% to 35%. Considering the limited bundle of rights enjoyed by Archipelago (the adjacent private land owners) in this offsite property an estimate of 15% of the value of adjacent strip of land which could provide substitutable access is estimated at $60,000 ($400,000 x 15%).

Change in value due to right to object

Section 14 of the PSA grants Archipelago the right to object to improvements placed on a portion of Lot 1 of Archipelago Subdivision which may impair, interfere, or unfairly compete with businesses taking place on its adjacent upland property. This effectively amounts to a no competition clause for this area, limiting the CBJ's future economic uses after the exchange. As envisioned for the near term, it is to be built out as a public open space, but is designated for a future attraction. This space is estimated to be 8,650 SF and is encompassed by that portion of Lot 1 indicated on Exhibit E (Addenda) of the sales and purchase agreement. The SF area size may be refined by the final survey. It is also noted approximately on Figure 4.6, the value conclusion.

There would be a discount to the fee simple value based on this limitation which alters the highest and best use of the land affected. We have studied a number of transactions that included the purchase of development rights such as conservation easements which showed discounts where there's a significant limitation in the ability for economic development after the easement. Development limitation transactions show discounts ranging from 33% to 90% or more. These types of agreements are fairly unique and the value depends on the impact of the highest and best use before and after the imposition of the limitation-easement. In the subject instance, the value of the land is already discounted compared to the high values paid for the best retail lands due to its locational distance from South Franklin and significant development limitations due to the submerged character of the land. For instance, the highest valued land at $300/SF for filled land on South Franklin Street contrasted to the lower value of the subject submerged lands, (Valuation Area E) of $45/SF, indicates an 85% discount ($45/SF is 15% of $300/SF). These lands then are already discounted for their location and topographical constraints relative to South Franklin Street's highest and best retail use.

Considering discounts we have found in the market, an additional 50% is felt to be a reasonable reflection of the value diminishment due to right to object which would limit future economic development/use. This suggests a discount to the fee amount that the CBJ would otherwise pay for this land. The value offset is estimated at $22.50/SF ($45.00/SF -50%) and is calculated as follows.

Offset for right to object to competition - 8650 SF at $22.50/SF = $194,625

4.5 CONCLUSION

The foregoing analysis is summarized in the following table which outlines the valuation elements of the exchange indicating the market value of the real estate rights anticipated to be acquired by the CBJ as of the effective date, November 16, 2018.

CBJ purchase fee property		$2,571,735
Less Archipelago purchase fee property	$1,131,200	
Less benefit of fill behind seawall	$ 420,935	
Less access along northern property line	$ 60,000	
Less objection to development portion Lot 1	$ 194,625	
Total Archipelago acquired	$1,806,760	
CBJ balance due		$ 764,975

The approximate location of these land value elements are indicated in Figure 4.6 below.

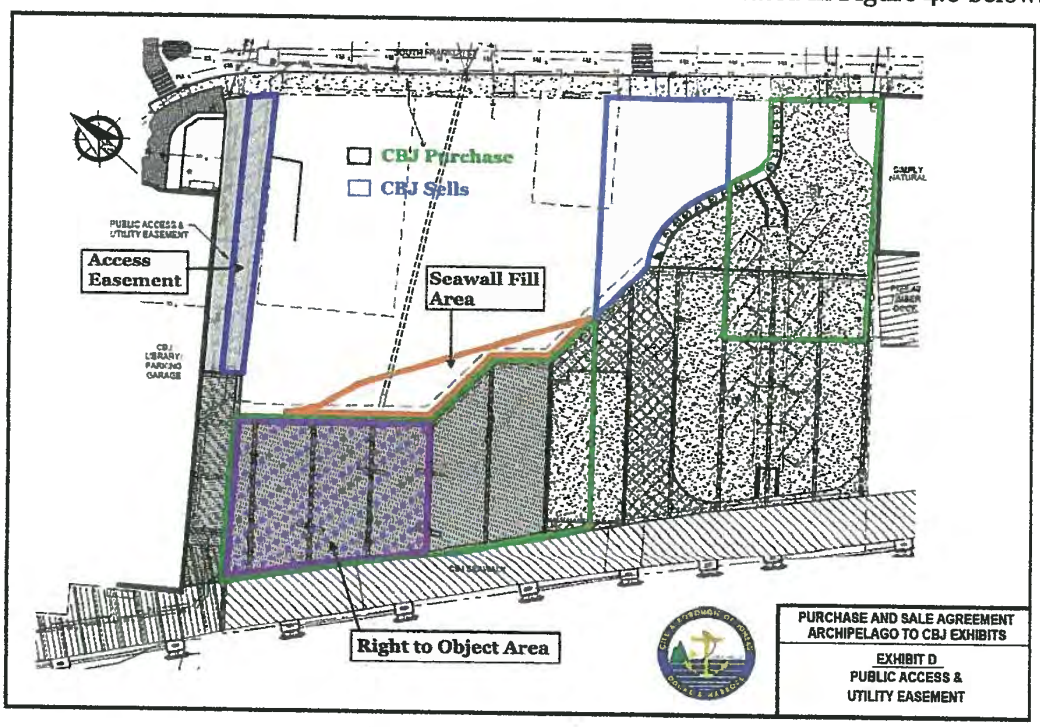


FIGURE 4.6 – PSA Exhibit D (Draft 11/23/18) modified to show valuation elements of the purchase and sale agreement.

ADDENDA

SUBJECT PHOTOGRAPHS

PHOTO 1 – PANORAMA VIEW OF SUBJECT LOOKING SOUTHWEST AS IT FACES SOUTH FRANKLIN STREET. (120417_3106)

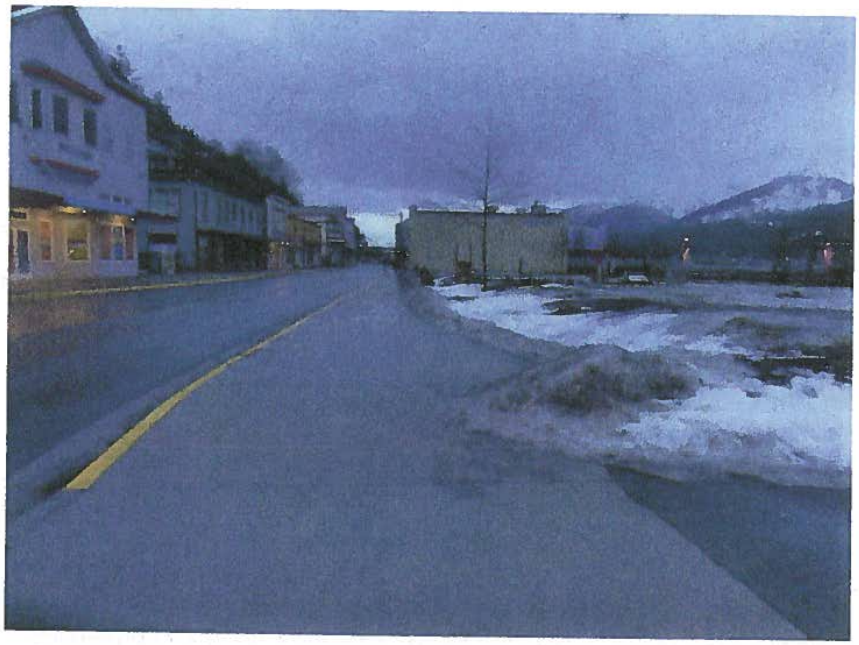


PHOTO 2 – SOUTH FRANKLIN STREET SCENE LOOKING SOUTHEAST. SUBJECT PHOTO RIGHT. (120417_3100).

SUBJECT PHOTOGRAPHS

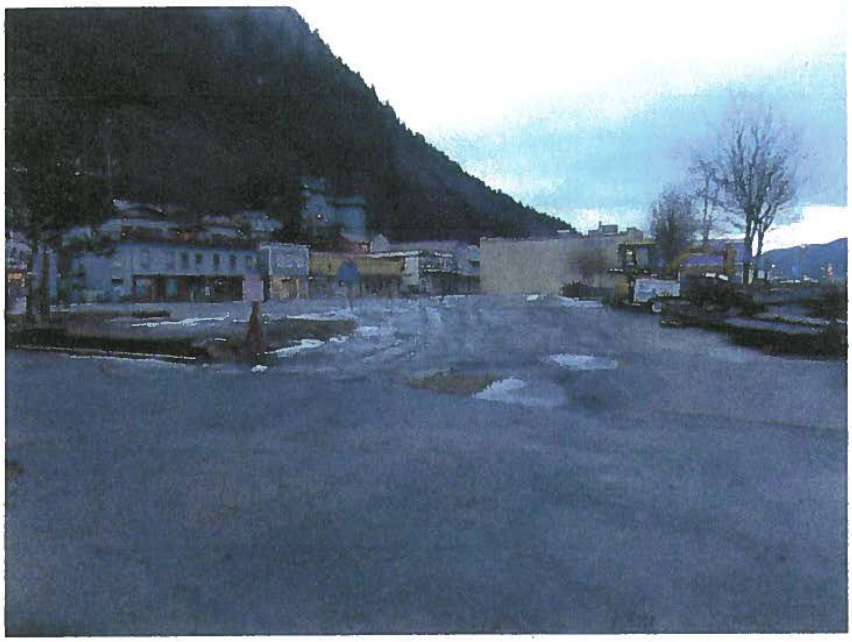


PHOTO 3 – LOOKING SOUTH ACROSS THE NORTHERN FILLED UPLAND PORTION OF THE SUBJECT FROM CITY SERVICE ALLEY ADJACENT TO THE LIBRARY PARKING LOT. (120417_3099).

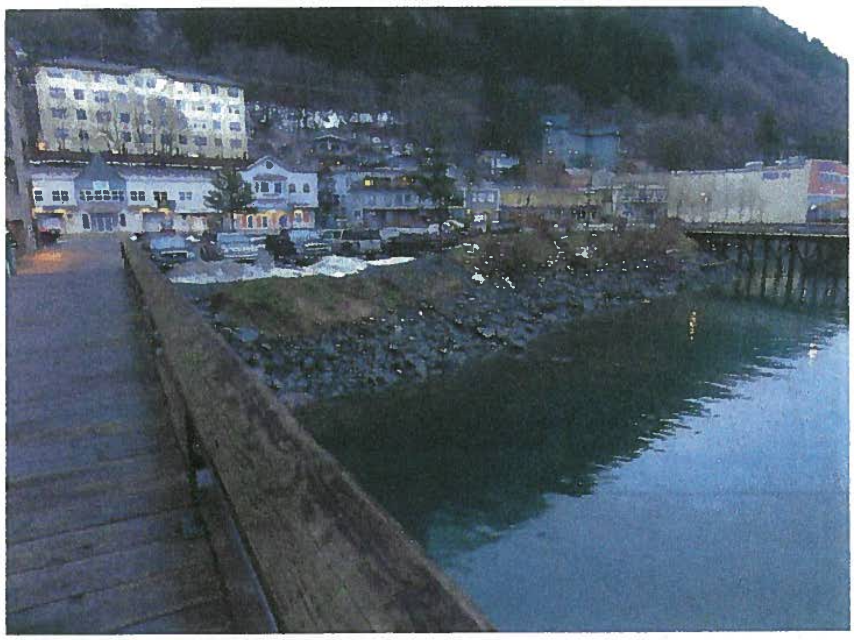


PHOTO 4 – LOOKING EAST FROM CITY SERVICE ALLEY ADJACENT TO LIBRARY PARKING LOT (PHOTO LEFT) ACROSS SUBJECT TIDELANDS ONTO FILLED LANDS. NOTE SLOPING RIP RAP WHERE TIDELANDS MEET VEGETATED UPLANDS. (120417_3096).

SUBJECT PHOTOGRAPHS

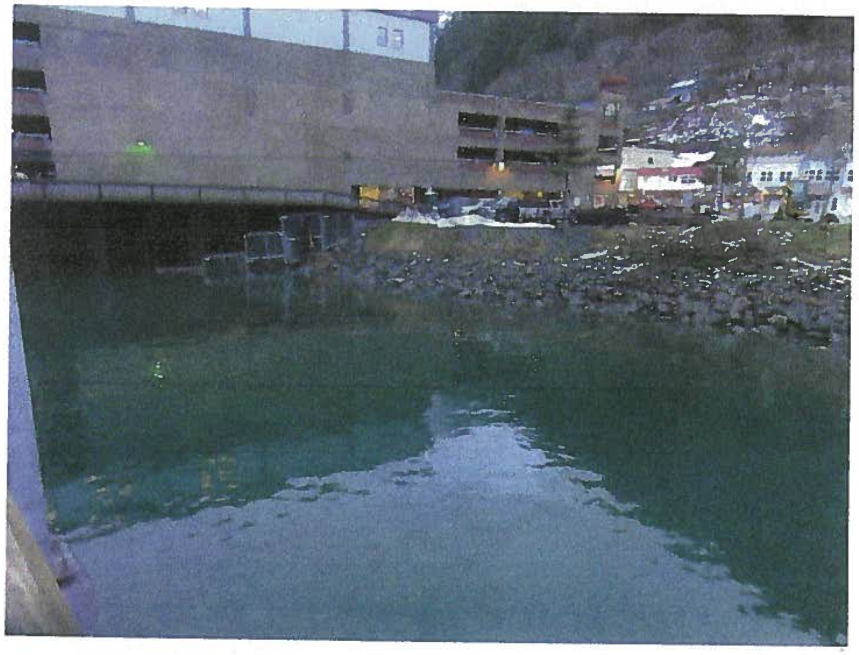


PHOTO 5 –LOOKING NORTH ACROSS NORTHERN TIDELANDS AND UPLANDS ADJACENT TO LIBRARY PARKING LOT. (120417_3086)

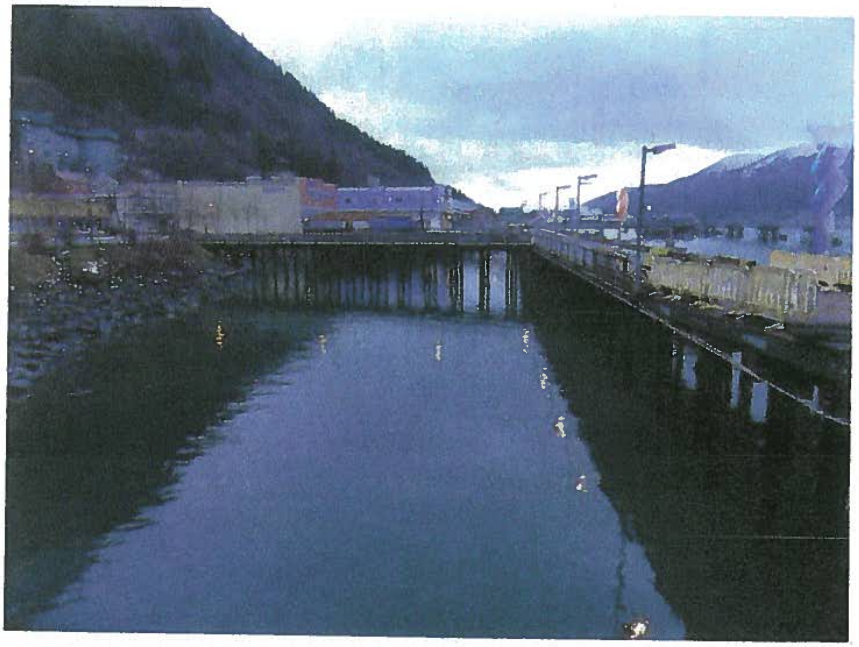


PHOTO 6 – LOOKING SOUTHEAST ACROSS THE TIDELANDS ADJACENT TO SEAWALK PHOTO RIGHT. NOTE PIER PHOTO CENTER IS DISREGARDED FOR THE PURPOSE OF THIS APPRAISAL. (120417_3097).

SUBJECT PHOTOGRAPHS

PHOTO 7 – VIEW OF SEAWALK LOOKING IN A NORTHWESTERLY DIRECTION ADJACENT TO SUBJECT WHICH IS PHOTO RIGHT OF SEAWALK. NOTE RECENTLY COMPLETED CRUISE SHIP DOCK OFFLOADING RAMP PHOTO LEFT OF SEAWALK, WHICH EXITS PASSENGERS JUST NORTH OF LIBRARY PARKING STRUCTURE PHOTO CENTER BACKGROUND. (120417_3080)

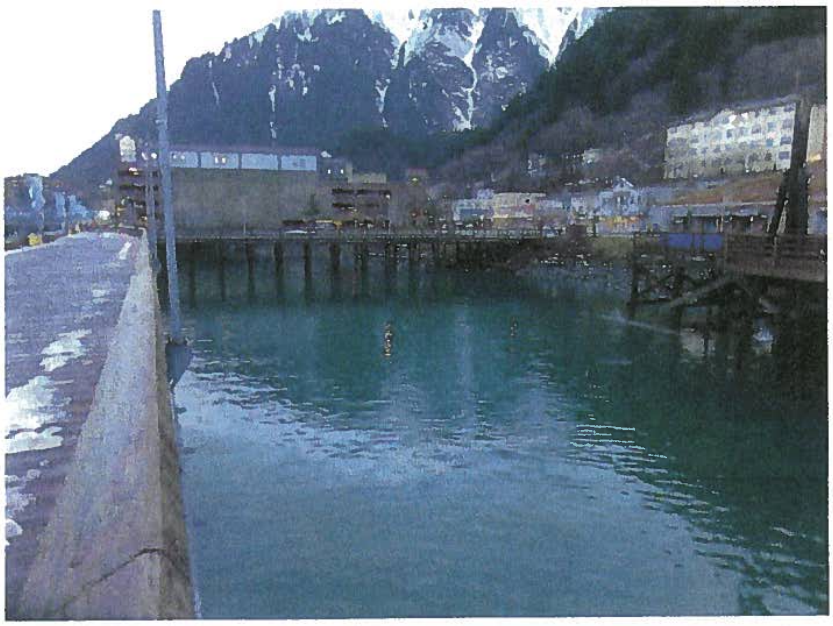


PHOTO 8 – LOOKING IN A NORTHWESTERLY DIRECTION AT SUBJECT TIDELANDS PHOTO RIGHT OF SEAWALK. NOTE PIER PHOTO CENTER IS DISREGARDED FOR THE PURPOSE OF THIS APPRAISAL. (120417_3078)

SUBJECT PHOTOGRAPHS

PHOTO 9 – LOOKING SOUTHEAST FROM PIER TO SOUTHERN PART OF SUBJECT. UPLANDS PHOTO LEFT AND SLOPING TIDELANDS PHOTO RIGHT. (120417_3092)

PHOTO 10 – AERIAL PHOTO LOOKING NE. SUBJECT PHOTO CENTER. (62718_2980)

SUBJECT PHOTOGRAPHS

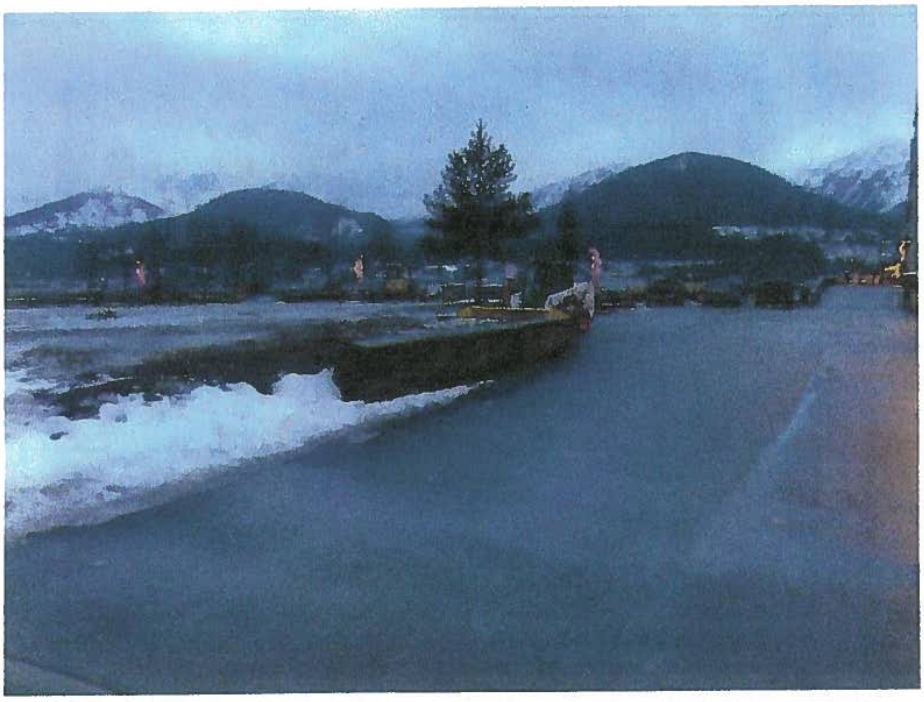


PHOTO 11 - Strip of land along north edge of Archipelago Property looking in a westerly direction toward dock. Note wooden ramp photo background right. (120417_3102)

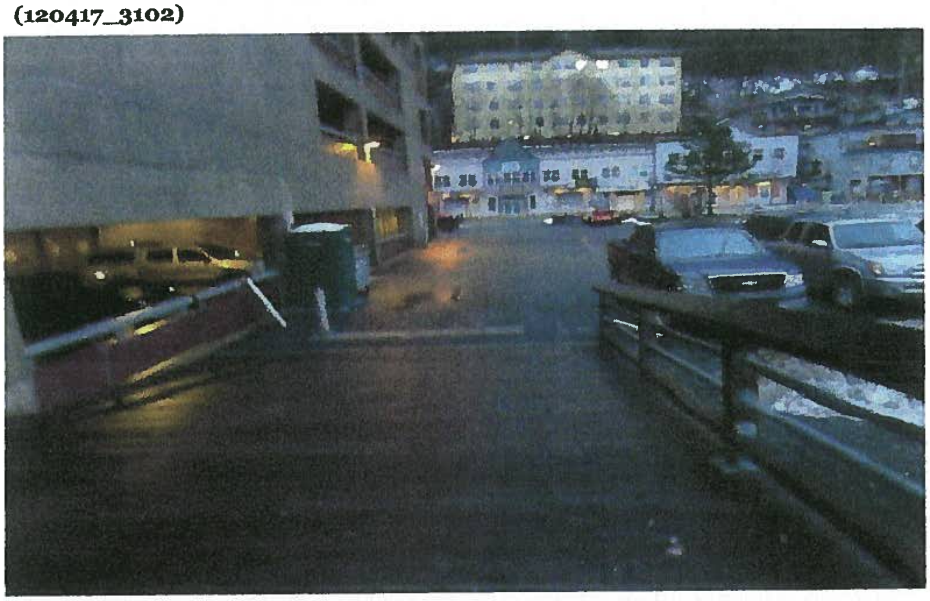


PHOTO 12 - Same strip of land along northern edge of property looking in an easterly direction from dock ramp toward South Franklin Street. (120417_3098)

Record Number: 7341

HORAN & COMPANY, LLC

LAND COMPARABLE NUMBER 1

Community: 17 CBJ - Town - CBD - Retail **Recording District:** Juneau
Address: 490 490 South Franklin **City:** **State:** **Zip:**
Location: 490 South Franklin Street, Mt. Roberts Tram
Legal: Leased Site. Portions Lots 13, 16 & 17, Block 83, ATS 3, Plat 355 & a portion of Lot 1, Plat 89-9; Parcel Number: 1C100K830011

Instrument: Land **Serial:** 1995-004154-0
Trans.Type: Land Lease
Rights: Lease Fee, Air Rights
Terms: Typical Juneau lease; 5 year renewal

Annual Rent: $270,000
Trans. Date: March 2, 2015
Grantor: City and Borough of Juneau
Grantee: Goldbelt

Size (SF): 10,000
Frontage: ±175' on Gastineau Channel
Zone: WI

Utilities: Water, Sewer, Electric, Telephone
Access: Road, paved
Improvements: Tramway
Land Class: Waterfront, Tidelands, Commercial

Topography: Level
Vegetation: None
Soil: Typical, See Comments

Present Use: Tramway
Intended Use: Tramway
Highest and Best Use: Valued as Commercial retail per lease

Comments
This form shows fee land & rent only. Estimated values set by Harbor Board. 10,000 SF Fee land for base tram site. In addition the air rights, 21,815 SF is rented for $2,000/ year.

Analysis:

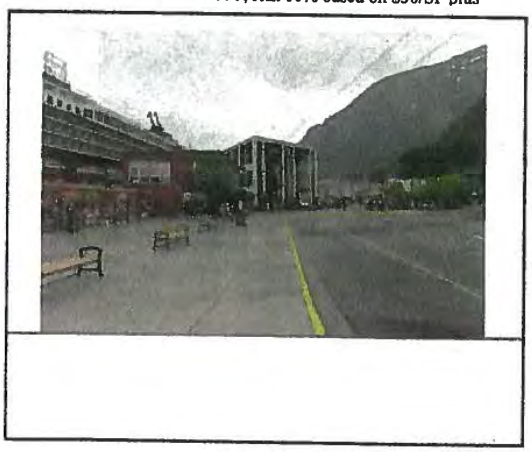
NO PARKING

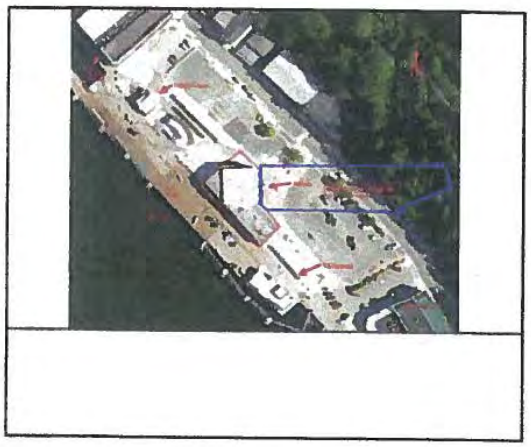
land rent-value as follows set by Harbor Board:
Fee land rent $270,000/year/ 10,000 SF = $27/SF/yr. cap @9% = $300/SF Value
Air Rights rent $2,000/year. $2,000/9% land cap rate refered to in lease amendment $22,222.22 = $1.02/SF value (21,815SF)

Marketing Info: Revised rent effective 3/2/15 (30 days after effective date of CBJ Ordnance 2015-06) based on negotiations. Rent is retroactive to July 1, 2013 to June 30, 2020. from 2012 -2014. Going forward lease formula 9% of land value. $2,000/yr air rights. To be reappraised in 5 years. Port memo noted the revised lease effective 7/1/2006, with the removal of royalties as $104,000 annually, or as capitalized; $1,300,000 for the site; $130/SF at 8%. Original lease recorded 6/30/1995, rent 10% based on $30/SF plus

Confirmed with:	Teena, lease docs	Teena, Ports
Confirmed date:	3/31/2017	8/21/2011
Confirmed by:	C.Horan	T.Riley

Revision Date: 1/2/2018
Record Number: 7341





Record Number: 7238

HORAN & COMPANY, LLC — LAND COMPARABLE NUMBER 2

Community: 17 CBJ - Town - CBD - Retail
Recording District: Juneau
Address: 356 South Franklin St
City: Juneau
State:
Zip:
Location: 356 South Franklin St.
Legal: Ptn Lot 7A1, Plat 2011-38;

Instrument: SWD - **Serial:** 2011-007713-0
Trans.Type: Sale
Rights: Fee Simple
Terms: Assume Cash

Sale Price: $498,300
Trans. Date: December 16, 2011
Grantor: Archipelago Properties LLC
Grantee: City and Borough of Juneau

Size (SF): 1,650
Frontage: 309.86
Zone: WC

Utilities: All
Access: Road, paved, See Comments
Improvements: None
Land Class: Vacant, Commercial, Waterfront

Topography: Level
Vegetation: None
Soil: Typical

Present Use: Parking
Intended Use: Sidewalk
Highest and Best Use: Sidewalk

Comments
This was an acquisition of a 5 foot strip of land along the South Franklin street frontage to widen the sidewalk. The size of this parcel varied somewhat based on whether it considered a small area encumbered by an existing easement. In the end the sales price was calculated on 1651 SF which is used for our analysis.

INCLUDED SIDEWALK

NO PARKING

Analysis:
$498,300/1651 SF = $300/SF

Marketing Info: This parcel along with two others is sold to the City Borough of Juneau were negotiated over a period of one to two years. Both buyer and seller felt these were market transactions. The price was allocated at $41/ SF. They have no direct access to sell Franklin street. These totally submerged lands were considered somewhat isolated by the Sellers and would have been more difficult to market to others. The se seller felt the purchase was a good fit for the CBJ which would need land for public areas with its planned

Confirmed with: Bud Simpson
Confirmed date: 4/25/2014
Confirmed by: C.Horan

Revision Date: 1/11/2018
Record Number: 7238

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use plat.

Record Number: 7740

HORAN & COMPANY, LLC

LAND COMPARABLE NUMBER 3

Community: 17 CBJ - Town - CBD - Retail **Recording District:** Juneau
Address: 356 South Franklin St **City:** Juneau **State:** **Zip:**
Location: ROW expansion from S Franklin to Sea walk
Legal: Purchased existing Easement and additional 25' strip of fee land;

Instrument: SWD - **Serial:** 2013-005909-0
Trans.Type: Sale
Rights: Fee Simple, Easement
Terms: Assume Cash

Sale Price: $910,352
Trans. Date: August 20, 2013
Grantor: Archipelago Properties LLC
Grantee: City and Borough of Juneau

Size (SF): 5,287
Frontage: 309.86
Zone: WC

Utilities: All
Access: Road, paved, See Comments
Improvements: None
Land Class: Vacant, Commercial, Waterfront

Topography: Level, Submerged
Vegetation: None
Soil: Typical

Present Use: Walk way & undeveloped strip of vacant land
Intended Use: access from South Franklin street to the cruise ship dock which it plans to expand.
Highest and Best Use: Commercial- Retail

Comments
This purchase consisted of the about 10,913 SF of which approximately 5496.2 SF was encumbered by a 25 foot access easement held by the purchaser, CBJ, and a fee simple 5416.8 SF adjacent 25 foot strip which would then give the purchaser the fee simple 50 foot wide parcel it intends to use for access from South Franklin street to the cruise ship dock which it plans to expand. The closing documents allocated all the value to the fee 25 foot wide fee simple strip.

NO PARKING

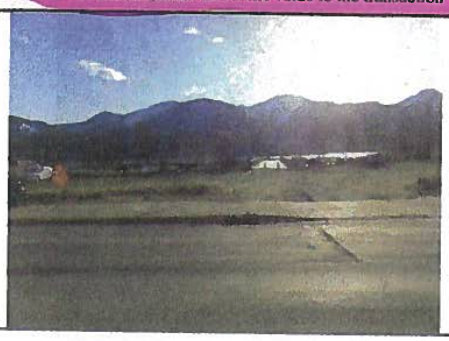
Analysis:

Although the entire transaction was approximately 10,913 SF. The parties agreed the easement area approximately 5496.2 SF contributed no value. The unencumbered 5416.8 SF was allocated as follows
$300/ SF for 2535 SF = $760,500
$52/SF for 2881.8 SF ~ $149,853

Marketing Info: This parcel along with two others is sold to the City Borough of Juneau were negotiated over a period of one to two years. Both buyer and seller felt these were market transactions. The price was allocated at $300/SF for the filled up lands and $52/SF for the tidelands from the city perspective with no value attributed to the existing 25 foot access easement.
According to Bud Simpson representative of the seller he felt the encumbered 25' access easement had some value to the transaction

Confirmed with: Bud Simpson, Seller
Confirmed date: 4/25/2014
Confirmed by: C.Horan

Revision Date: 1/2/2018
Record Number: 7740



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use plat.

Record Number: 7889

HORAN & COMPANY, LLC — LAND COMPARABLE NUMBER 4

Community: 17 CBJ - Town - CBD - Retail **Recording District:** Juneau
Address: 386 386 South Franklin St **City:** Juneau **State:** **Zip:**
Location: Adjecnt to 386 S Franklin on the Sea walk
Legal: Lot 3, Archipelago Subdivision, a subdivision of Lot 7A1, Lot 9A, and fraction of Lot 9B, Block 83, Juneau Tidelands Addition, ATS No. 3, Plat 2013-22;

Instrument: SWD - **Serial:** 2013-006640-0
Trans.Type: Sale
Rights: Fee Simple, Easement
Terms: Assume Cash

Sale Price: $298,035
Trans. Date: September 25, 2013
Grantor: Archipelago Properties LLC
Grantee: City and Borough of Juneau

Size (SF): 7,267
Frontage:
Zone: WC
Topography: Submerged
Vegetation: None
Soil: Typical

Utilities: All
Access: Road, paved
Improvements: None
Land Class: Vacant, Commercial, Waterfront

Present Use: undeveloped
Intended Use: Public Memorial nad pedestrian way
Highest and Best Use: Commercial- Retail

Comments
These are completely submerged lands having access from adjacent boardwalk public right of way adjacent to crew ship dock. There's no frontage on vehicular right-of-way South Franklin Street. Site development would require piling in dock development.

Analysis:
$298,035/7,267 SF= $41.01/SF

Marketing Info: This parcel along with two others is sold to the City Borough of Juneau were negotiated over a period of one to two years. Both buyer and seller felt these were market transactions. The price was allocated at $41/ SF. They have no direct access to S. Franklin Street. These totally submerged lands were considered somewhat isolated by the Sellers and would have been more difficult to market to others. The se seller felt the purchase was a good fit for the CBJ which would need land for public areas with its planned

Confirmed with: Bud Simpson
Confirmed date: 4/25/2014
Confirmed by: C.Horan

Revision Date: 11/8/2017
Record Number: 7889

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use plat.

Record Number: 7062

HORAN & COMPANY, LLC — **LAND COMPARABLE NUMBER 5**

Community: 17 CBJ - Town - CBD - Retail **Recording District:** Juneau
Address: 406 South Franklin St **City:** Juneau **State:** AK **Zip:** 99901
Location: Seaward of 406 South Franklin Street, Alaska Pacific Pier Building
Legal: Seaward of Lot 8, Block 83, Tidelands addition to the Juneau Townsite
Noted as ATS 3, Lot 9B, Block 83 (14-105); Parcel Number: 1C070K830041

Instrument: Lease **Serial:**
Trans.Type: Land Lease
Rights: Lease Fee
Terms: Original Lease Date 5/1/03 with first adjustment due 5/1/14 and every 3 years thereafter. 35 years term of lease.

Annual Rent: $26,082
Trans. Date: May 1, 2013
Grantor: CBJ
Grantee: Alaska Pacific LLC (Tripp/Timberwolf)

Size (SF): 7,245
Frontage: 95.3 Water Front
Zone: WC

Utilities: All
Access: See Comments
Improvements: Dock
Land Class: Waterfront, Tidelands, Commercial

Topography: Submerged, Sloping, Gradual sloping/beach
Vegetation: None
Soil: Buildable

Present Use: Retail
Intended Use: Retail
Highest and Best Use: Retail

Comments
Ongoing dock lease. Access is adjacent Werner's Wharf, area not built on as of November 2016, in PD2 Parking District..

Analysis:
Annual rent estimated based on 8% of $45.00/SF.

Marketing Info: 35 year lease. Rent based on Market fixed for 10 years at $7,180/ year then adjusts every three years to market effective starting 5/1/2013 rent Changed to $26,082/per year based on appraisal of estimated land $45/SF and market lease % rate of 8%. .

Confirmed with:	Teena Scoville CBJ Port	Teena Scoville, CBJ Port
Confirmed date:	10/01/2016	9/29/2011
Confirmed by:	C.Horan	S. Aday

Revision Date: 1/2/2018
Record Number: 7062

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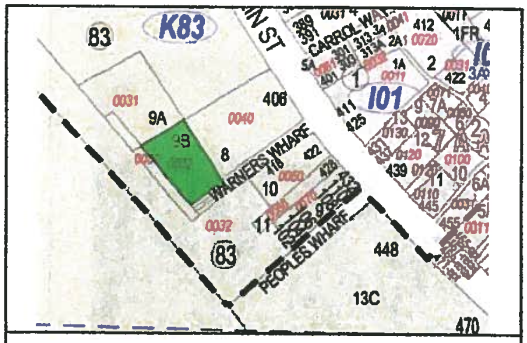

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Record Number: 5012

HORAN & COMPANY, LLC — LAND COMPARABLE NUMBER 6

Community: 17 CBJ - Town - CBD - Retail **Recording District:** Juneau
Address: 422 South Franklin St **City:** Juneau **State:** AK **Zip:** 99801
Location: Seawaerd of 422 South Franklin Street
Legal: Portion of Lot 9, Block 83 Tidelands Addition, Juneau Townsite; Our File #12-034; Parcel Number: 1C-070-K830-050

Instrument: Land **Serial:**
Trans.Type: Land Lease
Rights: Lease
Terms: May 2006 Start date, adjustment every 5 years, 35 years total

Annual Rent: $15,637.6
Trans. Date: July 1, 2016
Grantor: City and Borough of Juneau
Grantee: JNY, LLC,- Diamonds Int. (partners-Roeland &

Size (SF): 1,954.7
Frontage: 47' wide
Zone: WC

Utilities: Water, Telephone, Sewer, Electric
Access: Road, paved
Improvements: None
Land Class: Tidelands, Waterfront, Commercial

Topography: Tidelands
Vegetation: None
Soil: Gravel

Present Use: Vacant
Intended Use: Extend adjacent commercial improvements.
Highest and Best Use: Develop retail structure.

Comments
Legal constraints on this site is a FEMA prohibition on non-waterfront dependent uses below the 15.4' high tide mark, not precluding the construction of a dock.

Analysis:
$15,637.60/1954.7 = $8.00/SF. Cap Rate @ 8% = $100/SF Value.

Marketing Info: Based on wold appraisal (see filse 11-051)
Tidelands valued by Wold appraisal, effective date of October 2005, at $125/SF. Wold further concluded if sidewalk access was hypothetically developed, value would be $225/SF.
CBJ tidelands lease effective 5/1/06 of 1,954.7 SF @ $19,547/yr; Fee simple value capitalized at 8% lease rate indicates $125/SF. Effective 11/7/2011, $15,500/ year (12-034) value capitalized at 8% indicates $99.12/SF. Rent adjusted (file16-142) Based on $8/SF

Confirmed with:	Teena Scovill, CBJ	Teena Scovill, CBJ
Confirmed date:	3/31/2017	5/1/2014
Confirmed by:	C.Horan	C.Horan

Revision Date: 1/2/2018
Record Number: 5012

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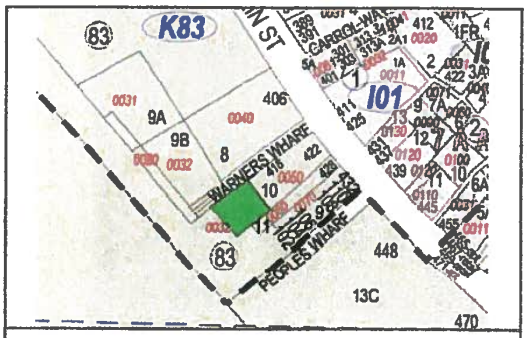

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Record Number: 7659

HORAN & COMPANY, LLC — **LAND COMPARABLE NUMBER 7**

Community: 17 CBJ - Town - CBD - Retail **Recording District:** Juneau
Address: 432 South Franklin St **City:** Juneau **State:** AK **Zip:** 99801
Location: People's Wharf
Legal: Portion of Lot 9B & Lot 13B, Block 83, ATS No.3 (See (13-049); Parcel Number: 1C070K830071

Instrument: Land **Serial:**
Trans.Type: Land Lease
Rights: Fee Simple, Lease Fee, Permit/License
Terms:

Annual Rent: $5,950
Trans. Date: July 1, 2012
Grantor: CBJ
Grantee: Bill Heumann

Size (SF): 476
Frontage:
Zone: WC

Topography: Level
Vegetation: None
Soil:

Utilities: All
Access: Road, paved
Improvements: transitional - see notes
Land Class: Commercial, Waterfront

Present Use: retail/apartments
Intended Use: retail/apartments
Highest and Best Use:

Comments

Analysis:

$5,950 Cap at 10%=$59,500
$59,500/476=$125/SF

Marketing Info: Previous rent was $4,760? Apprised (13-049) for annual lease renewal effective June 1, 2013 with market value estimate at $59,500 or $125/SF. Contract annual rent is 10% or $5,950.

These sloping tideland were estimated at 40% of the value of filled uplands.

Confirmed with:	Teena Scovill	CBJ
Confirmed date:	5/1/2014	9/20/2006
Confirmed by:	C.Horan	CH & TR

Revision Date: 12/3/2017
Record Number: 7659

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REVISIONS

REV.	DATE	DESCRIPTION	DWN.	CKD.	APP.

PND ENGINEERS, INC.
9360 Glacier Highway Ste 100
Juneau, Alaska 99801
Phone: 907-586-2093
Fax: 907-586-2099
www.pndengineers.com

DESIGNED MDS CHECKED CRS
DRAWN PJD APPROVED CRS
SCALE: SCALE IN FEET 0 20 40 FT.
DATE: 10/25/2018

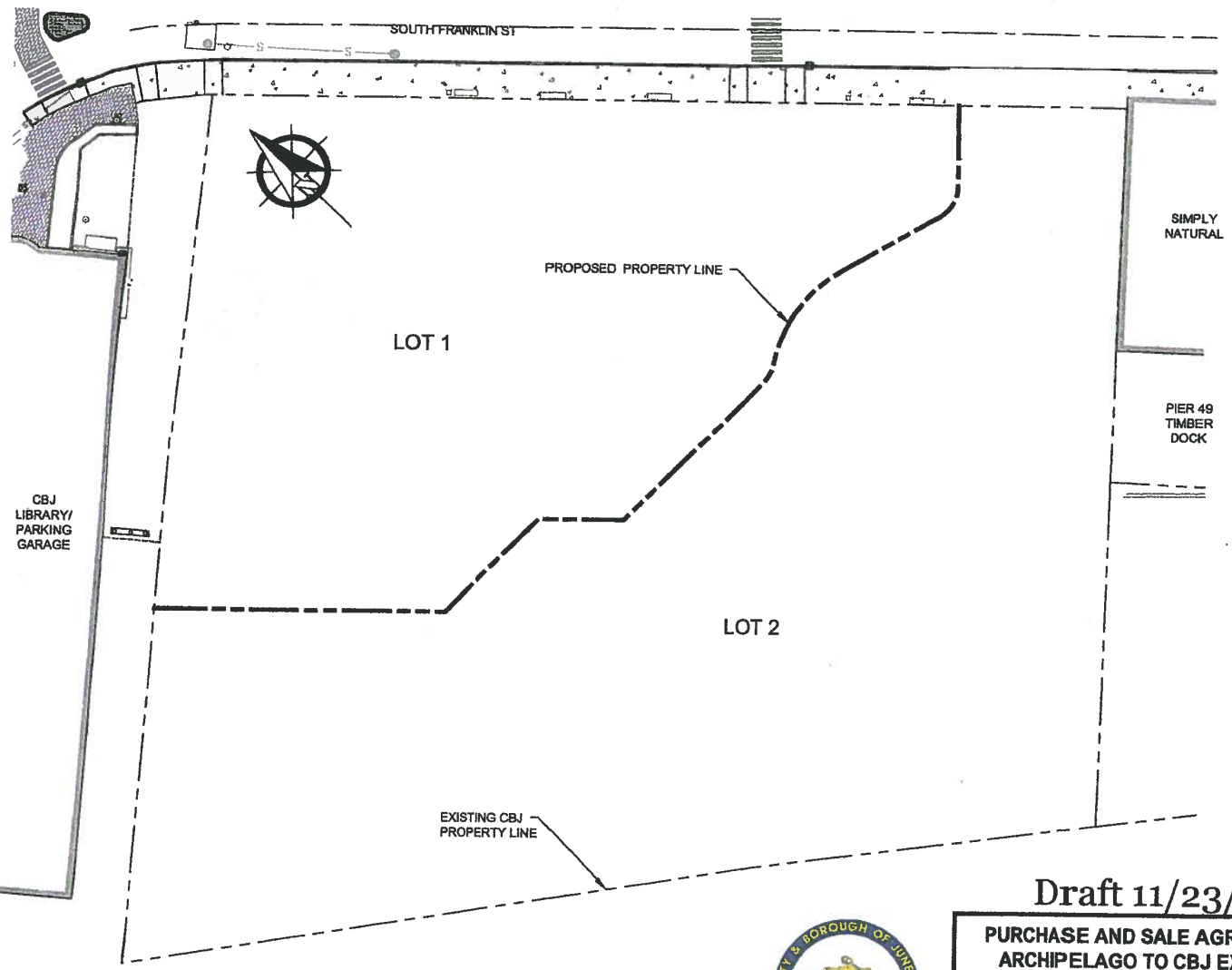
CITY & BOROUGH OF JUNEAU, ALASKA
DOWNTOWN WATERFRONT IMPROVEMENTS
CBJ CONTRACT NO. DH19-014

SHEET TITLE:
COMBINED PUBLIC AND PRIVATE DEVELOPMENT PLAN

PND PROJECT NO.: 182045 ——.DWG

1

ARC 000066

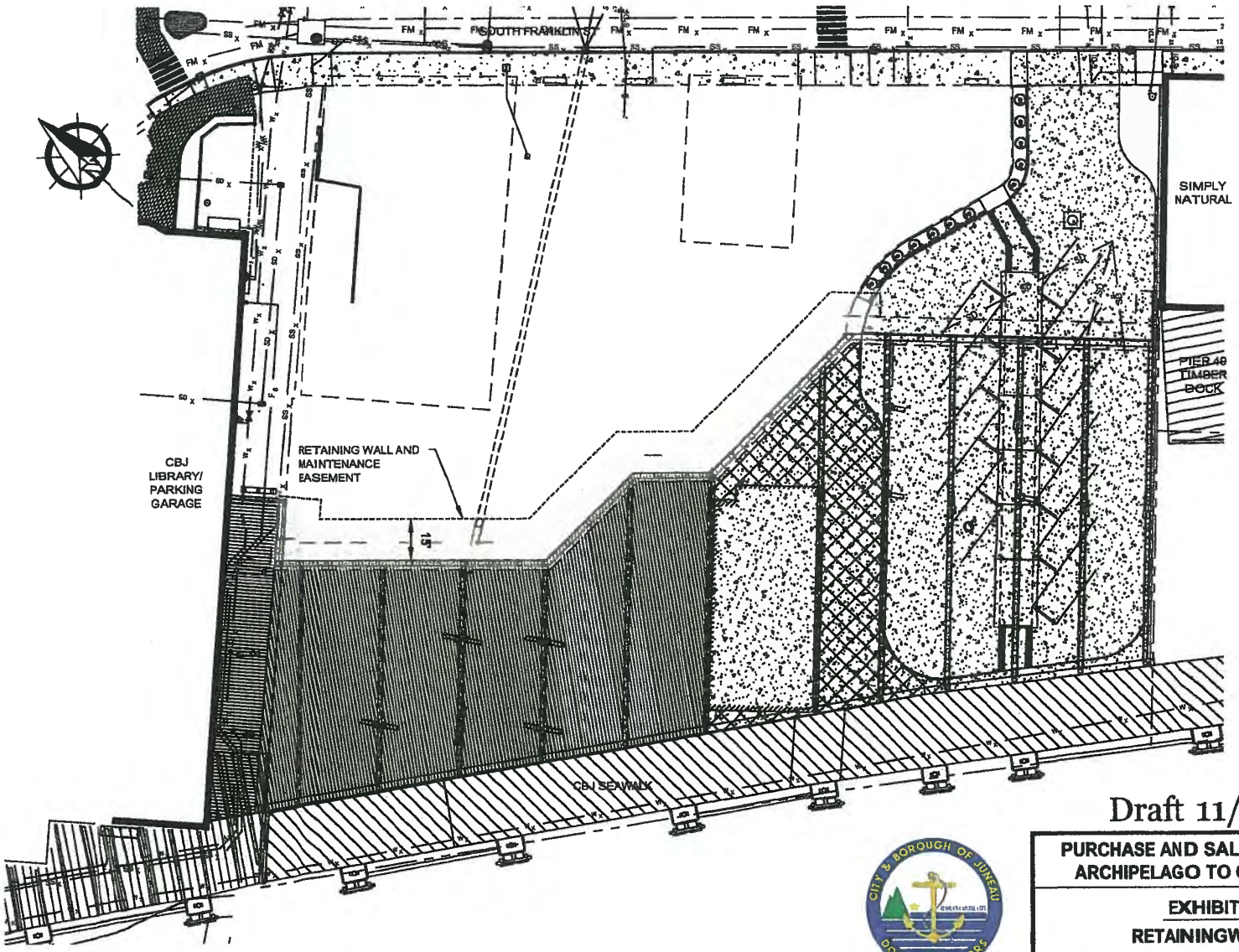


Draft 11/23/18

PURCHASE AND SALE AGREEMENT
ARCHIPELAGO TO CBJ EXHIBITS

EXHIBIT A

SURVEY PLAT



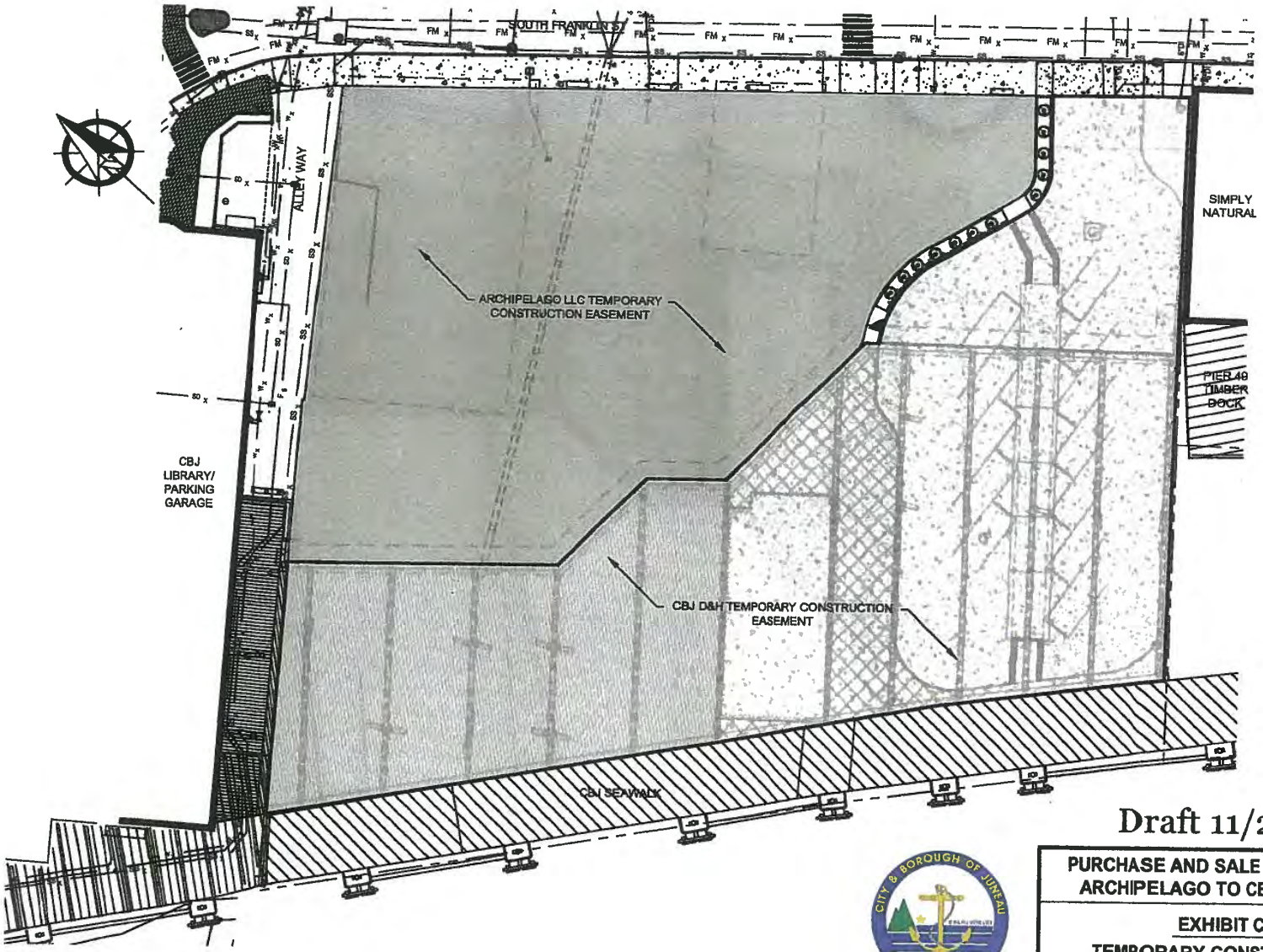
Draft 11/23/18

PURCHASE AND SALE AGREEMENT ARCHIPELAGO TO CBJ EXHIBITS

EXHIBIT B

RETAININGWALL & MAINTENANCE EASEMENTS

CITY & BOROUGH OF JUNEAU DOCKS & HARBORS

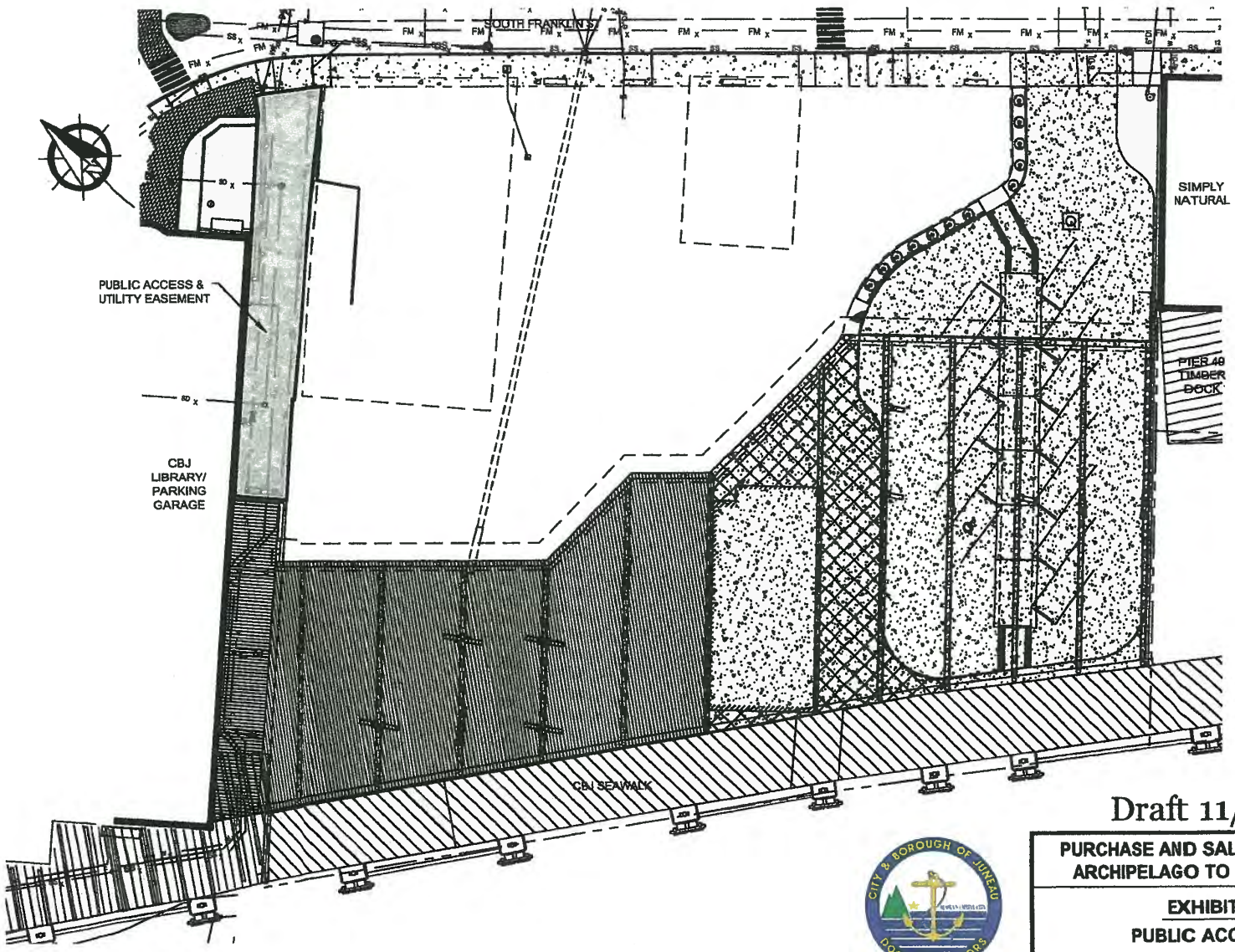


Draft 11/23/18

PURCHASE AND SALE AGREEMENT ARCHIPELAGO TO CBJ EXHIBITS

EXHIBIT C

TEMPORARY CONSTRUCTION EASEMENTS

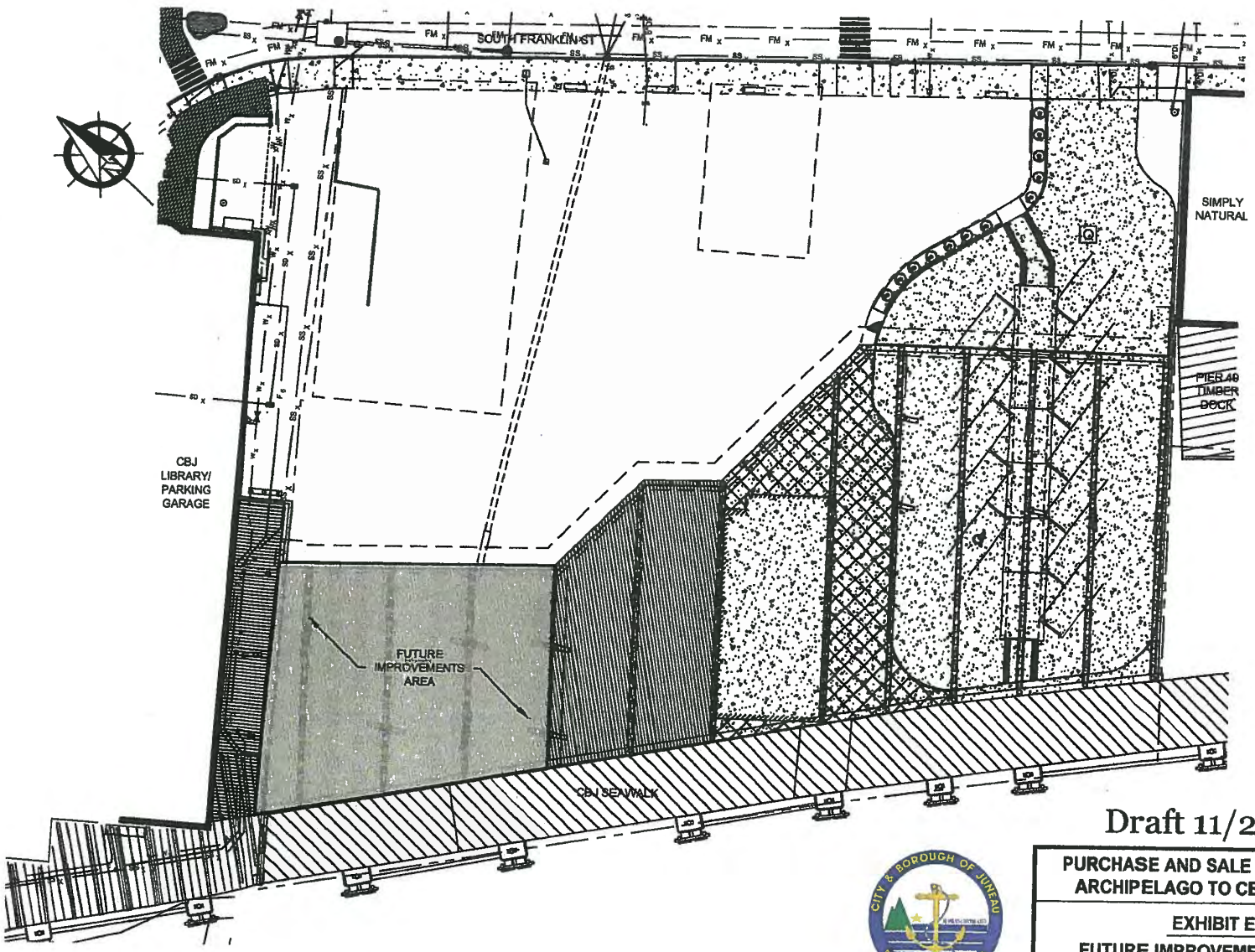


Draft 11/23/18

PURCHASE AND SALE AGREEMENT
ARCHIPELAGO TO CBJ EXHIBITS

EXHIBIT D

PUBLIC ACCESS &
UTILITY EASEMENT



Draft 11/23/18

PURCHASE AND SALE AGREEMENT ARCHIPELAGO TO CBJ EXHIBITS

EXHIBIT E

FUTURE IMPROVEMENTS AREA

Draft October 29, 2018

REAL PROPERTY PURCHASE AND SALE AGREEMENT

This Real Property Purchase Agreement ("Agreement") is made in duplicate and entered into by and between **Archipelago Properties, LLC**, an Alaska Limited Liability Company, having a mailing address of 725 Broad Street, Augusta, Georgia 30901 ("Archipelago") and, the **City and Borough of Juneau**, a municipal corporation in the State of Alaska, having its offices at 155 South Seward Street, Juneau, Alaska 99801, ("CBJ") (collectively, "Parties").

1. Intent: The Parties wish to execute this Purchase and Sale Agreement ("Agreement") to facilitate the reconfiguration and development of the below described real property for their mutual benefit.

2. Real Property: Subject to the terms and conditions set forth in this Agreement, Archipelago agrees to convey to CBJ, and CBJ agrees to convey to Archipelago, fee simple title to the following described real property located in the Juneau Recording District, First Judicial District, State of Alaska:

> A portion of Lots 1 and 2 owned by Archipelago, and Lot 4 owned by CBJ, Archipelago Subdivision, Plat No. 2013-22, Juneau Recording District, First Judicial District, State of Alaska, as further described in Exhibit A.

(hereinafter, the "Property").

3. Purchase Area: The area of the Property to be conveyed by Archipelago to CBJ consists of approximately _____ square feet of land; and the area of the Property to be conveyed by CBJ to Archipelago consists of approximately _____ square feet of land; as described in Exhibit A of this Agreement (hereinafter, the "Purchase Area").

4. Land Value: [Place holder for stating final value when survey and appraisal are completed.]

5. Evidence of Title: Archipelago and CBJ represent that fee simple title to the Property is vested in Archipelago and CBJ, respectively.

6. Title Insurance: Within 10 calendar days of the execution of this Agreement, the Parties shall jointly obtain an updated preliminary commitment to issue title insurance. Each Party shall have 10 calendar days after receipt of the updated preliminary title report to notify the other of any objections to title conditions stated in the report. After notification of any title objections, if it appears that either Party will be unable to convey title to the Property free and clear of encumbrances, liens, or exceptions to title, other than those deemed acceptable by the other Party, that Party shall have a further period of 30 days within which to perfect title. If, at the end of such period, the Party is still unable to convey title to the Property free and clear of all encumbrances, liens or exceptions to title except as aforesaid, the other Party may elect to accept such title as that Party can convey, upon the payment of the purchase price stated in Paragraph 3 herein, as may be adjusted by mutual agreement of the parties on account of the encumbrance, or a Party may, without penalty, terminate this Agreement and have no further obligations hereunder.

hereunder.

7. Conveyance: The Parties shall convey title to the Property to the other Party by quitclaim deed, free of any mortgages, liens, encumbrances or other defects in title, other than those deemed acceptable by the other Party.

8. Encumbrances: The Parties agree not to sell, convey, or further encumber the Property prior to closing without concurrence of the other party.

9. Retaining Wall: CBJ, in conjunction with the construction of a piling-supported structure over its submerged portion of the Property, and subject to appropriation, intends to construct and maintain a retaining wall through the Property, as further described in Exhibit B.

10. Construction Easement: Recognizing the extraordinary cost associated with constructing the pile decking and transportation staging parking from the channel side of the Property from barges, Archipelago shall grant to CBJ an exclusive temporary construction easement or license on its uplands portion of the reconfigured Property, as further described in Exhibit C, to allow staging of equipment, material, and personnel, as well as construction from the uplands side of the Property. When CBJ has substantially completed construction of the pile decking and transportation staging area, CBJ shall likewise grant to Archipelago a temporary easement or license to the transportation staging and pile-supported decking areas for construction of Archipelago's upland improvements. The Parties shall indemnify and hold each other harmless during their respective construction activities and maintain appropriate liability insurance. These indemnity terms shall survive after construction is completed. Upon completion of its construction activities on the uplands site, CBJ shall leave a clean and graded uplands site.

11. Construction Timing and Reversion: CBJ shall have until March 29, 2019, to appropriate funding for the transportation staging, shuttle parking and deck-over portion of the project; to advertise such project for bid; and to order construction materials to be supplied by CBJ. If the forgoing actions have not been completed by such date, Archipelago shall have the right, but not the obligation, to terminate the Construction Easement described in Section 10 hereof, and to proceed immediately with Archipelago's commercial development and construction on its upland property. Further, if CBJ has not commenced construction of its project on the adjoining portion of the property within three (3) years of the date on which this Agreement was executed by both parties, Archipelago shall have the right, but not the obligation, to repurchase the property sold or exchanged to CBJ under this Agreement at the then fair market value, including the value of any improvements made to the property by CBJ prior to that time. Any deadline set forth in this section may be extended for a reasonable time upon mutual agreement of the Parties if the action to be taken has been commenced and is reasonably certain to be completed within a time which will not materially further delay completion of the project.

12. Access between public parking structure and Property: As a condition of this purchase and sale agreement, CBJ agrees to provide a public access and utility easement for the area between the Property and the public parking structure. Archipelago and its tenants, invitees, and contractors shall have the non-exclusive right to access the area in the normal course of conducting business to service the Property. The parties understand and acknowledge that access to this area is from South Franklin Street, which is controlled by Alaska Department of

Transportation & Public Facilities. While the CBJ intends the area to be available for access to utilities for the mutual benefit of both Parties, ADOT has final control of road access to the area. This area and easement are further described in Exhibit D.

13. Access and Easements: No barriers shall be constructed between the two reconfigured properties, except as required for pedestrian safety between the transportation staging shuttle parking area and the Archipelago development. In the event a barrier is deemed required for public safety, both Parties prior to installation shall agree upon the design and location. Archipelago will grant an easement for placement, construction, and maintenance of a retaining wall as shown in Exhibit B and described in Section 9 hereof.

Subject to final design, if applicable, CBJ and Archipelago shall grant to one another utility easements for the installation, repair, maintenance, and improvements for utilities as needed. Archipelago and CBJ shall each be responsible for the repair and condition of utility improvements on their respective reconfigured parcels. If maintenance, repair or improvements of common utilities is required; and if the utilities include centrally located service to both properties; and if the utilities are not located in the public right-of-way, the Parties agree to equally share the cost of repairs and improvements.

Archipelago shall grant to CBJ an access easement across and on its property for the repair and maintenance of the retaining wall as needed from time to time.

CBJ grants to Archipelago and its tenants, invitees, and contractors a non-exclusive easement for access to the transportation staging shuttle parking area in the normal course of business. At no time, however, shall this easement conflict with or impair the primary use of the transportation staging shuttle parking area, which is to serve cruise ship passengers and tour agencies, as designated by CBJ. This non-exclusive easement shall only be in effect outside of peak usage by commercial passenger transportation vehicles, the primary user of the transportation staging shuttle parking area.

14. Future Improvements on Reconfigured Public Portion of Property: As used herein, the term "Future Improvements" means any permanent or temporary structure or improvement to be placed or constructed upon those portions of the present Archipelago subdivision parcels 1, 2, 3 and 4, after acquisition by CBJ, for public or private use, by either Party hereto or any third party. The term expressly excludes the area designated by CBJ for cruise ship passenger staging, loading and transportation (the "B Permit Parking Lot"); the area and structure designated for covered passenger staging, welcome and assembly; the act of decking over of the remaining open areas of the aforesaid parcels; and the commercial/retail development on the uplands portion of Lots 1 and 2; all of which are expressly contemplated within this transaction and consented to by the Parties (herein, the "Approved Structures").

With respect to Future Improvements other than the Approved Structures, Archipelago shall have, and hereby reserve for itself and its successors and assigns, a limited right to object in advance of placement or construction of such improvements on the portion of the subject property designated on Exhibit E hereto, based upon the following considerations: Archipelago may object if the Future Improvement does not provide an identifiable public purpose or benefit,

and is reasonably likely to impair, interfere with, or unfairly compete with, the businesses and operations taking place on the adjacent Archipelago premises. If CBJ proposes a Future Improvement it shall notify Archipelago in writing at least 180 days in advance of the intended date of commencement, and Archipelago shall have not more than 60 days to consider and state in writing its objection to the improvement, if any. In the event of objection, the two Parties will work in good faith to attempt to resolve the objectionable issues. Archipelago's approval shall not be unreasonably withheld, provided the above conditions are met.

15. No Violations: Both Parties represent that at this time and at the time of the closing of title, there shall exist no violations of government (including environmental, zoning and planning) rules, regulations or limitations, unless the same have become legally nonconforming, and no violations of any restrictive covenant, agreement or condition subject to which the title is to be conveyed in accord with the terms hereof.

16. Taxes: All local taxes applicable to the Property shall be prorated and paid through the date of closing.

17. Closing: Closing on the sale of the Property shall occur no later than _____ unless the closing date is extended by written agreement of the parties. Such agreement shall not be unreasonably withheld.

18. Costs: CBJ shall be responsible for obtaining survey and subdivision of the Property; provided however that Archipelago and the CBJ shall share equally in the cost for survey and subdivision of the Property and title insurance. All reasonable and customary closing costs shall be split evenly between Archipelago and CBJ at time of closing. Each Party shall pay its own separate attorney fees incurred in negotiations, drafting, and documenting this transaction.

19. Conditions Precedent: The parties acknowledge that closing is subject to the following conditions:

a. Both Parties' receipt of a preliminary commitment to issue title documenting clear title to the Property, acceptable to each Party.

b. First American Title Insurance Company shall serve as closing and escrow agent for the parties hereunder.

c. Each Party and its representatives, consultants and contractors shall have the privilege, opportunity and right of entering upon the Property, in order to inspect and examine same and perform (i) a comprehensive inspection and review of the physical condition of the property; (ii) such environmental analysis as each Party deems necessary; (iii) a review of all plans, drawings, specifications and surveys pertaining to the property boundary, as well as other tests and inspections of same (including, without limitation, environmental tests, studies and examinations, soil tests, borings, percolation tests and other tests needed to determine surface, subsurface and topographic conditions); (iv) a land survey to establish the purchase area.

d. If any of these conditions are not satisfied within the timeframe provided, and the deadline has not been waived, then either party may elect to terminate this Agreement upon written notice.

20. General Agreement Terms:

a. Possession. Each Party shall continue in possession of its portion of the Property until closing. Possession shall be transferred at closing, subject to the easements granted herein.

b. Assignment. This Agreement is binding on the heirs, successors, and assigns of the parties, but shall not be assigned by either party without prior written consent of the other party.

c. Modifications. Any changes to this Agreement must be mutually agreed upon in writing before they will be regarded as part of this Agreement.

d. Notices. Any notice to be delivered pursuant to the terms hereof shall be in writing and shall be sent by certified mail, hand delivered, or by facsimile to the parties at the addresses set forth above, unless written notice of a different address shall be given to the other party.

e. Construction. This Agreement should not be construed in favor of or against any party, as both parties participated in negotiating and drafting it. This Agreement contains the entire agreement between the parties and supersedes all previous communications, representations or agreements, either oral or written, between the parties.

f. Choice of Law; Jurisdiction. This Agreement shall be governed by the law of the State of Alaska. Jurisdiction shall be in the State of Alaska, First Judicial District at Juneau. In the event that one party is required to take legal action to enforce any portion of this Agreement, the parties agree the non-prevailing party will pay the reasonable attorney fees incurred by the prevailing party.

g. Compliance with Applicable Laws. Both parties shall, at their sole cost and expense, comply with all applicable requirements of federal, state, and local laws, ordinances and regulations now in force, or which may be in force, during the performance of this Agreement.

h. Taxes and Other Obligations. Archipelago shall pay all federal, state and local taxes incurred by Archipelago, and shall require their payment by any subcontractor or any other persons in the performance of this Agreement. Archipelago has paid or will pay CBJ 2018 property taxes on its portion of the property; thereafter, the area of the Property, for taxation purposes shall be reduced by the amount of the conveyance herein/and the taxes for the remainder of the current tax year apportioned accordingly.

i. Conflict of Interest. Archipelago warrants that no employee or officer of the CBJ has violated the conflict of interest provisions of the CBJ code regarding this Agreement.

Archipelago also warrants that Archipelago has not solicited or received any prohibited action, favor or benefit from any employee or officer of CBJ, and that it will not do so as a condition of this Agreement. If Archipelago learns of any such conflict of interest, Archipelago shall without delay inform the City Attorney or CBJ representative for this Agreement.

j. Agreement Execution. This Agreement is not binding or effective until fully executed by all parties. This Agreement may be executed in two or more counterparts, which when taken together shall constitute a single, integrated and binding document. A facsimile signature of an authorized party shall be binding and valid as an original.

k. Brokers. It is understood by the parties that no agent or broker has been employed by either Party in this transaction. No claims of agents or brokers shall be recognized by CBJ or Archipelago regarding the Property.

The remainder of this page is intentionally left blank. The signature page follows.

DRAFT

ARCHIPELAGO: ARCHIPELAGO PROPERTIES, LLC

_____ Date: _____

Archipelago Properties, LLC

ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____, 2018, by _____, Member/Manager of Archipelago Properties, LLC, an Alaska limited liability company, on behalf of the limited liability company for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day, month and first year in the certificate first above written.

(Seal)

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

CBJ: CITY AND BOROUGH OF JUNEAU

_____ Date: _____

Rorie Watt, City Manager

Approved as to form: _____ CBJ Law Department

Approved as to content: _____ Lands and Resources Manager

Approved to content: _____ Docks & Harbors Director

ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____, 2018, by _____, the City Manager of the City and Borough of Juneau, an Alaska municipal corporation on behalf of said corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day, month and first year in the certificate first above written.

(Seal)

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

QUALIFICATIONS OF CHARLES E. HORAN, MAI

Professional Designation	MAI, Member Appraisal Institute, No. 6534
State Certification	State of Alaska General Appraiser Certification, No. APRG41
Bachelor of Science Degree	University of San Francisco, B.S., Business Administration, 1973

Employment History:

8/04 – now	Owner, HORAN & COMPANY, LLC
3/87 –7/04	Partner, HORAN, CORAK AND COMPANY
1980 –2/87	Partner, The PD Appraisal Group, managing partner since November 1984 (formerly POMTIER, DUVERNAY & HORAN)
1976 – 80	Partner/Appraiser, POMTIER, DUVERNAY & COMPANY, INC., Juneau and Sitka, Alaska
1975 – 76	Real Estate Appraiser, H. Pomtier & Associates, Ketchikan, AK
1973 – 75	Jr. Appraiser, Ketchikan Gateway Borough, Ketchikan, AK

Lectures and Educational Presentations:

2017 "Municipal Assessment Record System" MARS Presentation on automated data collection and analysis for mass appraisals. Presented to Alaska Association of Assessing Officers, Anchorage.
2017 "Keeping it Simple – Local Market Value New Modeling" Presented to AAAO, Anchorage
2011, "Real Estate Market in Southeast Alaska" Presentations to Ketchikan, Juneau and Sitka Chambers of Commerce and Municipality of Skagway
2011, "Demystifying the Appraisal Process" Presentation to USFWS Market Analysis and UASFLA, Anchorage
2007, "Conservation Easements" Presentation - Alaska Association of Assessing Officers, Fairbanks, AK
1998, "Easement Valuation Seminar," Alaska Chapter Appraisal Institute, Anchorage, AK
1998, "Easement Valuation Seminar," Seal Trust, Juneau, Alaska
1997, "Sitka Housing Market," Sitka Chamber of Commerce
1997, developed and taught commercial real estate investment seminar for Shee Atika, Inc.
1994, developed and taught seminar "Introduction to Real Estate Appraising," UAS, Sitka Campus
1985, Speaker at Sitka Chamber of Commerce, "What is an Appraisal? How to Read the Appraisal"
1984, Southeast Alaska Realtor's Mini Convention, Juneau, Alaska
Day 1: Introduction of Appraising, Cost and Market Data Approaches
Day 2: Income Approach, Types of Appraisals, AIREA Accredited Course
1983, "The State of Southeast Alaska's Real Estate Market"
1982, "What is an Appraisal?"

Types of Property Appraised:

Commercial - Retail shops, enclosed mall, shopping centers, medical buildings, restaurants, service stations, office buildings, auto body shops, schools, remote retail stores, liquor stores, supermarkets, funeral home, mobile home parks, camper courts. Appraised various businesses with real estate for value as a going concern with or without fixtures such as hotels, motels, bowling alleys, marinas, restaurants, lounges.
Industrial - Warehouse, mini-warehouse, hangars, docks barge loading facilities, industrial acreage, industrial sites, bulk plant sites, and fish processing facility. Appraised tank farms, bulk terminal sites, and a variety of waterfront port sites.
Special Land - Partial Interest and Leasehold Valuation - Remote acreage, tidelands with estimates of annual market rent. Large acreage land exchanges for federal, state, municipal governments and Alaska Native Corporations; retail lot valuations and absorption studies of large subdivisions; gravel and rock royalty value estimates; easements, partial interests, conservation easements; title limitations, permit fee evaluations. Appraised various properties under lease to determine leasehold and leased fee interests. Value easements and complex partial interests.
Special Projects - Special consultation for Federal land exchanges. Developed Land Evaluation Module (LEM) to describe and evaluate 290,000 acres of remote lands. Renovation feasibilities, residential lot absorption studies,

commercial, and office building absorption studies. Contract review appraiser for private individuals, municipalities, and lenders. Restaurant feasibility studies, Housing demand studies and overall market projections. Estimated impact of nuisances on property values. Historic appreciation / market change studies. Historic barren material royalty valuations, subsurface mineral and timber valuation in conjunction with resource experts. Mass appraisal valuations for Municipality of Skagway, City of Craig, Ketchikan Gateway Borough and other Alaska communities. Developed electronic/digital assessment record system for municipalities. Developed extensive state-wide market data record system which identified sales in all geographic areas.

Expert Witness Experience and Testimony:

2016 Expert Witness – D's Investment Group, LLC vs Erwin Enterprises, et al 1JU-15-971CI, settled
2012 Expert Witness – Dukowitz vs Chamberlain and First American Title Insurance Co. 1JU-12-778CI, settled
2011 Expert Witness – Wise and Wise vs City and Borough of Juneau. 1JU-10-584CI, settled
2009 Expert at mediation - Talbot's Inc vs State of Alaska, et al. IKE-07-168CI
2008 Albright vs Albright, IKE-07-265CI, settled
2006 State of Alaska vs Homestead Alaska, et al, 1JU-06-572, settled
2006 State of Alaska vs Heaton, et al, 1JU-06-570CI, settled
2006 State of Alaska vs Jean Gain Estate, 1JU-06-571, settled
2004 Assessment Appeal, Board of Equalization, Franklin Dock vs City and Borough of Juneau
2000 Alaska Pulp Corporation vs National Surety - Deposition
U.S. Senate, Natural Resources Committee
U.S. House of Representatives, Resource Committee
Superior Court, State of Alaska, Trial Court and Bankruptcy Courts
Board of Equalization Hearings testified on behalf of these municipalities: Ketchikan Gateway Borough, City of Skagway, City of Pelican, City and Borough of Haines, Alaska
Witness at binding arbitration hearings, appointed Master for property partitionment by superior state court, selected expert as final appraiser in multi parties suit with settlements of real estate land value issues

Partial List of Clients:

Federal Agencies
Bureau of Indian Affairs
Bureau of Land Mngmnt
Coast Guard
Dept. Of Agriculture
Dept. Of Interior
Dept. Of Transportation
Federal Deposit Ins Corp
Federal Highway Admin.
Fish & Wildlife Service
Forest Service
General Service Agency
National Park Service
USDA Rural Develop.
Veterans Administration

Municipalities
City & Borough of Haines
City & Borough of Juneau
City & Borough of Sitka
City of Akutan
City of Coffman Cove
City of Craig
City of Hoonah
City of Ketchikan
City of Klawock

Lending Institutions
Alaska Growth Capital
Alaska Pacific Bank
Alaska Ind. Dev. Auth.
ALPS FCU
First Bank
First National Bank AK
Key Bank
Met Life Capital Corp.
National Bank of AK
Rainier National Bank
SeaFirst Bank
True North Credit Union
Wells Fargo
Wells Fargo RETECHS

Other Organizations
BIHA
Central Council for Tlingit & Haida Indian Tribes of Alaska (CCTHITA)
Diocese of Juneau
Elks Lodge
Hoonah Indian Assoc.
LDS Church
Moose Lodge

ANCSA Corporations
Cape Fox, Inc.
Doyon Corporation
Eyak Corporation
Goldbelt
Haida Corporation
Huna Totem
Kake Tribal Corporation
Klawock-Heenya Corp.
Klukwan, Inc.
Kootznoowoo, Inc.
Sealaska Corporation
Shaan Seet, Inc.
Shee Atika Corporation
TDX Corporation
The Tatitlek Corporation
Yak-Tat Kwan

State of Alaska Agencies
Alaska State Building Authority (formerly ASHA)
Attorney General
Dept. of Fish & Game
Dept. of Natural Service, Div. of Lands

Companies
AK Electric Light & Power
AK Lumber & Pulp Co.
AK Power & Telephone
Allen Marine
Arrowhead Transfer
AT&T Alascom
Coeur Alaska
Delta Western
Gulf Oil of Canada
Hames Corporation
HDR Alaska, Inc.
Holland America
Home Depot
Kennecott Greens Creek
Kennedy & Associates
Madsen Construction, Inc.
Service Transfer
Standard Oil of CA
The Conservation Fund
Union Oil
Ward Cove Packing
White Pass & Yukon RR
Yutana Barge Lines

City of Pelican
City of Petersburg
City of Thorne Bay
City of Wrangell
Ketchikan Gateway Borg.
Municipality of Skagway

SE AK Land Trust (SEAL)
SEARHC
Sitka Tribe of Alaska
The Nature Conservancy

Dept. of Public Safety
DOT&PF
Mental Health Land Trust
Superior Court
University of Alaska

Education

Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA), Rockville, MD Sept 2017, Oct 2010, May 2002
Valuation of Conservation Easements, Fairfield, CA, Sept 2016
Business Practices and Ethics, Seattle, WA, Jan 2016
7-Hour National USPAP Update Course, Jan 2016, Jan 2015, Apr 2013, May 2009, Jun 2007, Feb 2005
Online Small Hotel/Motel Valuation, Chicago, IL June 2015
Advanced Spreadsheet Modeling for Valuation Applications, Rockville, MD April 2015
Fall Real Estate Conference 2012, Seattle, WA Nov, 2012
Appraising the Appraisal: Appraisal Review-General, Rockville, MD, May 2012
Information Security Awareness for Appraisal Professionals Webinar, December, 2012
Fall Real Estate Conference 2011 Seattle, WA October, 2011
Appraisal Curriculum Overview (2-day General) Milwaukee, WI, August 2011
Business Practices and Ethics, Seattle, WA, Apr 2010
Fall Real Estate Conference, Seattle, WA, Dec 2009
Fall Real Estate Conference, Seattle, WA, Nov 2008
Attacking and Defending an Appraisal in Litigation, Kent, WA, Sep 2008
Sustainable Mixed-Use N.I.M., Seattle, WA, Feb 2008
Appraising 2-4 Unit Properties, Bellevue, WA, Sep 2007
Business Practices and Ethics, Seattle, WA, Jun 2007
Residential Market Analysis and Highest and Best Use, Seattle, WA, Apr 2007
Basic Appraisal Procedures, Seattle, WA, Feb 2007
Rates & Ratios: Making Sense of GIMs, OARs, and DCF, Anchorage, AK, Feb 2005
Best Practices for Residential Appraisal Report Writing, Juneau, AK, Apr 2005
Scope of Work - Expanding Your Range of Services, Anchorage, AK May 2003
Litigation Appraising - Specialized Topics and Applications, Dublin, CA, Oct 2002
USPAP, Part A, Burr Ridge, IL, Jun 2001
Partial Interest Valuation - Undivided, Anchorage, AK, May 2001
Partial Interest Valuation - Divided, Anchorage, AK, May 2001

Easement Valuation, San Diego, CA, Dec 1997
USPAP, Seattle, WA, Apr 1997
The Appraiser as Expert Witness, Anchorage, AK, May 1995
Appraisal Practices for Litigation, Anchorage, AK, May 1995
Forestry Appraisal Practices, Atterbury Consultants, Beaverton, OR, Apr 1995
Advanced Sales Comparison & Cost Approaches, Univ. of Colorado, Boulder, CO, Jun 1993
Computer Assisted Investment Analysis, University of Maryland, MD, Jul 1991
USPAP, Anchorage, AK, Apr 1991
General State Certification Review Seminar, Anchorage, AK, Apr 1991
State Certification Review Seminar, Dean Potter, Anchorage, AK, Apr 1991
Highest and Best Use and Market Analysis, Baltimore, MA, Mar 1991
Financial Institution Reform, Recovery & Enforcement Act of 1989, Doreen Fair Westfall, Appraisal Analyst, OTS, Juneau, AK, Jul 1990
Real Estate Appraisal Reform, Gregory Hoefer, MAI, OTS, Juneau, AK, Jul 1990
Standards of Professional Practice, Anchorage, AK, Oct 1987
Federal Home Loan Bank Board Memorandum R41C
Seminar, Catherine Gearhearth, MAI, FHLBB District Appraiser, Juneau, AK, Mar 1987
Market Analysis, Boulder, CO , Jun 1986
Federal Home Loan Bank Board Regulation 41b, Inst. Bob Foreman, MAI, Seattle, WA, Sep 1985
Litigation Valuation, Chapel Hill, North CA, Aug 1984
Standards of Professional Practices, Bloomington, IN, Jan 1982
Course 2B, Valuation Analysis & Report Writing, Stanford, CA, Aug 1980
Course 6, Introduction to Real Estate Investment Analysis, Aug 1980
Course 1B, Capitalization Techniques, San Francisco, CA, Aug 1976
Course 2A, Case Studies in Real Estate Valuation, Aug 1976
Course 1A, Real Estate Principles and Valuation, San Francisco, CA, Aug 1974

Rev 03/2018

QUALIFICATIONS OF SLATER M. FERGUSON

Education:

Graduated from Sitka High School, Sitka, Alaska
Graduated with a BS in Geography from Western Oregon University, Monmouth, OR

Employment:

November 2018 to Present – Certified General Real Estate Appraiser – Horan & Company, LLC
June 2014 to November 2018 - Real Estate Appraiser Trainee - Horan & Company, LLC

- Further in depth assistance of Commercial/Residential Appraisal Development and Market Data Research
- Leadership role in the 2015 Mass Appraisal/Revaluation for the City of Craig, AK

Oct 2012 to June 2014 – Office admin/Appraiser Assistant – Horan & Company, LLC
Summers, 2009 to 2012 – Maintenance & Trail Crew, U.S. Forest Service, Sitka, Alaska

Certification & Approvals:

Certified General Real Estate Appraiser, State of Alaska License #133619

Appraisal Education:

Appraisal Principles; Appraisal Institute, Online Course, October 2013
15-Hour USPAP, Tigard, OR, November 2013
Appraisal Procedures, Appraisal Institute, Online Course, April 2014
General Appraiser Sales Comparison Approach, Chicago, IL, October 2014
Real Estate Finance Statistics and Valuation Modeling, Las Vegas, NV, February 2015
General Appraiser Site Valuation & Cost Approach, Chicago, IL, October 2015
General Appraiser Income Approach/Part 1, Houston, TX, September 2016
General Appraiser Income Approach/Part 2, Houston, TX, September 2016
2016-2017 7-Hour Equivalent USPAP Update Course, Online, June 2017
Residential Sales Comparison and Income Approaches, Louisville, KY, October 2017
General Appraiser Report Writing and Case Studies, Woburn, MA, November 2017
General Appraiser Market Analysis with Highest and Best Use, Aurora, CO, August 2018

Types of Property Assessed for Taxation:

City of Craig real property assessment roll; single-family, multi-family and mobile homes.
City of Skagway real property assessment roll, single-family, multi-family and mobile homes.

Types of Property Appraised:

Residential – Assistance in Single Family, Multi-Family, Vacant Lands and Mobile Homes.
Commercial – Assistance in Warehouses, Office Buildings, and vacant lands.

Rev. 11/2018

EXHIBIT 5
PURCHASE AND SALE AGREEMENT
ARCHIPELAGO / CBJ

RELIANT LLC
ADVISORY SERVICES

REAL PROPERTY PURCHASE AND SALE AGREEMENT

This Real Property Purchase Agreement ("Agreement") is made in duplicate and entered into by and between **Archipelago Properties, LLC**, an Alaska Limited Liability Company, having a mailing address of 725 Broad Street, Augusta, Georgia 30901 ("Archipelago") and, the **City and Borough of Juneau**, a municipal corporation in the State of Alaska, having its offices at 155 South Seward Street, Juneau, Alaska 99801, ("CBJ") (collectively, "Parties").

1. Intent: The Parties wish to execute this Purchase and Sale Agreement ("Agreement") to facilitate the reconfiguration and development of the below described real property for their mutual benefit. CBJ will acquire the remaining submerged lands in order to expand and make improvements to the CBJ's cruise ship dock; the Parties will exchange, purchase and sell to each other certain upland portions by which CBJ will secure improved ingress and egress to its cruise ship facilities; and Archipelago will retain a portion of its existing uplands for commercial development.

2. Real Property: Subject to the terms and conditions set forth in this Agreement, Archipelago agrees to convey to CBJ, and CBJ agrees to convey to Archipelago, fee simple title to the following described real property located in the Juneau Recording District, First Judicial District, State of Alaska:

> A portion of Lots 1 and 2 owned by Archipelago, and Lot 4 owned by CBJ, Archipelago Subdivision, Plat No. 2013-22, Juneau Recording District, First Judicial District, State of Alaska, as further described in Exhibit A.

(hereinafter, the "Property").

3. Purchase Area: The area of the Property to be conveyed by Archipelago to CBJ consists of approximately 24,104 square feet of land, consisting of portions of Lot 1 and Lot 2; and the area of the Property to be conveyed by CBJ to Archipelago consists of approximately 4,193 square feet of land, consisting of a portion of Lot 4; as described in Exhibit A of this Agreement (hereinafter, the "Purchase Area").

4. Land Value: The value of the land to be purchased or exchanged by the Parties has been determined by the Appraisal Report of Horan & Company, dated December 10, 2018 (the "Appraisal"). The net balance due from CBJ to Archipelago is $922,175.00 (Nine Hundred Twenty-two Thousand, One Hundred Seventy-Five Dollars), after offsets for property purchased by Archipelago and other adjustments as set forth in the Appraisal.

5. Evidence of Title: Archipelago and CBJ represent that fee simple title to the Property is vested in Archipelago and CBJ, respectively.

6. Title Insurance: Within 10 calendar days of the execution of this Agreement, the Parties shall jointly obtain an updated preliminary commitment to issue title insurance. Each Party shall have 10 calendar days after receipt of the updated preliminary title report to notify the other of any objections to title conditions stated in the report. After notification of any title objections, if

it appears that either Party will be unable to convey title to the Property free and clear of encumbrances, liens, or exceptions to title, other than those deemed acceptable by the other Party, that Party shall have a further period of 30 days within which to perfect title. If, at the end of such period, the Party is still unable to convey title to the Property free and clear of all encumbrances, liens or exceptions to title except as aforesaid, the other Party may elect to accept such title as that Party can convey, upon the payment of the purchase price stated in Paragraph 3 herein, as may be adjusted by mutual agreement of the parties on account of the encumbrance, or a Party may, without penalty, terminate this Agreement and have no further obligations hereunder.

7. Conveyance: The Parties shall convey title to the Property to the other Party by quitclaim deed, free of any mortgages, liens, encumbrances or other defects in title, other than those deemed acceptable by the other Party.

8. Encumbrances: The Parties agree not to sell, convey, or further encumber the Property prior to closing without concurrence of the other party.

9. Retaining Wall: CBJ, in conjunction with the construction of a piling-supported structure over its submerged portion of the Property, and subject to appropriation, intends to construct and maintain a retaining wall through the Property, as further described in Exhibit B.

10. Construction Easement: Recognizing the extraordinary cost associated with constructing the pile decking and transportation staging parking from the channel side of the Property from barges, Archipelago shall grant to CBJ an exclusive temporary construction easement or license on its uplands portion of the reconfigured Property, as further described in Exhibit C, to allow staging of equipment, material, and personnel, as well as construction from the uplands side of the Property. When CBJ has substantially completed construction of the pile decking and transportation staging area, CBJ shall likewise grant to Archipelago a temporary easement or license to the transportation staging and pile-supported decking areas for construction of Archipelago's upland improvements. Unless terminated earlier, this easement or license shall be for a period of ten (10) months, which may be extended upon mutual agreement of the Parties. The Parties shall indemnify and hold each other harmless during their respective construction activities and maintain appropriate liability insurance. These indemnity terms shall survive after construction is completed. Upon completion of its construction activities on the uplands site, CBJ shall leave a clean and graded uplands site.

11. Construction Timing and Reversion: CBJ shall have until March 29, 2019, to appropriate funding for the transportation staging, shuttle parking and deck-over portion of the project; to advertise such project for bid; and to order construction materials to be supplied by CBJ. If the forgoing actions have not been completed by such date, Archipelago shall have the right, but not the obligation, to terminate the Construction Easement described in Section 10 hereof, and to proceed immediately with Archipelago's commercial development and construction on its upland property. Further, if CBJ has not commenced construction of its project on the adjoining portion of the property within three (3) years of the date on which this Agreement was executed by both parties, Archipelago shall have the right, but not the obligation, to repurchase the property sold or exchanged to CBJ under this Agreement at the then fair market value, including

the value of any improvements made to the property by CBJ prior to that time. Any deadline set forth in this section may be extended for a reasonable time upon mutual agreement of the Parties if the action to be taken has been commenced and is reasonably certain to be completed within a time which will not materially further delay completion of the project.

12. Access between public parking structure and Property: As a condition of this purchase and sale agreement, CBJ agrees to provide a public access and utility easement for the area between the Property and the public parking structure. Archipelago and its tenants, invitees, and contractors shall have the non-exclusive right to access the area in the normal course of conducting business to service the Property. The parties understand and acknowledge that access to this area is from South Franklin Street, which is controlled by Alaska Department of Transportation & Public Facilities. While the CBJ intends the area to be available for access to utilities for the mutual benefit of both Parties, ADOT has final control of road access to the area. This area and easement are further described in Exhibit D.

13. Access and Easements: No barriers shall be constructed between the two reconfigured properties, except as required for pedestrian safety between the transportation staging shuttle parking area and the Archipelago development. In the event a barrier is deemed required for public safety, both Parties prior to installation shall agree upon the design and location. Archipelago will grant an easement for placement, construction, and maintenance of a retaining wall as shown in Exhibit B and described in Section 9 hereof.

Subject to final design, if applicable, CBJ and Archipelago shall grant to one another utility easements for the installation, repair, maintenance, and improvements for utilities as needed. Archipelago and CBJ shall each be responsible for the repair and condition of utility improvements on their respective reconfigured parcels.

Archipelago shall grant to CBJ an access easement across and on its property for the repair and maintenance of the retaining wall as needed from time to time.

CBJ grants to Archipelago and its tenants, invitees, and contractors a non-exclusive limited license for access to the transportation staging shuttle parking area in the normal course of business. At no time, however, shall this license conflict with or impair the primary use of the transportation staging shuttle parking area, which is to serve cruise ships and supporting activities, as designated by CBJ. This non-exclusive limited license shall only be in effect outside of peak usage by commercial passenger transportation vehicles supporting cruise vessels, the primary user of the transportation staging shuttle parking area.

14. Future Improvements on Reconfigured Public Portion of Property: As used herein, the term "Future Improvements" means any permanent or temporary structure or improvement to be placed or constructed upon those portions of the present Archipelago subdivision parcels 1, 2, 3 and 4, after acquisition by CBJ, for public or private use, by either Party hereto or any third party. The term expressly excludes the area designated by CBJ for cruise ship passenger staging, loading and transportation (the "B Permit Parking Lot"); the area and structure designated for covered passenger staging, welcome and assembly; the act of decking over of the remaining open areas of the aforesaid parcels; and the commercial/retail development on the uplands

portion of Lots 1 and 2; all of which are expressly contemplated within this transaction and consented to by the Parties (herein, the "Approved Structures").

With respect to Future Improvements other than the Approved Structures, Archipelago shall have, and hereby reserves for itself and its successors and assigns, a limited right to object in advance of placement or construction of such improvements on the portion of the subject property designated on Exhibit E hereto, based upon the following considerations: Archipelago may object if the Future Improvement does not provide an identifiable public purpose or benefit, and is reasonably likely to impair, interfere with, or unfairly compete with, the businesses and operations taking place on the adjacent Archipelago premises. If CBJ proposes a Future Improvement it shall notify Archipelago in writing at least 180 days in advance of the intended date of commencement, and Archipelago shall have not more than 60 days to consider and state in writing its objection to the improvement, if any. In the event of objection, the two Parties will work in good faith to attempt to resolve the objectionable issues. Archipelago's approval shall not be unreasonably withheld, provided the above conditions are met.

15. No Violations: Both Parties represent that at this time and at the time of the closing of title, there shall exist no violations of government (including environmental, zoning and planning) rules, regulations or limitations, unless the same have become legally nonconforming, and no violations of any restrictive covenant, agreement or condition subject to which the title is to be conveyed in accord with the terms hereof.

16. Taxes: All local taxes applicable to the Property shall be prorated and paid through the date of closing.

17. Closing: Closing on the sale of the Property shall occur no later than March 31, 2019, unless the closing date is extended by written agreement of the parties. Such agreement shall not be unreasonably withheld.

18. Costs: CBJ shall be responsible for obtaining survey and subdivision of the Property; provided however that Archipelago and the CBJ shall share equally in the cost for survey and subdivision of the Property and title insurance. All reasonable and customary closing costs shall be split evenly between Archipelago and CBJ at time of closing. Each Party shall pay its own separate attorney fees incurred in negotiations, drafting, and documenting this transaction.

19. Conditions Precedent: The parties acknowledge that closing is subject to the following conditions:

a. Both Parties' receipt of a preliminary commitment to issue title documenting clear title to the Property, acceptable to each Party.

b. First American Title Insurance Company shall serve as closing and escrow agent for the parties hereunder.

c. Each Party and its representatives, consultants and contractors shall have the privilege, opportunity and right of entering upon the Property, in order to inspect and examine

same and perform (i) a comprehensive inspection and review of the physical condition of the property; (ii) such environmental analysis as each Party deems necessary; (iii) a review of all plans, drawings, specifications and surveys pertaining to the property boundary, as well as other tests and inspections of same (including, without limitation, environmental tests, studies and examinations, soil tests, borings, percolation tests and other tests needed to determine surface, subsurface and topographic conditions); (iv) a land survey to establish the purchase area.

d. If any of these conditions are not satisfied within the timeframe provided, and the deadline has not been waived, then either party may elect to terminate this Agreement upon written notice.

20. General Agreement Terms:

a. Possession. Each Party shall continue in possession of its portion of the Property until closing. Possession shall be transferred at closing, subject to the easements granted herein.

b. Assignment. This Agreement is binding on the heirs, successors, and assigns of the parties, but shall not be assigned by either party without prior written consent of the other party.

c. Modifications. Any changes to this Agreement must be mutually agreed upon in writing before they will be regarded as part of this Agreement.

d. Notices. Any notice to be delivered pursuant to the terms hereof shall be in writing and shall be sent by certified mail, hand delivered, or by facsimile to the parties at the addresses set forth above, unless written notice of a different address shall be given to the other party.

e. Construction. This Agreement should not be construed in favor of or against any party, as both parties participated in negotiating and drafting it. This Agreement contains the entire agreement between the parties and supersedes all previous communications, representations or agreements, either oral or written, between the parties.

f. Choice of Law; Jurisdiction. This Agreement shall be governed by the law of the State of Alaska. The Superior Court for the State of Alaska, First Judicial District at Juneau, Alaska, shall be the exclusive jurisdiction and venue for all actions of any kind and any nature arising out of or relating to this Agreement or arising out of or relating to any performance under this Agreement. In the event that one party is required to take legal action to enforce any portion of this Agreement, the parties agree the non-prevailing party will pay the reasonable attorney fees incurred by the prevailing party.

g. Compliance with Applicable Laws. Both parties shall, at their sole cost and expense, comply with all applicable requirements of federal, state, and local laws, ordinances and regulations now in force, or which may be in force, during the performance of this Agreement.

h. Taxes and Other Obligations. Archipelago shall pay all federal, state and local taxes incurred by Archipelago, and shall require their payment by any subcontractor or any other persons in the performance of this Agreement. Archipelago has paid or will pay CBJ 2018 property taxes on its portion of the property; thereafter, the area of the Property, for taxation purposes shall be reduced by the amount of the conveyance herein/and the taxes for the remainder of the current tax year apportioned accordingly.

i. Conflict of Interest. Archipelago warrants that no employee or officer of the CBJ has violated the conflict of interest provisions of the CBJ code regarding this Agreement. Archipelago also warrants that Archipelago has not solicited or received any prohibited action, favor or benefit from any employee or officer of CBJ, and that it will not do so as a condition of this Agreement. If Archipelago learns of any such conflict of interest, Archipelago shall without delay inform the City Attorney or CBJ representative for this Agreement.

j. Agreement Execution. This Agreement is not binding or effective until fully executed by all parties. This Agreement may be executed in two or more counterparts, which when taken together shall constitute a single, integrated and binding document. A facsimile signature of an authorized party shall be binding and valid as an original.

k. Brokers. It is understood by the parties that no agent or broker has been employed by either Party in this transaction. No claims of agents or brokers shall be recognized by CBJ or Archipelago regarding the Property.

ARCHIPELAGO: ARCHIPELAGO PROPERTIES, LLC

Date: April 3, 2019

Craig Mitchell, Senior Vice President- Finance
Shivers Lending, LLC, Sole Member of Archipelago

ACKNOWLEDGEMENT

STATE OF GEORGIA)
) ss.
COUNTY OF RICHMOND)

The foregoing instrument was acknowledged before me this April 3, 2019, by Craig S. Mitchell, Sr. Vice Pres. ~~Member/Manager of~~ Archipelago Properties, LLC, an Alaska limited liability company, on behalf of the limited liability company for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day, month and first year in the certificate first above written.

(Seal)

J Noel Schweers III
My Commission Expires
Notary
Public
November 13, 2020
Richmond County, Georgia

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

Initials

CBJ: CITY AND BOROUGH OF JUNEAU

_____ Date: 3/29/19
Rorie Watt, City Manager

Approved as to form: _____ **CBJ Law Department**
Approved to content: Carl J Uchytil **Docks & Harbors Director**

ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this March 29 **, 2019, by Rorie Watt, the City Manager of the City and Borough of Juneau, an Alaska municipal corporation on behalf of said corporation for the uses and purposes therein mentioned.**

WITNESS my hand and official seal the day, month and first year in the certificate first above written.

(Seal)

STATE OF ALASKA
OFFICIAL SEAL
Susan B. Phillips
NOTARY PUBLIC
My Commission Expires 1/10/22

Susan B. Phillips
Notary in and for the State of Alaska
My Commission Expires: 1/10/22

A L A S K A

2019-002453-0
Recording Dist: 101 - Juneau
6/19/2019 09:20 AM Pages: 1 of 3

STATUTORY QUITCLAIM DEED

3218994

The Grantor, ARCHIPELAGO PROPERTIES LLC, an Alaska Limited Liability Company, whose address is 725 BROAD STREET, AUGUSTA, GEORGIA, UNITED STATES, for and in consideration of the sum of TEN DOLLARS ($10.00), and other good and valuable consideration, in hand paid, conveys and quitclaims to Grantee, the CITY AND BOROUGH OF JUNEAU, a municipal corporation under the laws of the State of Alaska, whose address is 155 South Seward St., Juneau, Alaska 99801, without warranty, Grantor's right, title and interest in the following described real property:

Lot 2A, Archipelago Subdivision, Plat No. 2019-19, being a replat of a portion of former Lots 1, 2, 3, and 4 Archipelago Subdivision, Plat No. 2013-22, Juneau Recording District, First Judicial District, State of Alaska, as further depicted in Exhibit A.

SUBJECT, HOWEVER TO all reservations, easements, restrictions, covenants, conditions, rights of way, encumbrances, exceptions and other matters of record.

DATED this 14 day of June, 2019.

ARCHIPELAGO PROPERTIES LLC, Grantor

By:
Craig Mitchell, Senior Vice President- Finance
Shivers Lending LLC, Sole Member of Archipelago

eRecorded Document

Presented by: The Manager
Introduced: 01/14/2019
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-02

An Ordinance Authorizing the City Manager to Execute a Purchase and Sale Agreement with Archipelago Properties, LLC for Real Property located at Lots 1, 2, and 4, Archipelago Subdivision, Plat No. 2013-22, Juneau Recording District, near 356 South Franklin Street.

WHEREAS, Archipelago Properties, LLC ("Archipelago") owns certain property located near the Alaska Steamship Dock and legally described as a portion of Lots 1 and 2, Archipelago Subdivision, Plat 2013-22, Juneau Recording District, as depicted on Exhibit A of the proposed Purchase and Sale Agreement, included as Attachment A; and

WHEREAS, the number of passengers disembarking from cruise ships onto downtown Juneau docks increased from 36,536 passengers in 1978 to an anticipated 1,360,000 passengers in 2019; and

WHEREAS, from 2010 until 2016, the number of cruise ships calling at the Alaska Steamship Dock in downtown Juneau averaged 81, representing approximately 95,000 disembarking passengers, and increased to 117 ships by 2018, representing approximately 270,000 passengers; and

WHEREAS, although the number of cruise ships calling at the Alaska Steamship Dock has increased 44 percent since 2010, the number of passengers has increased 182 percent since 2010; and

WHEREAS, the increase in the number and size of vessels, and corresponding increase in ship passengers, has not been met with proportionate dock infrastructure investment; and

WHEREAS, the growth of passengers has overwhelmed the existing shoreside port infrastructure and construction of this facility would benefit the cruise ships and passengers and allow for their use of the port; and

WHEREAS, in order to accommodate the greater number of cruise ships bringing an increasing number of passengers onto the downtown docks, the City and Borough of Juneau ("CBJ") proposes to expand the deckover and transportation staging area at the Alaska Steamship Dock; and

WHEREAS, the cruise ship companies or their subsidiaries or affiliates own, operate, or sell a significant number of the tours accessed by the disembarking passengers from the dock according to studies by the McDowell Group; and

WHEREAS, this proposed conveyance and associated infrastructure project will provide a service to cruise ship passengers and a service to the cruise ships calling at the Alaska Steamship Dock; and

WHEREAS, the proposed expansion of dock infrastructure will provide a service to the cruise ships and a service to the cruise ship passengers because it is an extension of the recently completed floating berth serving visiting cruise ships and vessels with safe and efficient ship to shore connections; and

WHEREAS, this investment into the expansion of dock infrastructure will provide a service to the cruise ships and passengers by increasing the safety and efficiency of commerce on the dock and its facilities, by allowing ships to discharge and embark passengers more efficiently, and thus allowing the vessels to depart on a safe and predictable schedule, which is necessary for the safe operation of the harbor due to the multiple ships embarking each day; and

WHEREAS, a representative of the cruise ship and tourism industry has commented in support of the proposed development at the Alaska Steamship Dock by stating: "the responsible development of additional pick up and drop off space along the waterfront is indeed necessary and prudent. There is currently inadequate space for vehicles to service what will likely very soon be some 6,000 – 8,000 passengers at the Cruise Terminal and Alaska Steamship Dock combined. Not moving forward with this development will simply cause and increase vehicle congestion in the downtown core and send us back to impacts we were dealing with some 15 years ago."; and

WHEREAS, a representative of the cruise ship and tourism industry has further commented in support of the proposed development at the Alaska Steamship Dock by stating: "there are peak times when we currently do not have space to handle the transport needs and those vehicles end up transiting downtown in circles for sometimes 10-15 minutes waiting for a space. This adds to downtown traffic and also causes tours to run late and creates passenger dissatisfaction [to the cruise ship]"; and

WHEREAS, without this conveyance and associated infrastructure development necessitated by the increased cruise ships and the resulting passengers, the cruise ship marine enterprise would suffer harms like passenger dissatisfaction, negative trip reviews, and departure delays; and

WHEREAS, Archipelago and the CBJ have been working together to create a mutually beneficial purchase and sale agreement whereby the CBJ will acquire submerged lands to expand the deckover at the Alaska Steamship Dock and upland portions to improve ingress and egress to the cruise ship facilities; and

WHEREAS, as part of this purchase and sale agreement, Archipelago will acquire approximately 4,193 square feet of land from the CBJ on the Archipelago Subdivision for commercial development; and

WHEREAS, the value of the property to be acquired by the CBJ has been appraised and is reduced by the sale of CBJ property to Archipelago and other adjustments as considered in the Purchase and Sale Agreement; and

WHEREAS, through this proposed purchase and sale agreement, the CBJ has an opportunity to invest in port facilities to meet demand by the cruise ships at the downtown port given the existing cruise ship volume and anticipated growth of the cruise ship tourism market; and

WHEREAS, such investment in the development of transportation staging and expanded deck space on the dock in downtown Juneau will enhance service to the cruise ship vessels and passengers by providing a highly valued port destination to facilitate commerce and facilitate the marine enterprise of the cruise ships; and

WHEREAS, the use of marine passenger fees to purchase this property, to construct transportation staging, and to expand deckover space is consistent with federal law because this project provides a service to the cruise ships, provides a service to cruise ship passengers, enhances the safety and efficiency of commerce, and facilitates the marine operations of the cruise ships and the owners of the cruise ships.

THEREFORE BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Authorization to Purchase. The Manager is authorized to execute a purchase and sale agreement with Archipelago Properties LLC that is substantially similar to the agreement provided as Attachment A.

Section 3. Archipelago Property to be Purchased. The Manager is authorized to purchase the real property located at or near the Alaska Steamship Dock for fair market value as follows:

(A) Fair Market Value: $2,850,135.00 (Two million, eight hundred fifty thousand, one hundred thirty-five dollars).

(B) Description of the Property: 24,104 square feet portion of Lots 1 and 2, Archipelago Subdivision, Plat No. 2013-22, Juneau Recording District, First Judicial District, State of Alaska, which is further described in Exhibit A of the Purchase and Sale Agreement.

Section 4. CBJ Property to be Sold. The Manager is authorized to sell the real property located at or near the Alaska Steamship Dock for fair market value as follows:

(A) Fair Market Value: $1,252,400.00 (One million, two hundred fifty-two thousand, four hundred dollars).

(B) Description of the Property: 4,193 square feet portion of Lot 4, Archipelago Subdivision, Plat No. 2013-22, Juneau Recording District, First Judicial District, State of Alaska, which is further described in Exhibit A of the Purchase and Sale Agreement.

Section 5. Minimum Essential Terms and Conditions. The Purchase and Sale Agreement is subject to the following minimum terms and conditions:

(A) Transaction Value. The net balance due from the CBJ to Archipelago is $922,175 (Nine hundred twenty-two thousand, one hundred seventy-five dollars), which was determined by appraisal, given the following:

1. Archipelago land value of $2,850,135.00;
2. Minus $1,252,400.00 for CBJ's land value;
3. Minus $420,935.00 for Archipelago's benefit of fill behind retaining wall;
4. Minus $60,000.00 for Archipelago's benefit of access along northern property line;
5. Minus $194,625.00 for Archipelago's right to object to development on a portion of Lot 1.

(B) Retaining Wall. The CBJ, in conjunction with the construction of a piling-supported structure over its real property and subject to appropriation, intends to construct and maintain a retaining wall to develop the infrastructure on CBJ property. This retaining wall would create uplands for Archipelago, which the appraisal valued as a $420,935.00 benefit to Archipelago.

(C) Archipelago Access Easement along Northern Property Line. The CBJ agrees to provide a public access and utility easement to Archipelago, as owner of the abutting real property, consistent with paragraph #12 of Exhibit A. The appraisal valued this easement as a $60,000.00 benefit to Archipelago.

(D) Archipelago Right to Object. Archipelago has requested preserving a right to object to development on a portion of Lot 1 sold to the CBJ. The appraisal valued that right to object as decreasing the property value by fifty percent or $194,625.00. The Manager may execute the purchase and sale agreement with Archipelago's right to object language, which is in paragraph #14 of Exhibit A.

(E) Title Insurance, Subdivision, and Closing Costs. Archipelago shall obtain title insurance. Archipelago and the CBJ shall share equally in the cost for survey and subdivision of the property and title insurance. All reasonable and customary closing costs shall be split evenly between Archipelago and CBJ at time of closing. Each party shall pay its own separate attorney fees incurred in negotiations, drafting, and documenting this transaction.

(F) Type of Deed. The Manager is only authorized to sell the CBJ property by quitclaim deed.

Section 6. Other Terms and Conditions. The Manager may include such other terms and conditions as may be in the public interest and in accordance with CBJ Title 53.

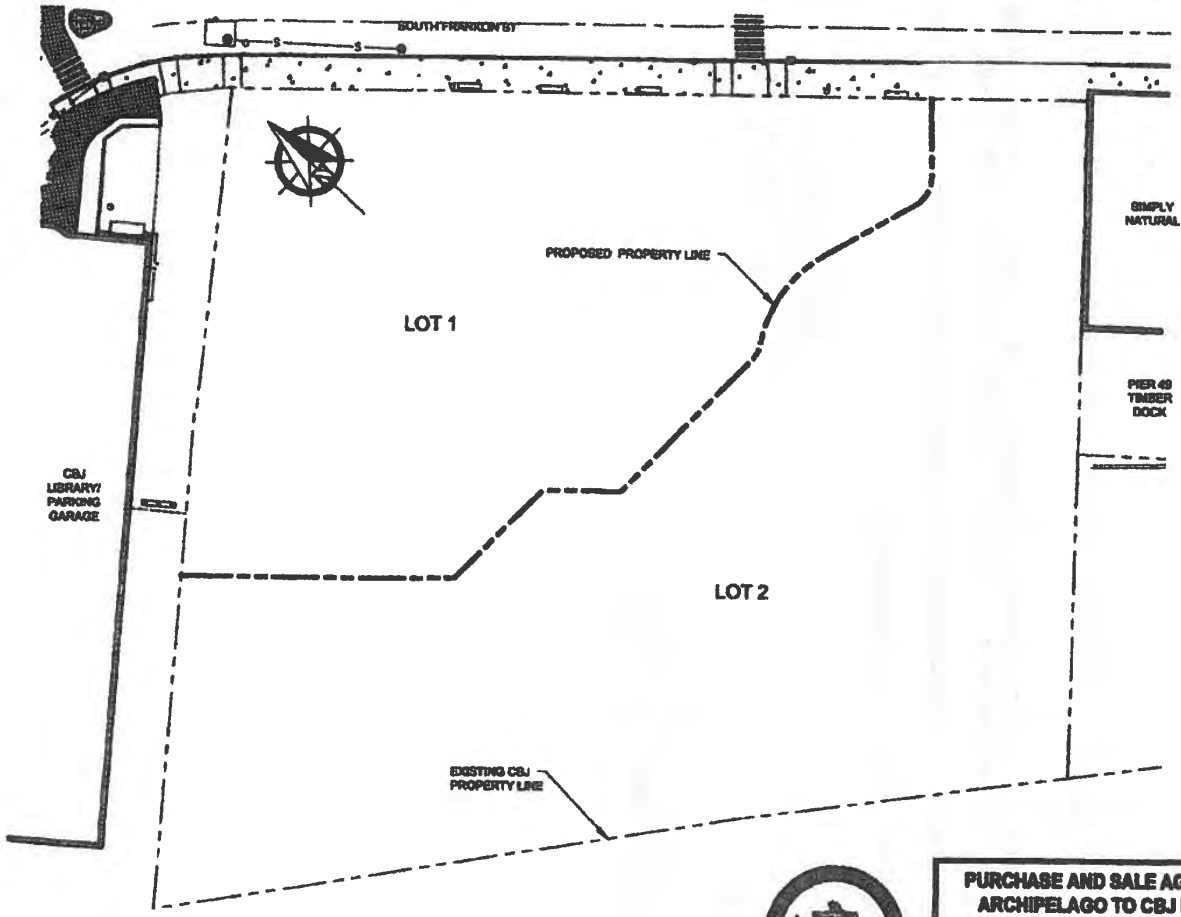
Section 7. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this 28th day of January, 2019.

Beth A. Weldon, Mayor

Attest:

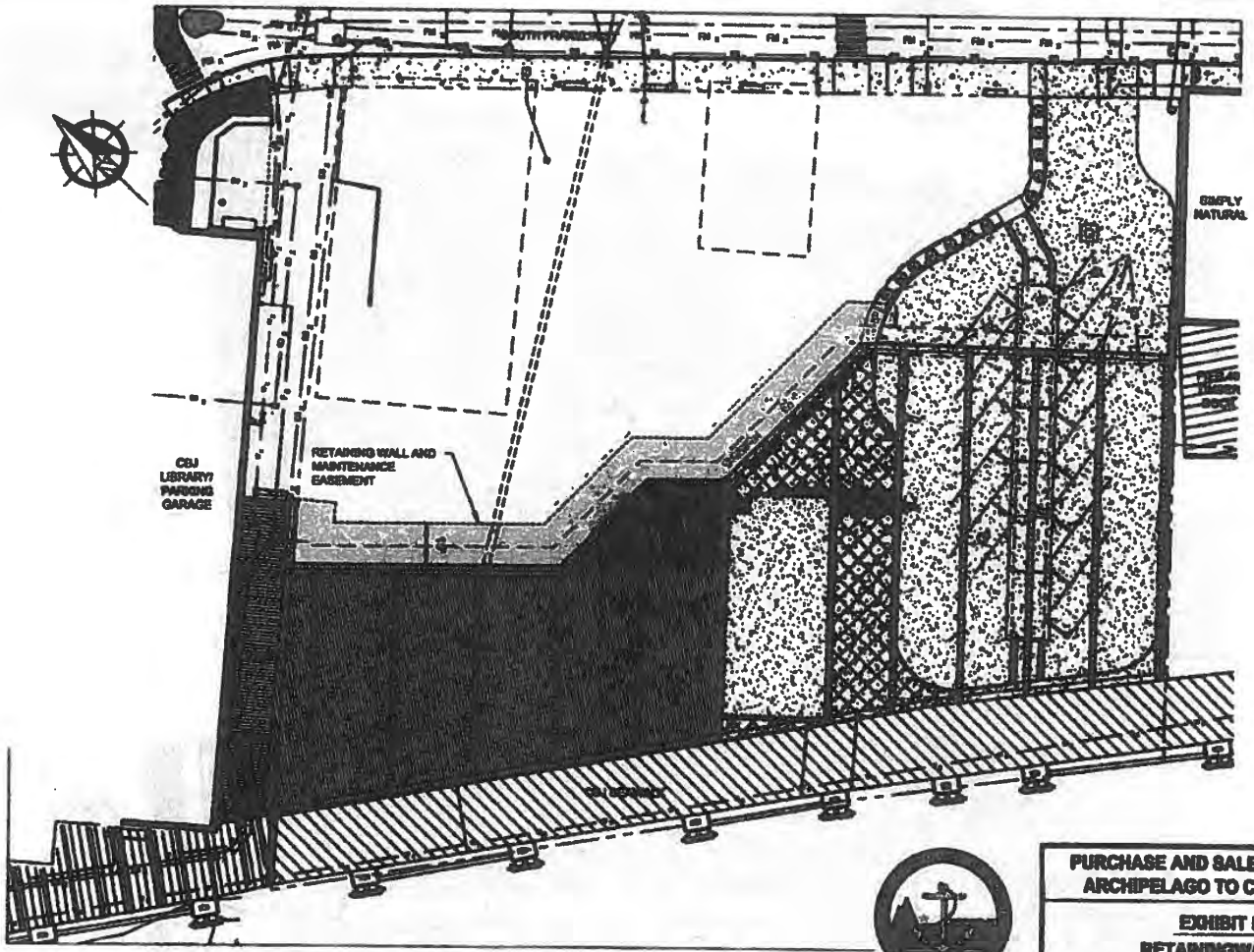
Elizabeth J. McEwen, Municipal Clerk



PURCHASE AND SALE AGREEMENT
ARCHIPELAGO TO CBJ EXHIBITS

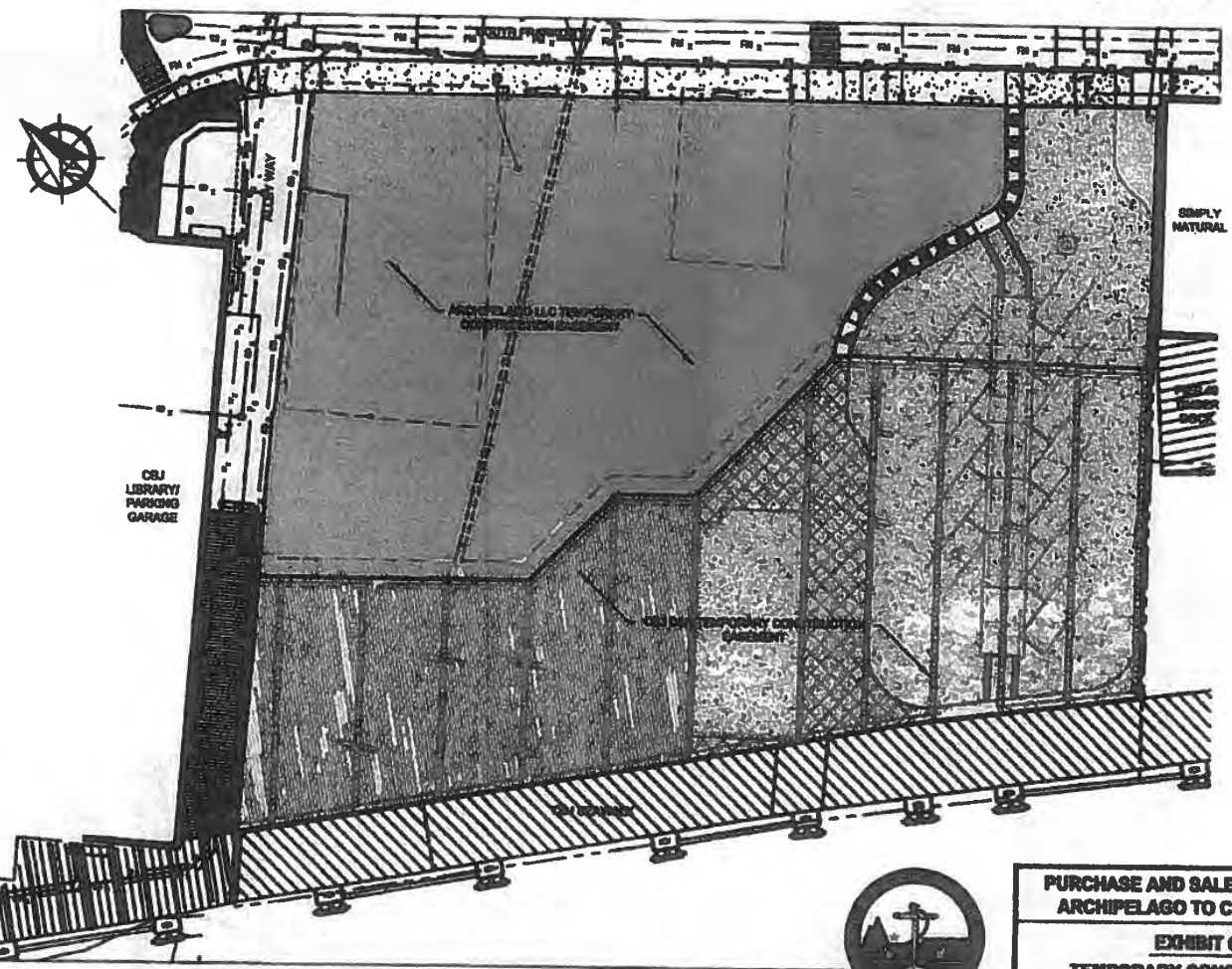
EXHIBIT A

SURVEY AREA



PURCHASE AND SALE AGREEMENT
ARCHIPELAGO TO CBJ EXHIBITS

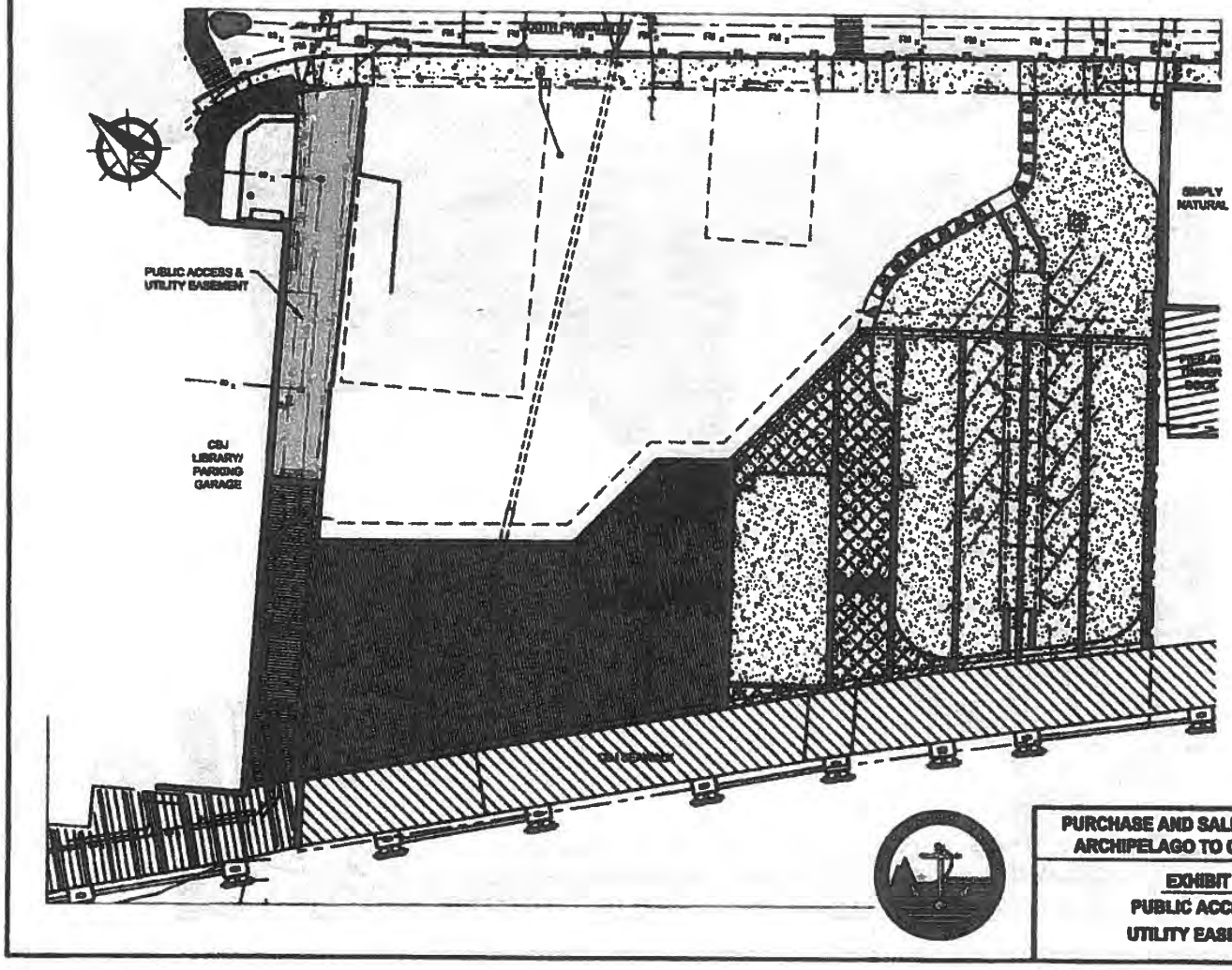
EXHIBIT B
RETAININGWALL &
MAINTENANCE EASEMENTS



PURCHASE AND SALE AGREEMENT
ARCHIPELAGO TO CBJ EXHIBITS

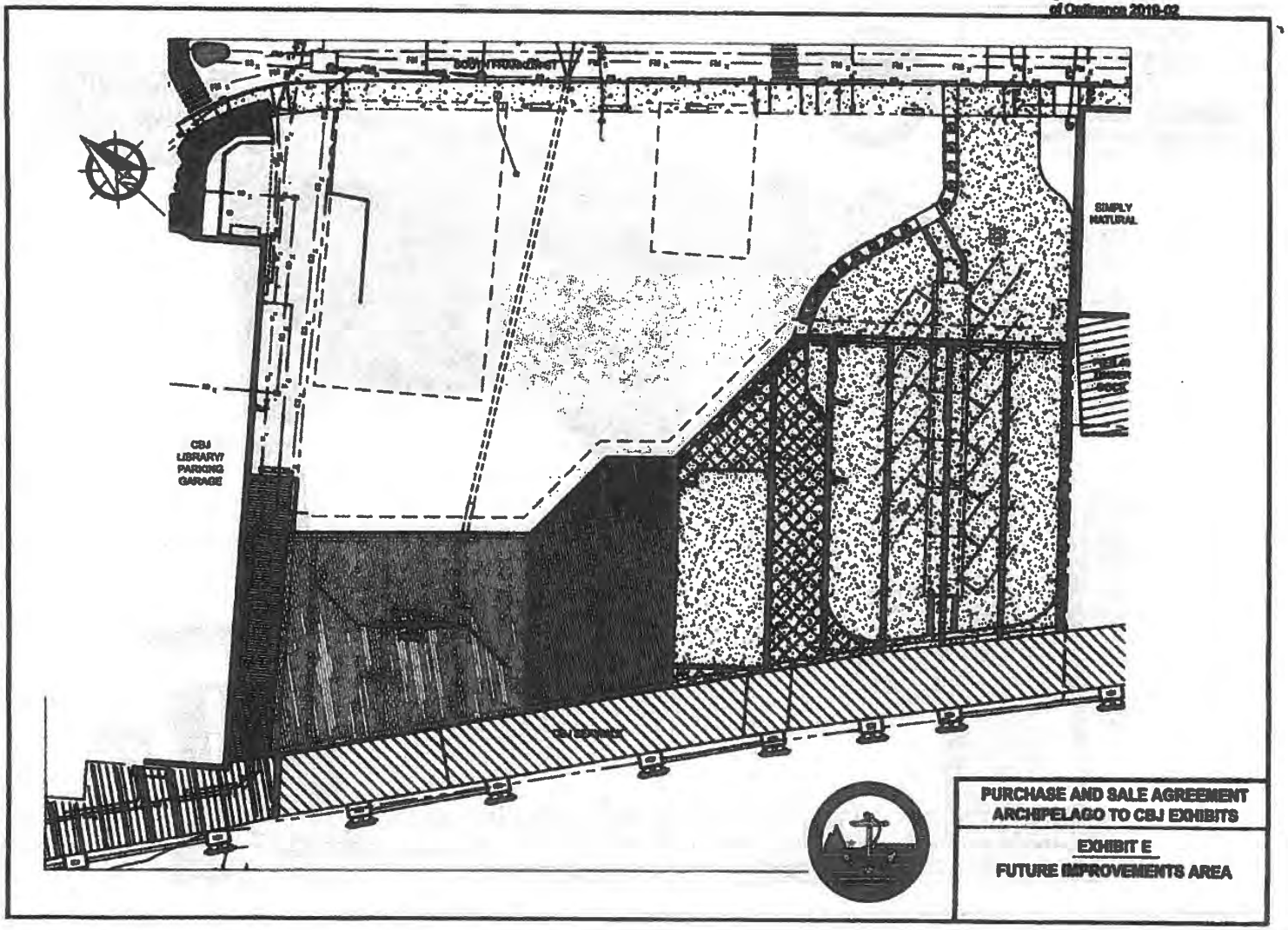
EXHIBIT C

TEMPORARY CONSTRUCTION EASEMENTS



PURCHASE AND SALE AGREEMENT
ARCHIPELAGO TO CBJ EXHIBITS

EXHIBIT D
PUBLIC ACCESS &
UTILITY EASEMENT



PURCHASE AND SALE AGREEMENT
ARCHIPELAGO TO CBJ EXHIBITS

EXHIBIT E

FUTURE IMPROVEMENTS AREA

EXHIBIT 6
GEOTECHNICAL REPORT
PREPARED BY PND

RELIANT LLC
ADVISORY SERVICES

Geotechnical Report
Archipelago Properties
Juneau, Alaska

Prepared By:

P | N | D

ENGINEERS, INC.

Prepared For:
Budd Simpson
Simpson, Tillinghast, Sorensen & Sheehan, P.C.
1 Sealaska Plaza #300
Juneau, Alaska 99801

PND No. 162083
October 2017

Geotechnical Report
Archipelago Properties
Juneau, Alaska

Prepared For: Budd Simpson
Simpson, Tillinghast, Sorensen & Sheehan, P.C.
Juneau, Alaska 99801

Prepared By: PND Engineers, Inc.
9360 Glacier Highway Ste 100
Juneau, Alaska 99801

Sean C. Sjostedt, P.E.
Senior Geotechnical Engineer
10/13/17

Charles R. Somerville, P.E.
Principal Civil Engineer
10/13/17

PND No. 162083
October 2017

P | N | D

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C. Laboratory Test Results
D. Corrected Blow Counts and Liquefaction Analysis
E. USGS Seismic Parameter Reports
F. Climate Summaries for Temperature and Precipitation Variation
G. GBA Publication – Important Information About Your Geotechnical-Engineering Report

List of Abbreviations

ASCE	American Society of Civil Engineers
ASTM	American Society for Testing and Materials
BGS	Below Ground Surface
BH	Borehole
CBJ	City and Borough of Juneau
GPS	Global Positioning System
IBC	International Building Code
ID	Inside Diameter
LMA	Limited Mechanical Analysis
MCE	Maximum Considered Earthquake
MW	Moment Magnitude
OD	Outside Diameter
PCF	Pounds per Cubic Foot
PGA	Peak Ground Acceleration
PSF	Pounds per Square Foot
USCS	United Soil Classification System

ARC 000106

1.0 Introduction

This report presents geotechnical data and engineering considerations for proposed improvements on Archipelago Properties as authorized by Mr. Budd Simpson, representative of the property owners. The geotechnical investigation was conducted by PND Engineers, Inc. (PND) and no environmental exploration or testing was performed as part of this work.

We understand that future improvements may include single and multi-story retail structures, as well as waterfront development.

While the Archipelago properties consist of several lots, the scope of this investigation was limited to Lot 1 as depicted on the site map in Appendix A.

2.0 Physical Setting

2.1 Site Geography and Background

The project location is in downtown Juneau, immediately southeast of the Juneau Public Library and parking garage. GPS coordinates for the general project location are 58°17'53"N and 134°24'11"W. A site map is attached in Appendix A.

Like much of downtown Juneau the site consists of imported fill, likely mine waste rock, over the original beach. The site is the previous location of a cold storage complex, consisting of several multi-story concrete structures. The above-grade portions of the structures were demolished in the late 1980's. The foundation elements were buried and abandoned in place. The property is bound by Gastineau Channel to the southwest and, just beyond South Franklin Street, the steep slopes of Mt. Juneau to the northeast.

2.2 Site Conditions

2.2.1 Surface Conditions

The surface topography at the Archipelago Property is relatively flat and situated several feet higher than the adjacent South Franklin Street. The property is open with the exception of small shrubs scattered around the northern perimeter and trees at the top of the waterfront slope to the southwest. The property is currently surfaced with gravel. Exposed remnants of the abandoned building foundations are evident in the northwestern corner of the site.

The property is used seasonally by merchants and vendors, working out of small semi-portable structures, catering to the cruise ship and tourism industry. These structures are not known to be founded on any permanent foundations.

2.2.2 Utilities

The site currently has limited power and water utilities. There appears to be water and sewer services stubbed out to the site however they are not actively used nor are they connected to any infrastructure on the site. Water is supplied to vendor structures by a shallow-bury, small-diameter pipe which is fed by a hydrant in the extreme east corner of the properties. Power is fed to several scattered meters and receptacles by a distribution bank on the north side of the site. There is no sewer service currently in use. Storm sewer is limited to a culvert that crosses the property and discharges from a catch basin in South Franklin Street to Gastineau Channel.

2.2.3 Subsurface Structures

As previously mentioned, this site was the location of a cold storage complex until the late 1980's. A survey obtained of the property indicates that there are two abandoned foundations within the limits of Lot 1. These foundations and their condition will be further discussed in Section 5.

2.3 Regional Climate

Juneau and the immediate area experience typical southeast Alaska temperate rainforest/maritime climate conditions consisting of small temperature variations, high humidity, and heavy precipitation. Climate summaries for temperature and precipitation variation in Juneau are provided in Appendix F.

2.4 Regional Seismicity and Seismic Hazards

The regional seismicity of the Juneau area is primarily defined by four known major faults: Queen Charlotte-Fairweather Fault, Chatham Strait Fault, Denali Fault, and the Transition Fault. These four known faults in the area surrounding Juneau all contribute to the seismic hazard of the project site. Wesson et al., (1999) found that these four faults would yield maximum moment magnitude (Mw) earthquakes of 7.8 to 8.2 for return intervals of 2% in 50 years. These ranges are consistent with the larger historic earthquakes that have previously been documented or recorded in the Juneau area (Brockman et al., 1988). Many earthquakes of Mw of 5.0 or less are fairly common to Southeastern Alaska, although they present low hazard to the project site.

3.0 Subsurface Exploration

A two-part geotechnical field investigation was performed in October 2016 to assess the existing subsurface soil conditions at the project site. Both field investigations were supervised by a PND field engineer who directed the work and documented findings. The initial investigation consisted of excavating seven test pits to locate the remnants of the buried foundations and assess their condition.

The second part of the investigation involved drilling through and around the existing foundations in order to assess deeper subsurface conditions and depth to bedrock.

Test pit locations were pre-determined based on available as-built surveys indicating locations of the existing buried foundations. Boreholes were strategically located to establish

lithologic cross-sections across the site and understand the conditions immediately below the existing foundations. Swing-tie distances to boreholes, referenced to existing infrastructure, were measured after completion of the field investigation using a rag tap and rangefinder. A site map with borehole locations can be found in Appendix A. Test pit locations are not shown, as swing-ties to the exposed foundations verified that their locations as shown on the site map are accurate. Borehole logs are provided in Appendix B.

3.1 Equipment and Methods

The test pits were excavated by Pollard Construction of Juneau, Alaska using a Deere 120 excavator. The test pits were excavated to depths of approximately 14-15 feet below ground surface (bgs). The primary purpose of the test pits was to accurately locate the corners of the abandoned foundations, assess their condition, and install "sleeves" at locations on the existing slabs for future drilling. On completion, the test pits were backfilled with the excavated material.

A total of four boreholes (BH-1 through BH-4) were drilled during the second investigation. Boreholes were drilled with a Mobile B61 truck-mounted drill rig owned and operated by Denali Drilling of Anchorage, Alaska. Drilling methods included both air rotary/down-the-hole hammer and wash rotary with casing.

Figure 1: Mobile B61 Drill Rig

Samples were collected at regular intervals when drilling boreholes BH-1 through BH-3 using a large split spoon sampler (3-inch O.D., 2.5-inch I.D.) driven with a 340-pound automatic hammer. The number of blows required for every 6 inches of penetration of the sampler was recorded in the field. These blow counts are shown in the borehole logs in Appendix B. Note that blow counts recorded in the logs are uncorrected "field" blow counts. Corrected blow counts can be found in Appendix D.

No sampling was performed while drilling BH-4. Changes in drilling action and soil cuttings were noted while the drill bit was advanced to refusal. The purpose of this borehole was to establish an approximate soil profile, presuming similar soil types to those encountered in other boreholes, and depth to bedrock.

Soil characteristics such as classification, consistency, moisture, and texture were noted for each sample recovered. Classification was performed following the Unified Soils Classification System (USCS) according to ASTM D2487/D2488.

Select samples were manually tested in the field to estimate undrained shear strength using a Geonor H-60 hand-held vane shear. Results of vane shear tests measured in the field are reported in the borehole logs in Appendix B. Note that vane shear results are typically only considered valid for cohesive soils.

Recovered samples were visually classified in the field before being individually sealed in double plastic bags and transported to the PND Anchorage laboratory for additional testing. While drilling BH-2 the sampler appeared to have been driven through a steel or ductile iron pipe, likely an abandoned sewer service based on its condition, at a depth of approximately 9.5 feet bgs.

4.0 Laboratory Testing

4.1 Laboratory Testing

Laboratory tests to evaluate the soil index properties of representative samples were performed by PND's laboratory in Anchorage, Alaska. The laboratory program consisted of soil index tests to determine the water content, plasticity characteristics, and grain-size distribution (sieve analyses, limited mechanical analyses and hydrometer analyses).

The laboratory tests were performed in general accordance with the test methods of ASTM International. Descriptions of the laboratory testing procedures are presented in the following sections. The laboratory testing results are presented in Appendix C.

4.1.1 Soil Classification

ASTM D2487 was used to classify the soil samples per the Unified Soil Classification System (USCS) based on the laboratory testing results and visual classifications (ASTM D2488).

4.1.2 Moisture Content

Moisture content tests were completed generally in accordance with ASTM D2216 for representative samples obtained from the boreholes.

4.1.3 Sieve Analysis and Limited Mechanical Analysis

Sieve analyses were performed on selected samples in accordance with ASTM D422. The results of the sieve analyses were plotted and then classified generally in accordance with USCS.

Selected samples were washed through the No. 200 sieve in accordance with ASTM D1140. The coarse fraction of the remaining soil was then dried and sieved through the No. 4 sieve to determine the percentage of weight of sand and gravel in the soil. This method is termed Limited Mechanical Analysis (LMA).

4.1.4 Atterberg Limits

Atterberg Limits were determined in accordance with ASTM D4318. The tests were used to classify the soil as well as to evaluate plasticity characteristics.

4.1.5 Hydrometer Analyses

A hydrometer analysis was conducted in accordance with ASTM D422. This test was used to help further classify the portion of soil samples passing the No. 200 sieve.

5.0 Investigation Results

5.1 Soil Lithology and Composition

The general soil lithology of the project site consists of imported fill over marine sands, silts and clays.

The imported fill is loose to dense, based on corrected blow counts, and comprised primarily of fractured rock of variable size with cobbles and boulders estimated to occasionally exceed 12 inches in the longest dimension. Concrete rubble and steel reinforcement, likely the remnants of the demolished concrete structures, were encountered in several test pits and observed below one of the foundations. Similar debris can be expected across the site. Thickness of the fill layer, including the depth of voids below the buried foundations, ranges from approximately 13 feet to 30 feet.

Figure 2: In-situ Surficial Fill Material

Underlying the fill are native marine silty sands, sandy silts, and clays, very loose to loose and soft to medium-stiff respectively. Thickness of this layer ranges from approximately 33 feet to 54 feet. Bedrock is presumed to underlay these marine sediments.

No permafrost, collapsible or expansive soils were encountered, and are not expected to be present at the project site.

5.2 Groundwater Conditions

Groundwater was not distinctly observed in any of the boreholes. Water levels noted in the borehole logs are based on saturation of retrieved soil samples and moisture evident on the outside of the sampler. Subsurface water conditions at this site are likely influenced by tidal conditions.

5.3 Bedrock

Bedrock is presumed to have been encountered in all boreholes based on refusal and limited rock coring performed. Depths to presumed bedrock range from approximately 63 feet to 73 feet bgs, sloping downward to the south and west. The bedrock surface in the vicinity is known to be variable.

5.4 Buried Structures

Two abandoned building foundations were located during the test pit investigation. The slabs of each foundation were cored through and soil samples were gathered where possible.

Figure 3: Concrete Columns and Beams of Northwest Foundation

The larger foundation to the northwest has a reinforced concrete slab varying in thickness from approximately 6 inches in the northeast to 4 inches in the southwest. The slab is supported by concrete beams and columns below and does not appear to bear on subgrade at any location. The exterior concrete beams are generally 4 feet tall and 2 feet wide. Columns are approximately 2.5 feet square and sit on 5 foot square footings. The depth from the bottom of the slab to the ground surface below ranges from approximately 10 feet to 13 feet, increasing from northeast to southwest. The ground surface below the slabs is littered with concrete rubble and timber debris such as old piling.

Figure 4: Exterior Wall of Northwest Foundation

The smaller foundation to the southeast has a reinforced concrete slab approximately 6 inches thick. There is a void, approximately 6 inches, between the bottom of the slab and the

Figure 5: Exterior Wall of Southeast Foundation

top of the underlying fill. Given the small depth of the void, it is possible that at one point the slab did bear directly on the underlying fill and that the fill consolidated over time. The height of the exterior foundation walls was not determined due to the limited depth of the test pits, but they are at least 12 feet tall and extend to 15 feet bgs.

6.0 Soil and Seismic Design Parameters

6.1 Soil Design Parameters

Design soil parameters for the idealized soil profile are presented in Table 1. These parameters were developed based on correlations between relative density and blow counts from Bowles (1997), as well as field vane shear measurements. The modified compression index was estimated based on correlations to water content from Lamb and Whitman (1969).

Table 1: Design Soil Parameters

Soil	Bulk Unit Weight (pcf)	Friction Angle (°)	Undrained Shear Strength (psf)	Modulus of Elasticity (psf)	Modified Compression Index, $C_c/(1+e_0)$
In-situ Fill	125	35	n/a	2,000,000	N/A
Silty Sand	120	30	n/a	300,000	N/A
Sandy Silt	115	28	500	300,000	0.07
Clay with Sand	115	10	800	300,000	0.07

6.2 Seismic Design parameters

Seismic structural design for all structures in the Juneau area shall comply with the appropriate design codes, and designs for this site should also consider the seismic design parameters provided in Table 2 below. These parameters were obtained from the USGS Interactive Seismic Design Maps, attached in Appendix E, and are provided for the Maximum Considered Earthquake (MCE). Ground motions during this event would have a

2% probability of exceedance within a 50 year timeframe. This correlates to an average return period of 2,475 years and is the seismic design criteria used for buildings as outlined in ASCE 7 and the IBC.

Table 2. Recommended Seismic Parameters for Juneau

Parameter	Value
Site Class	D
Peak Ground Acceleration (PGA)	0.207g
S_S (0.2 sec period acceleration)	0.528g
S_1 (1.0 sec period acceleration)	0.356g

Note: PGA, S_S and S_1 are for Site Class B and require site classification correction pursuant to the appropriate design code.

7.0 Geotechnical Engineering Analysis Considerations

The scope of improvements requires further refinement in order to provide useful and concise geotechnical engineering and design recommendations. Further, the subsurface conditions are complex enough such that additional discussion regarding them and their potential impacts is warranted before proceeding with further design analysis. This section will discuss these complexities and other geotechnical engineering analysis considerations. This information will be useful in determining project feasibility during the design process.

7.1 Earthquake Engineering Considerations

A stability evaluation for the project site was performed in accordance with Section 1802.2.6 of the IBC, which requires an analysis that includes the potential for ground failure due to earthquake-induced slope stability, loss of bearing capacity, liquefaction, and lateral spreading on and about the site.

7.1.1 Slope Instability

There is a fill slope adjacent to the waterfront, approximately 30 feet tall and inclined at approximately 2H:1V (horizontal to vertical) that should be evaluated for global stability if

improvements are to be situated near the shoulder of the fill. A slope stability analysis, at a minimum, would require an approximate scope of anticipated improvements and their applied loads, and preferably additional geotechnical information near and beyond the toe of the slope.

7.1.2 Loss of Bearing Capacity

Considering shallow foundations, the risk of loss of bearing capacity during a seismic event is likely minimal as there is a thick (13 to 30 feet) layer of moderately-dense granular fill above the underlying sands, silts and clays. If foundation depths are expected to be close to these underlying soils or if footing sizes are such that the underlying sands, silts and clays influence bearing capacity, additional consideration should be given to the potential for loss of bearing capacity.

7.1.3 Liquefaction

Liquefaction is a phenomenon where excess pore water pressure develops in saturated soils due to ground shaking, typical of earthquake motion, that results in a loss of shear strength in the soil deposit. Generally, liquefaction-prone soils are very loose to medium dense, clean to moderately silty sands, and some silts below the groundwater table. Liquefaction in other soils types may also occur depending on other factors such as duration of shaking. Consequences of the liquefaction include surface deformations, slope failures, and weakening of foundation soils.

A basic liquefaction analysis and liquefaction-induced settlement quantification was performed using the technique developed by Idriss and Boulanger (2008) which utilizes corrected blow counts and soil properties established during this investigation. Seismic parameter inputs were those associated with the event having a 2% probability of exceedance in a 50 year period (return period of 2,475 years), consistent with the design seismic event per the IBC, having an Mw of 8.0 and a site-corrected PGA of 0.290g. The results of this analysis indicate that, under these seismic conditions, there is the potential for liquefaction of the underlying sands and silts resulting in significant settlement. Total

settlement is estimated to be approximately two feet, with differential settlement estimated to be on the order of one foot. The results of the liquefaction analysis are presented in Appendix D of this report.

Ground improvement options (stone columns, etc.) or deep foundation techniques (driven piles, etc.) may be considered as methods to mitigate concerns regarding liquefaction-induced settlement. PND can provide additional resources on ground improvement options at the client's request.

7.1.4 Lateral Spreading

The native soils which may be subject to seismic deformations appear to be generally flat across the site within the limits of the investigation and therefore, locally, the potential for lateral spreading appears low. Beyond the site these soils may follow the general surrounding topography and slope downwards in the direction of Gastineau Channel. Lateral spreading on a large scale is therefore a possibility however additional information is required to perform a large-scale analysis.

7.1.5 Fault Rupture

The nearest significant fault is located approximately 20 miles from the project site. Based on the absence of mapped faults across the site it is our opinion that the risk for fault displacement resulting in ground rupture is low.

7.2 Settlement Considerations

Foundation design should consider elastic settlement and, when appropriate, primary consolidation and secondary compression. Foundations bearing on granular soils commonly consider only elastic settlement. When structures are founded on or above fine-grained soils, analyses should also consider consolidation and secondary compression. The soil parameters presented in Section 6 may be used to estimate total settlement once foundation type, geometry and loading are more sufficiently known.

The native soil samples underlying the imported fill classify as both granular and fine-grained, often marginally. We are of the opinion that primary consolidation settlement of the underlying silty sands, sandy silts and clays should be considered and evaluated during design.

7.3 Utilization of Existing Foundations

Depending on the scope of planned improvements, portions of the existing buried foundations may be utilized to support the new structures. Visual inspection of the foundation elements indicates that the footings, columns, grade beams and foundation walls are in fair condition and are of general adequate size to support single-story building loads. However, the foundations should be further inspected and evaluated by geotechnical and structural engineers prior to their utilization.

We recommend that the slabs, which do not appear to bear on any ground surface, be demolished and the void below the slabs filled with suitable backfill. Prior to placing backfill, organic material and deleterious debris should be cleared from the void.

If the existing foundations, with the exception of the slabs, are to remain and be utilized consideration should be given to the new load distribution on the underlying soil, particularly with regard to differential settlement.

8.0 Limitations and Closure

The information submitted in this report is based on our interpretation of data from a field geotechnical investigation conducted for this project and other sources discussed in this report. Effort was made to obtain information which is representative of the actual conditions at the site. However, actual subsurface conditions will vary and additional information may be discovered that could impact our recommendations. If conditions significantly different from those indicated in this report are encountered by subsequent

investigations or during construction, the recommendations of this report should be reviewed by PND.

This report was prepared by PND Engineers, Inc. for use on this project only, and may not be used in any manner that would constitute a detriment to PND. PND is not responsible for conclusions, opinions or recommendations made by others based on data presented in this report.

9.0 References

Bowles, J., 1996. Foundation Analysis and Design. Fifth Edition. McGraw-Hill Book Company, New York, N.Y.

Brockman, S.R., Espinosa, A.F., and Michael, J.A. (1988). Catalog of Intensities and Magnitudes for Earthquakes in Alaska and the Aleutian Islands – 1786 – 1981. United States Geological Survey, Survey Bulletin 1840.

Idriss, I.M. and Boulanger, R.W. 2008. Soil Liquefaction During Earthquakes. Earthquake Engineering Research Institute Monograph No. MNO-12.

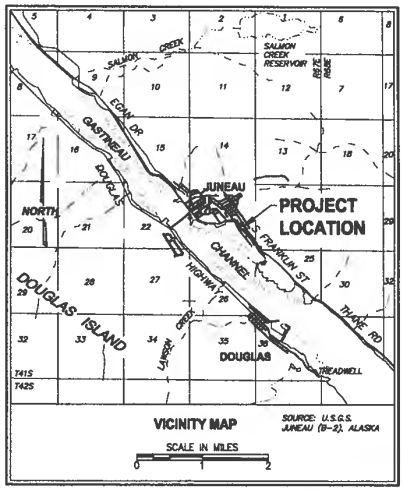
Lambe, William T. and Whitman, Robert V. 1969. Soil Mechanics. 1st Edition. Wiley, New York.

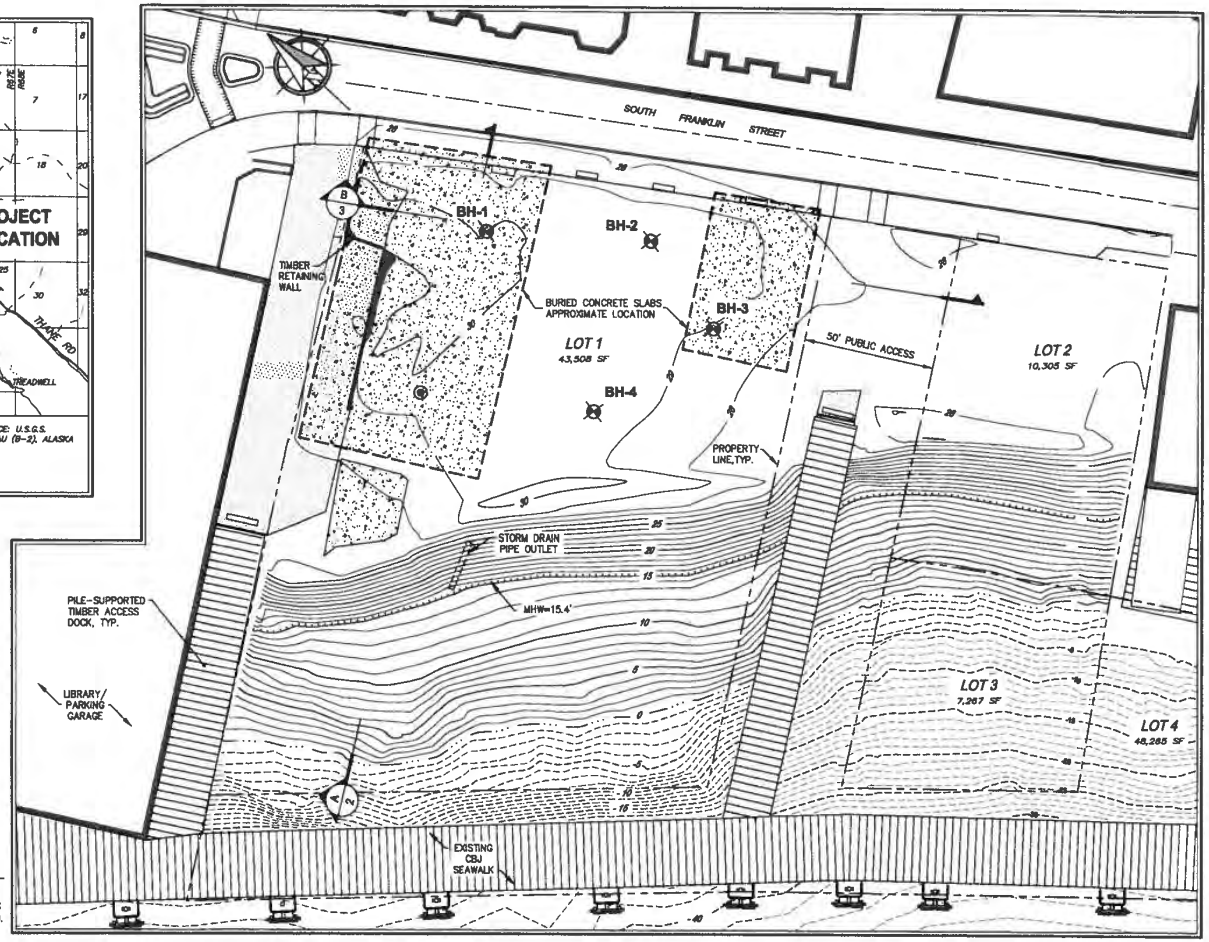
Wesson, R.L., Frankel, A.D., Mueller, C.S., and Harmsen, S.C. (1999). Probabilistic Seismic Hazard Maps of Alaska. United States Geological Survey, Open-File Report 99-36.

Appendix A

Site Map with Borehole Locations
and Site Section

P | N | D





LEGEND

- BH-1 — BOREHOLE LOCATION
- PROPOSED BOREHOLE LOCATION, NOT DRILLED (CORED THROUGH SLAB ONLY)
- B 3 — SUBSURFACE SECTION/PROFILE LOCATION
- BURIED CONCRETE SLAB

NOTE:

1. VERTICAL DATUM IS MEAN LOWER LOW WATER (MLLW = 0').
2. SITE TOPOGRAPHY AND FEATURES FROM PND ENGINEERS, INC., 2017; SURROUNDING FEATURES FROM DOUG FINLEY LAND SURVEYING, 2000.
3. PLAT SURVEY FROM DOWL HKM, 2013.

REVISIONS

REV.	DATE	DESCRIPTION	DWN.	CKD.	APP.

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DESIGN: SCS CHECKED: CRS
DRAWN: PJD APPROVED: CRS
SCALE: SCALE IN FEET 0 20 40 FT
DATE: OCT. 2017

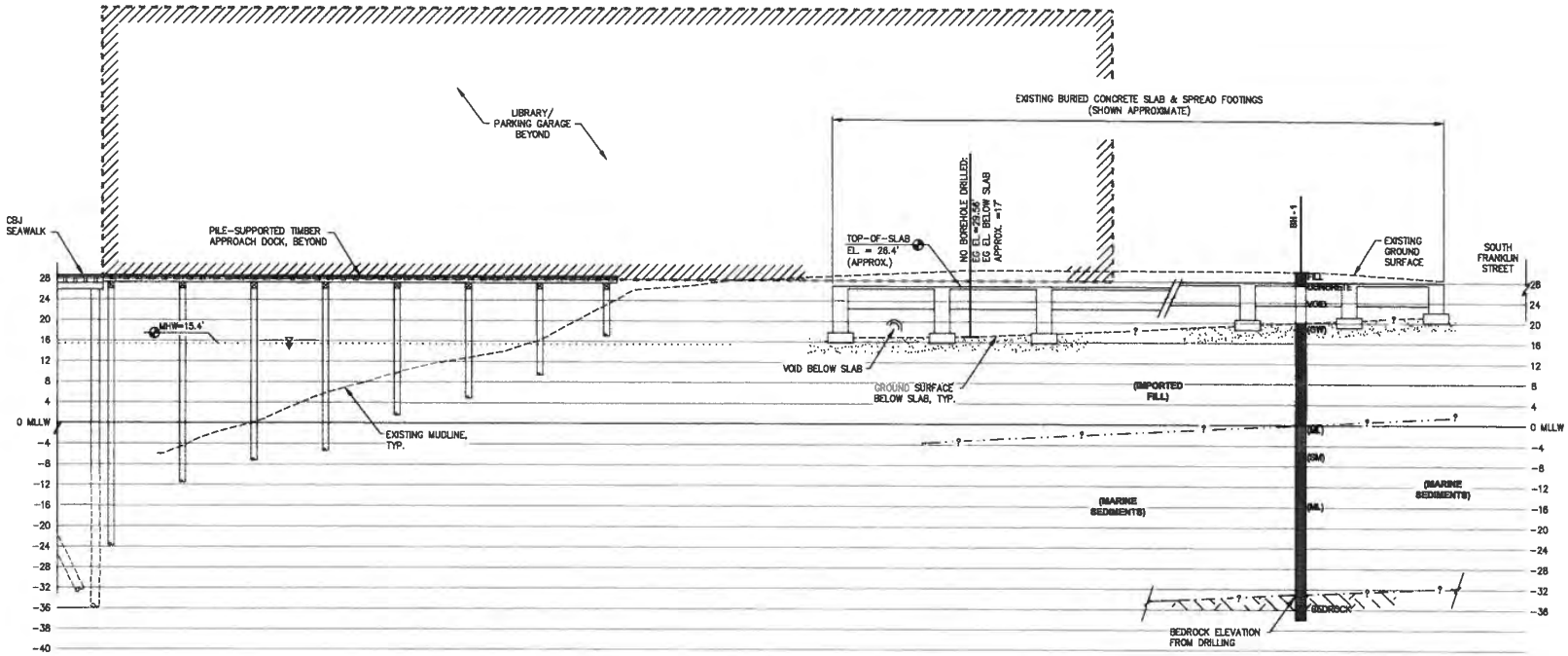
JUNEAU, ALASKA
ARCHIPELAGO PROPERTIES
GEOTECHNICAL INVESTIGATION

SHEET TITLE: **SITE MAP w/ BOREHOLE LOCATIONS**

PND PROJECT NO.: 162053.01

A

SHEET 1 OF 3



A/1 **SUBSURFACE PROFILE A**

NOTES:

1. SITE SECTIONS ARE FOR DIAGRAMMATIC REFERENCE ONLY; ACTUAL SUBSURFACE CONDITIONS MAY VARY.
2. DATUM ELEVATION IS MEAN LOWER LOW WATER (MLLW = 0').
3. SEE BOREHOLE LOGS FOR DETAILED SOIL DESCRIPTIONS.

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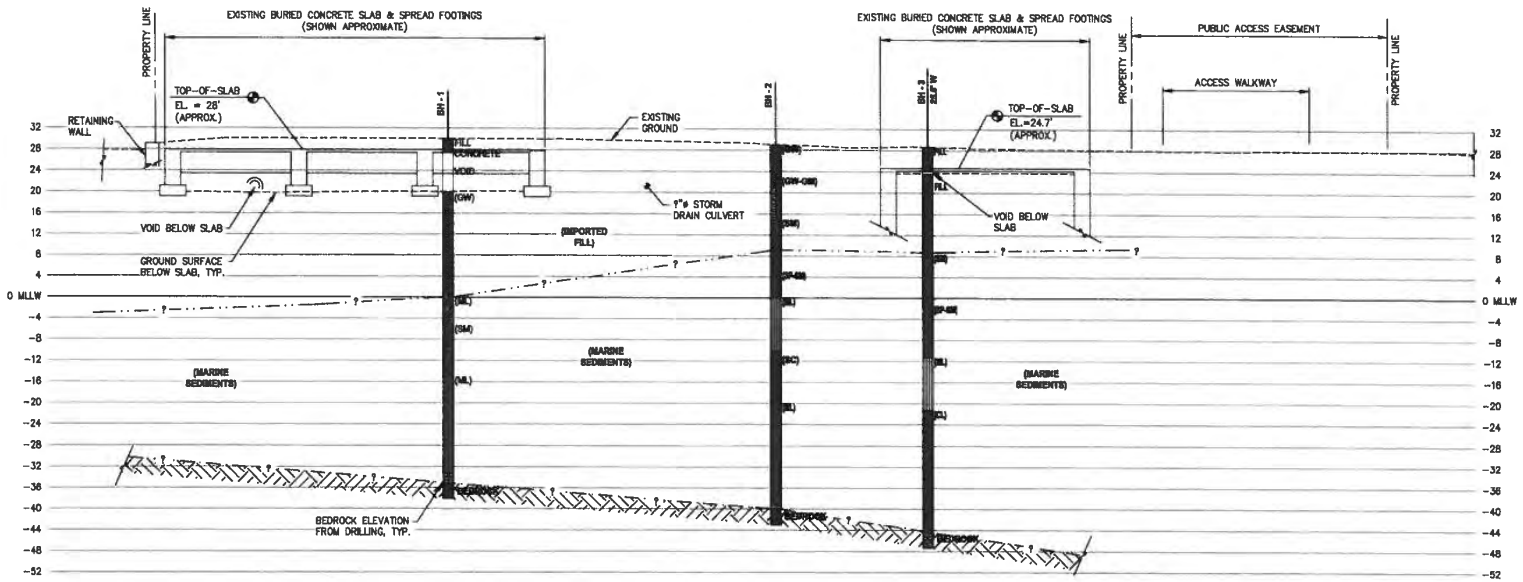
DATE: OCT. 2017

JUNEAU, ALASKA
ARCHIPELAGO PROPERTIES
GEOTECHNICAL INVESTIGATION

SHEET TITLE: **SUBSURFACE PROFILE A**

PND PROJECT NO.: 162083.01

A
SHEET 2 OF 3



B/1 **SUBSURFACE PROFILE B**

NOTES:

1. SITE SECTIONS ARE FOR DIAGRAMMATIC REFERENCE ONLY; ACTUAL SUBSURFACE CONDITIONS MAY VARY.
2. DATUM ELEVATION IS MEAN LOWER LOW WATER (MLLW = 0').
3. SEE BOREHOLE LOGS FOR DETAILED SOIL DESCRIPTIONS.

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SCALE: SCALE IN FEET 0 10 20 FT.
DATE: OCT. 2017

JUNEAU, ALASKA
ARCHIPELAGO PROPERTIES
GEOTECHNICAL INVESTIGATION

SHEET TITLE: **SUBSURFACE PROFILE B**

PND PROJECT NO.: 182083.01

A
SHEET 3 OF 3

Appendix B

Borehole Logs

P | N | D

SOILS CLASSIFICATION, CONSISTENCY AND SYMBOLS

CLASSIFICATION

Identification and classification of the soil is accomplished in general accordance with the ASTM version of the Unified Soil Classification System (USCS) as presented in ASTM Standard D2487. The standard is a qualitative method of classifying soil into the following major divisions (1) coarse grained, (2) fine grained, and (3) highly organic soils. Classification is performed on the soils passing the 75 mm (3 inch) sieve and if possible the amount of oversize material (> 75 mm particles) is noted on the soil logs. This is not always possible for drilled test holes because the oversize particles are typically too large to be captured in the sampling equipment. Oversize materials greater than 300 mm (12 inches) are termed boulders, while materials between 75 mm and 300 mm are termed cobbles. Coarse grained soils are those having 50% or more of the non-oversize soil retained on the No. 200 sieve (0.075 mm); if a greater percentage of the coarse grains is retained on the No. 4 (4.76 mm) sieve the coarse grained soil is classified as gravel, otherwise it is classified as sand. Fine grained soils are those having more than 50% of the non-oversize material passing the No. 200 sieve; these may be classified as silt or clay depending their Atterberg liquid and plastic limits or observations of field consistency. Refer to the most recent version of ASTM D2487 for a complete discussion of the classification method.

SOIL CONSISTENCY - CRITERIA

Soil consistency as defined below and determined by normal field and laboratory methods applies only to non-frozen material. For these materials, the influence of such factors as soil structure, i.e. Fissure systems, shinkage cracks, slickensides, etc., must be taken into consideration in making any correlation with the consistency values listed below. In permafrost zones, the consistency and strength of frozen soils may vary significantly and unexplainably with ice content, thermal regime and soil type.

Standard Penetration Test (Blows/ft) Relative to Denstiy/Consistency

N60	Density	Relative Density
0-4	Very Loose	0-15%
4-10	Loose	15-35%
10-30	Medium	35-65%
30-50	Dense	65-85%
> 50	Very Dense	>85%

N60	Consistency	Undrained Shear Strength psf
< 2	Very Soft	< 250
2 - 4	Soft	250 - 500
4 - 8	Medium	500 - 1000
8 - 15	Stiff	1000 - 2000
15 - 30	Very Stiff	2000 - 4000
> 30	Hard	> 4000

Ref: Terzaghi, Peck, and Mesri Soil Mechanics in Engineering Practice, 3rd Edition, pg 60-63
ASTM D1586 Standard Test Method for Penetration Test and Split-Barrel Sampling of Soils
ASTM D2487 Standard Practice for Classification of Soils for Engineering Purposes (USCS)

SAMPLER TYPE SYMBOLS

A	Auger Sample	Hs	1.4" Split Spoon w/ Air Hammer	Ss	1.4" Split Spoon w/ 140# Hammer
Bs	Bulk (grab) Sample	Pb	Pitcher Barrel	St	1.4" Split Spoon w/ 47# Hammer
Cs	Core Barrel w/ Single Tube	Sl	2.5" Split Spoon w/ 140# Hammer	Sx	2.0" Split Spoon w/ 47# Hammer
Cd	Core Barrel w/ Double Tube	Sm	2.5" Split Spoon w/ 300# Hammer	Sz	1.4 Split Spoon w/ 340# Hammer
Ct	Core Barrel w/ Triple Tube	Sh	2.5" Split Spoon w/ 340# Hammer	Ts	Shelby Tube
Cm	Continuous Coring (Macro-Core)	Sp	2.5" Split Spoon, Pushed	Tm	Modified 2.5 O.D. Shelby Tube
Hl	2.5" Split Spoon w/ Air Hammer				

Note: Split Spoon size refers to sampler inside diameter.

Depth (Feet)	Water Table	GRAPHIC SYMBOL	SOIL/ROCK DESCRIPTION Soil Name, Color, Moisture Condition, Relative Density, Soil Structure, Mineralogy, Other Information Rock Name, Description	SAMPLES Number	Type	Location	Recovery (%) (RQD)	Penetration Blows per 6/Inch (per Foot)* or {Rock Quality}	GRAPH BLOW COUNT (BPF)* 20 40 60 80 POCKET PEN. (TSF) 1 2 3 4 VANE SHEAR (TSF) 2 4 6 8	COMMENTS Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation Additional Information	Elevation (Feet)
0.0			0' - 0.30' A.C. PAVEMENT								24.43
			POORLY-GRADED GRAVEL W/ SILT AND SAND (GP-GM) Gray, Moist, Dense, Subangular	1	Ss		30	20-20-25 (45)		Begin drilling 10/24/03 8:00 a.m. 1.5' to 2' - Hard, loud drilling (Cobbles/Boulder encountered)	
	▽										
2											22.43
			SLATY ARGILLITE grayish black, fine grained, thin bedded, medium hard, BX-U, steeply dipping	2	Ct		56 (50)	{Poor}		drillhole blockage	
1	2	3	4	5	6	7	8	9	10	11	12

COLUMN DESCRIPTIONS

1	Depth	Depth (in feet) below the ground surface.
2	Water Level	Groundwater level recorded while drilling. Depths and times are recorded in comments column.
3	Graphic Log	Graphic depiction of materials encountered.
4	Soil/ Rock Description	Description of materials encountered, including USCS soil descriptions and rock desciptions defined in Fig. B-1, pages 5 and 6.
5	Sample Number	Sample identification number.
6	Sample Type	Type of soil or rock sample collected at depth interval depicted; symbols explained on Fig. B-1, sheet 1.
7	Sample Location	Location of soil or rock sample taken.
8	Sample Recovery	Soil: Percentage of sample recovered. Rock: Percentage of sample recovered and RQD value.
9	Sample Blows or Rock Quality	Soil: Number of blows to advance driven sampler each 6-inch interval using sampler type specified with a 30-inch drop. Blows per foot given in parentheses. Rock: Rock quality as defined from RQD value.
10	Graphs	Graphic log depicting blow counts per foot with a specified split spoon, Pocket Penetration and Vane Shear tests depicted where taken on fine grained soils.
11	Comments	Comments or observations on drilling/sampling by driller or PND field personnel.
12	Elevation	Elevation (in feet) with respect to Mean Lower Low Water (MLLW) or other datum where specified.

GENERAL NOTES

1. Field descriptions may have been modified to reflect laboratory test results.
2. Descriptions on these boring logs apply only at the specific locations at the time the borings were drilled. They are not warranted to be representative of subsurface conditions at other locations or times.
3. Split spoon blow counts shown are uncorrected raw data. Various hammer sizes and split spoon sizes were used and have not been corrected to a Standard Penetration Test (SPT). Blow counts may vary substantially between SPT and these methods.

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Soil Legend

MAJOR DIVISIONS			SYMBOLS GRAPH	SYMBOLS LETTER	TYPICAL DESCRIPTIONS
COARSE GRAINED SOILS	GRAVEL AND GRAVELLY SOILS	CLEAN GRAVELS (LITTLE OR NO FINES)		GW	Well-graded gravels, gravel sand mixtures, little or no fines
				GP	Poorly graded gravels, gravel-sand mixtures, little or no fines
	MORE THAN 50% OF COARSE FRACTION RETAINED ON NO. 4 SIEVE (4.75mm)	GRAVELS WITH FINES (APPRECIABLE AMOUNT OF FINES)		GM	Silty gravels, gravel-sand-silt mixtures
				GC	Clayey gravels, gravel-sand-clay mixtures
	SAND AND SANDY SOILS	CLEAN SANDS (LITTLE OR NO FINES)		SW	Well-graded sands, gravely sands, little or no fines
MORE THAN 50% RETAINED ON NO. 200 SIEVE (0.075mm)				SP	Poorly graded sands, gravelly sands, little or no fines
	MORE THAN 50% OF COARSE FRACTION PASSING NO. 4 SIEVE (4.75mm)	SANDS WITH FINES (APPRECIABLE AMOUNT OF FINES)		SM	Silty sands, sand-silt mixtures
				SC	clayey sands, sand-clay mixtures
FINE GRAINED SOILS	SILTS AND CLAYS	LIQUID LIMIT LESS THAN 50		ML	Inorganic silts and very fine sands, rock flour, silty or clayey fine sands or clayey silts with slight plasticity
				CL	Inorganic clays of low to medium plasticity, gravelly clays, sandy clays, silty clays, lean clays
				OL	Organic silts and organic silty clays of low plasticity
	SILTS AND CLAYS	LIQUID LIMIT GREATER THAN 50		MH	Inorganic silts, micaceous or diatomceous fine sandy or silty soils, elastic silts
MORE THAN 50% PASSING NO. 200 SIEVE (0.075mm)				CH	Inorganic clays of high plasticity, fat clays
				OH	Organic clays of medium to high plasticity, organic silts
HIGHLY ORGANIC SOILS				PT	Peat and other highly organic soils

NOTE: Multiple symbols are used to indicate borderline or dual soil classifications as per ASTM 2488

Stratigraphic Contact

———————— Distinct contact between soil strata or geologic units

- - - - - - - - - Approximate location of soil strata change within a geologic soil unit

Laboratory / Field Tests List of Abbreviations

%F	Percent Fines	LL	Liquid Limit	PP	Pocket Penetrometer
AL	Atterberg Limits	LMA	Limited Mechanical Analysis	SA	Sieve Analysis
CP	Laboratory Compaction test	MC	Moisture Content	TX	Triaxial Shear
CO	Consolidation test	MD	Moisture content and Dry density	UC	Unconfined Compression
DP	Depth "Peat" Probe	OC	Organic Content	VS	Vane Shear
DS	Direct Shear	PI	Plasticity Index		
HA	Hydrometer Analysis	PM	Permeability or Hydraulic Conductivity		

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STANDARD BOREHOLE LOG DETAILS

BOREHOLE LOGS

FIGURE B-1
3 of 4

METRIC CONVERSIONS

Length	1 inch	= 25.4 mm	1 mm	= 0.0394 inch
	1 foot	= 0.3048 m	1 m	= 3.281 feet
	1 mile	= 1.6093 km	1 km	= 0.621 mile
Area	1 sq. inch	= 6.452 cm^2	1 cm^2	= 0.155 sq. inch
	1 sq. foot	= 0.0929 m^2	1 m^2	= 10.764 sq. foot
	1 acre	= 0.4047 hectare	1 hectare	= 2.47 acre
	1 sq. mile	= 2.59 km^2	1 km^2	= 0.386 sq. mile
Volume	1 cu. inch	= 16.387 cm^3 (cc)	1 cm^3	= 0.061 cu. inch
	1 cu. foot	= 0.0283 m^3	1 m^3	= 35.31 cu. foot
	1 cu. yard	= 0.7646 m^3	1 m^3	= 1.308 cu. yard
	1 U.S. gallon	= 3.785 liters	1 liter	= 0.264 U.S. gallon
Mass	1 lb.	= 0.4536 kg	1 kg	= 2.205 lb.
Force	1 lb.	= 4.448 N	1 N	= 0.225 lb.
	1 ton	=8.896 kN	1 kN	= 0.1124 U.S. ton
Density	1 lb./cu. ft.	= 16.019 kg/m^3	1 kg/m^3	= 0.0624 lb./cu. foot
		= 0.1571 kN/m^3	1 kN/m^3	= 6.365 lb./ cu. foot
Pressure/Stress	1 lb./sq. in.	= 0.0703 kg/cm^2	1 kg/cm^2	= 14.22 lb./sq. inch
		(= 6.895 kPa)	1 kPa	= 0.145 lb./sq. inch
	1 lb./sq. ft.	= 4.882 kg/cm^2	1 kg/cm^2	= 0.2048 lb./sq. ft.
		(= 0.04788 kPa)	1 kPa	= 20.886 lb./sq. foot
	1 U.S. ton/sq. ft.	= 95.76 kPa	1 kPa	= 0.01044 U.S. ton/sq. foot
	[Note: 1 kPa	= 1 kN/m^2		
Flow Velocity	1 gal./min.	= 6.309×10^{-5} m^3/sec	1 m^3/sec	= 15,850 gallons per minute
	1 ft./sec.	= 0.3048 m/sec	1 m/sec	= 3.28 ft./sec
Coefficient of Compressibility M_v :	1 sq. ft./U.S. ton	= 0.0104 m^2/kN		
	1 sq. in./lb	= 14.22 cm^2/kg		
Coefficient of consolidation C_v :	1 sq. ft./year	= 0.0929 m^2/year	1 m^2/year	= 10.76 sq. ft. /year
		(= 0.002946 mm^2/sec)	1 mm^2/sec	= 339.4 sq. ft./year
Moment	1 lb.-ft.	= 0.1383 kq-m	1 kq-m	= 7.23 lb.-foot
		(= 1.3558 Nm)	1 N-m	= 0.7376 lb.-foot
Speed	1 mile/hour	= 1.609 km/hour	1 km/hour	= 0.622 mile/hour
		(=0.447 m/sec)	1 m/sec	= 2.237 mph
	1 foot/sec	= 0.3048 m/sec	1 m/sec	= 3.281 feet/sec

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STANDARD BOREHOLE LOG DETAILS

BOREHOLE LOGS

FIGURE B-1
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Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot) or {Rock Quality}	GRAPH: BLOW COUNT 20 40 60 80; POCKET PEN (tsf) 1 2 3 4; VANE SHEAR (tsf) 0.2 0.4 0.6 0.8	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
0.0			FILL previously excavated to install drilling sleeve							Culvert sleeve installed through fill above concrete slab, slab cored through on 10/22/16. Begin drilling at 12:30PM, 10/23/16.	30.0
			CONCRETE								
2.5			Void below column-supported slab							Void between column-supported slab and ground below, approximatley 7.5'	27.5
5.0											25.0
7.5											22.5
10.0			WELL-GRADED GRAVEL WITH SILT AND SAND (GW) gray, moist, 60% angular gravel; 30% sand; 10% fines; gravel to 2" max dia., likely FILL								20.0
12.5											17.5
15.0				1	Sh		5	4-8-6 (14)		Sample taken at 12:45PM, 10/23/16	15.0
17.5											12.5
20.0											10.0

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FIGURE B-2
1 of 4

BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot) or {Rock Quality}	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
20.0			WELL-GRADED GRAVEL WITH SILT AND SAND (GW) gray, moist, 60% angular gravel; 30% sand; 10% fines; gravel to 2" max dia., likely FILL*(continued)*	2	Sh		3	2-5-28-15 (33)	Sample taken at 1:40PM, 10/23/16	10.0
22.5										7.5
25.0				3	Sh		0	1-2-2-2 (4)	Sample taken at 2PM, 10/23/16. No recovery.	5.0
27.5										2.5
30.0			SANDY SILT WITH GRAVEL (ML) gray, moist, 15% subangular to subrounded gravel; 15% sand; 70% fines; low plasticity; moderate dilatency	4	Sh		5	3-3-5 (8)	Sample taken at 2:30PM, 10/23/16	-0.1
32.5										-2.6
35.0			SILTY SAND WITH GRAVEL (SM) gray, moist, 19% subangular to subrounded gravel; 32% sand; 49% fines; low plasticity; moderate dilatency, LL=24, PL=18, PI=6, mc=17.2%	5	Sh		9	2-2-2 (4)	Geonor =0.32-0.36tsf Sample taken at 2:50PM, 10/23/16 End drilling for day at 25' at 3:30PM. City water utility shut off hydrant, no water to continue rotary wash. Resume drilling at 8:30AM, 10/24/16.	-5.1
37.5										-7.6
40.0										-10.1

GRAPH: BLOW COUNT (20, 40, 60, 80); POCKET PEN (tsf) (1, 2, 3, 4); VANE SHEAR (tsf) (0.2, 0.4, 0.6, 0.8)

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FIGURE B-2
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Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot) or {Rock Quality}	GRAPH (BLOW COUNT 20 40 60 80; POCKET PEN (tsf) 1 2 3 4; VANE SHEAR (tsf) 0.2 0.4 0.6 0.8)	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
40.0			SILTY SAND WITH GRAVEL (SM) gray, moist, 19% subangular to subrounded gravel; 32% sand; 49% fines; low plasticity; moderate dilatency, LL=24, PL=18, PI=6, mc=17.2%*(continued)*	6	Sh		6	3-3-3 (6)		Sample taken at 8:55AM, 10/24/16	-10.1
42.5											-12.6
45.0			SILT WITH SAND (ML) gray, moist, 6% subangular to subrounded gravel; 18% sand; 76% fines; low plasticity; moderate dilatency, mc=20.2%	7	Sh		7	3-2-2 (4)		Geonor =0.50tsf Sample taken at 9:10AM, 10/24/16	-15.1
47.5											-17.6
50.0				8	Sh		0	2-2-2 (4)		Sample taken at 9:30AM, no recovery	-20.1
52.5											-22.6
55.0											-25.1
57.5											-27.6
60.0											-30.1

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FIGURE B-2
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BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot) or {Rock Quality}	GRAPH: BLOW COUNT 20 40 60 80; POCKET PEN (tsf) 1 2 3 4; VANE SHEAR (tsf) 0.2 0.4 0.6 0.8	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
60.0			SILT WITH SAND (ML) gray, moist, 6% subangular to subrounded gravel; 18% sand; 76% fines; low plasticity; moderate dilatency, mc=20.2%*(continued)*	9	Sh		0	7-10-12 (22)		Sample taken at 10:10AM, no recovery Cuttings indicate increasing abundance of gravels, till material at approximately 60'	-30.1
62.5											-32.6
			Probable weathered bedrock							Drilling becomes rough and slow and 63', presume weathered bedrock	
65.0			Dark gray, very thin bedded, steeply dipping, interbedded with quartz							Drill refusal, presume bedrock at 65'. Begin coring at 12:15PM. Cored to 68', rock is very fractured. Minimal rock core recovered indicates bedrock, terminate drilling at 68' at 1:45PM, 10/24/16	-35.1
				10	Cd		2				
67.5											-37.6
70.0											-40.1
72.5											-42.6
75.0											-45.1
77.5											-47.6
80.0											-50.1

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FIGURE B-2
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BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot) or {Rock Quality}	GRAPH: BLOW COUNT 20 40 60 80; POCKET PEN (tsf) 1 2 3 4; VANE SHEAR (tsf) 0.2 0.4 0.6 0.8	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
0.0			WELL-GRADED GRAVEL WITH SAND (GW) gray to brownish gray, dry, 60% angular to subrounded gravel; 35% sand; 5% fines; gravel to 2" max dia., likely FILL							First hour spent setting up air rotary equipment. Begin drilling at 9:35AM, 10/25/16.	29.1
2.5											26.6
5.0				1	Sh		8	9-11-12 (23)		Sample taken at 9:45AM, 10/25/16	24.1
7.5			WELL-GRADED GRAVEL WITH SILT AND SAND (GW-GM) dark gray to brownish orange, moist, 50% angular to subrounded gravel; 40% sand; 10% fines; gravel to 1" max dia., likely FILL							Dark wood material in cuttings at approximately 6'.	21.6
10.0				2	Sp		8	4-4-4 (8)		Sample taken at 10AM, 10/25/16 Sampler appears to have been driven through old ductile iron pipe at approximately 9.5'. Pipe fragments in sampler and blow counts indiciate that the pipe is dry, small diameter and in poor condition.	19.1
12.5											16.6
15.0			SILTY SAND WITH GRAVEL (SM) gray, moist, 40% angular to subrounded gravel; 45% sand; 15% fines; gravel to 2" max dia.	3	Sh		5	3-4-3 (7)		Sample taken at 10:20AM, 10/25/16	14.1
17.5	▽										11.6
20.0				4	Sh		6	3-4-4 (8)		Sample taken at 10:35AM, 10/25/16 Water, possible original beach	9.1

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FIGURE B-3
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BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot) or {Rock Quality}	GRAPH (BLOW COUNT 20 40 60 80; POCKET PEN (tsf) 1 2 3 4; VANE SHEAR (tsf) 0.2 0.4 0.6 0.8)	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
20.0			SILTY SAND WITH GRAVEL (SM) gray, moist, 40% angular to subrounded gravel; 45% sand; 15% fines; gravel to 2" max dia.*(continued)*							surface at approximately 19'.	9.1
22.5											6.6
25.0			POORLY-GRADED SAND WITH SILT AND GRAVEL (SP-SM) gray, wet, 15% subangular to subrounded gravel; 75% sand; 10% fines; gravel to 1" max dia.	5	Sh		2	3-3-3 (6)		Sample taken at 10:50AM, 10/25/16	4.1
27.5											1.6
30.0			SANDY SILT (ML) gray, moist, 6% subangular to subrounded gravel; 37% sand; 57% fines; low plasticity; slow dilatancy; gravel to 0.5" max dia., mc=21.8%	6	Sh		9	2-1-2 (3)		Geonor =0.19-0.23tsf Sample taken at 11:10AM, 10/25/16	-0.9
32.5											-3.4
35.0				7	Sh		9	2-2-3 (5)		Sample taken at 11:40AM, 10/25/16	-5.9
37.5											-8.4
40.0				8	Sh		9	8-8-7 (15)		Sample takent at 1:20PM, 10/25/16 Drilling increases in	-10.9

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FIGURE B-3
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BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot) or {Rock Quality}	GRAPH: BLOW COUNT (20 40 60 80) / POCKET PEN (tsf) (1 2 3 4) / VANE SHEAR (tsf) (0.2 0.4 0.6 0.8)	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
40.0			CLAYEY SAND WITH GRAVEL (SC) gray, moist, 15% subangular to subrounded gravel; 43% sand; 42% fines; low plasticity; slow dilatancy; gravel to 0.5" max dia., mc=13.8%*(continued)*							roughness at approximately 39' indicating increasing gravels.	-10.9
42.5											-13.4
45.0											-15.9
47.5											-18.4
50.0			SILT WITH SAND (ML) gray, moist, 12% subangular to subrounded gravel; 18% sand; 70% fines; low plasticity; slow dilatancy; gravel to 0.5" max dia., mc=20.5%	9	Sh		6	2-3-4 (7)	■	Geonor =0.64tsf Sample taken at 1:50PM, 10/25/16	-20.9
52.5											-23.4
55.0				10	Sh		0	5-4-3 (7)	■	Sample taken at 2:40PM, 10/22/16. No recovery. Drill refusal at approximately 54', drive sampler. No recovery indicates possibly sitting on large cobble or boulder.	-25.9
57.5											-28.4
60.0											-30.9

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FIGURE B-3
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BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot) or {Rock Quality}	GRAPH: BLOW COUNT 20 40 60 80; POCKET PEN (tsf) 1 2 3 4; VANE SHEAR (tsf) 0.2 0.4 0.6 0.8	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
60.0			SILT WITH SAND (ML) gray, moist, 12% subangular to subrounded gravel; 18% sand; 70% fines; low plasticity; slow dilatancy; gravel to 0.5" max dia., mc=20.5%*(continued)*								30.9
62.5											33.4
65.0											35.9
67.5											38.4
			Probable weathered bedrock							Drilling becomes very rough and slow, possible weathered bedrock at 68'	
70.0										Drill refusal. Terminate hole at 69' at 3:20PM, 10/25/16. Presume bedrock.	40.9
72.5											43.4
75.0											45.9
77.5											48.4
80.0											50.9

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FIGURE B-3
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BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot)* or {Rock Quality}	GRAPH: BLOW COUNT 20 40 60 80 / POCKET PEN (tsf) 1 2 3 4 / VANE SHEAR (tsf) 0.2 0.4 0.6 0.8	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
0.0			FILL previously excavated to install drilling sleeve							Culvert sleeve installed through fill above concrete slab, slab cored through on 10/22/16. Begin drilling at 2:45PM, 10/24/16.	28.7
2.5											26.2
			CONCRETE 6" t concrete slab, approximately 6" void immediately below slab								
5.0			Void below slab Light gray, dry, angular gravel fill, not enough sample retained to classify								23.7
7.5											21.2
10.0				1	Sh		2	5-2-3 (5)	■	Sample taken at 2PM, 10/24/16 Casing deflecting badly at approximately 10', likely on large cobbles/boulders. Driller recommends switching to air rotary drilling. Temporarily abandon at 3:30PM, 10/24/16. Resume drilling at 4:30PM, 10/25/16.	18.7
12.5	▽										16.2
15.0										Dark wood material in cuttings from approximately 15'-17'	13.7
17.5											11.2
20.0											8.7

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FIGURE B-4
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BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot)* or {Rock Quality}	GRAPH (BLOW COUNT 20 40 60 80; POCKET PEN (tsf) 1 2 3 4; VANE SHEAR (tsf) 0.2 0.4 0.6 0.8)	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
20.0			SILTY SAND WITH GRAVEL (SM) gray, moist, 25% angular to subrounded gravel; 60% sand; 15% fines; gravel to 1.5" max dia., likely FILL	2	Sh		4	2-2-2 (4)		Sample taken at 4:35PM, 10/25/16	8.7
22.5											6.2
25.0											3.7
27.5											1.2
30.0			POORLY-GRADED SAND WITH SILT AND GRAVEL (SP-SM) gray, moist, 20% subangular to subrounded gravel; 70% sand; 10% fines; gravel to 1.5" max dia.	3	Sh		6	4-7-45 (52)*		Sample taken at 5:10PM, 5/25/16 Stop drilling for day at 5:10PM, 10/25/16. Resume drilling at 8:15AM, 10/26/16. *45 blows from 1'-1.33' Drill action indicates boulder at approximately 31', roughly 3' in dimension drilled through	-1.3
32.5											-3.8
35.0											-6.3
37.5											-8.8
40.0											-11.3

P N D
ENGINEERS, INC.

Logged By: SCS
Data Entry: SCS
Checked:
Project No.: 162083.01
Date: Nov. 2016

ARCHIPELAGO PROPERTIES GEOTECH
356 S FRANKLIN STREET
Juneau, Alaska

BH-3

FIGURE B-4
2 of 4

BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot)* or {Rock Quality}	GRAPH: BLOW COUNT 20 40 60 80 / POCKET PEN (tsf) 1 2 3 4 / VANE SHEAR (tsf) 0.2 0.4 0.6 0.8	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
40.0			SANDY SILT (ML) gray, moist, 11% subangular to subrounded gravel; 30% sand; 59% fines; low plasticity; slow dilatancy; gravel to 1" max dia., mc=21.4%	4	Sh		8	11-7-4 (11)		Geonor =0.2-0.25tsf Sample taken at 9:05AM, 10/26/16	-11.3
42.5											-13.8
45.0											-16.3
47.5											-18.8
50.0			LEAN CLAY WITH SAND (CL) gray, moist, 12% subangular to subrounded gravel; 17% sand; 71% fines; low plasticity; slow dilatancy; gravel to 1" max dia., LL=31, PL=16, PI=15, mc=23.1%	5	Sh		8	2-1-2 (3)		Geonor =0.4-0.45tsf Sample taken at 11:20AM, 10/26/16	-21.3
52.5											-23.8
55.0										Air rotary not able to advance casing beyond 55', begin open-hole drilling to refusal	-26.3
57.5											-28.8
60.0											-31.3

P N D ENGINEERS, INC.

Logged By: SCS
Data Entry: SCS
Checked:
Project No.: 162083.01
Date: Nov. 2016

ARCHIPELAGO PROPERTIES GEOTECH
356 S FRANKLIN STREET
Juneau, Alaska

BH-3

FIGURE B-4
3 of 4

BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot)* or {Rock Quality}	GRAPH: BLOW COUNT 20 40 60 80 / POCKET PEN (tsf) 1 2 3 4 / VANE SHEAR (tsf) 0.2 0.4 0.6 0.8	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
60.0			LEAN CLAY WITH SAND (CL) gray, moist, 12% subangular to subrounded gravel; 17% sand; 71% fines; low plasticity; slow dilatancy; gravel to 1" max dia., LL=31, PL=16, PI=15, mc=23.1%*(continued)*								31.3
62.5											33.8
65.0											36.3
67.5											38.8
70.0											41.3
72.5										Drill refusal at 73', presume bedrock. Terminate at 1:30PM, 10/26/16.	43.8
75.0											46.3
77.5											48.8
80.0											51.3

BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

P N D
ENGINEERS, INC.

Logged By: SCS
Data Entry: SCS
Checked:
Project No.: 162083.01
Date: Nov. 2016

ARCHIPELAGO PROPERTIES GEOTECH
356 S FRANKLIN STREET
Juneau, Alaska

BH-3

FIGURE B-4
4 of 4

Depth (feet)	Water Table	Graphic Symbol	SOIL DESCRIPTION: Soil Name, Color, Moisture Content, Relative Density, Soil Structure, Mineralogy, Other Information	SAMPLES: Number	Type	Location	Recovery % (RQD %)	Penetration Blows per 6/Inch (per foot) or {Rock Quality}	GRAPH: BLOW COUNT 20 40 60 80; POCKET PEN (tsf) 1 2 3 4; VANE SHEAR (tsf) 0.2 0.4 0.6 0.8	COMMENTS: Casing Depth, Drilling Rate, Fluid Loss, Drill Pressure, Tests, Instrumentation, Additional Information	Elevation (feet)
0										Begin drilling at 3PM, 10/26/16. Advancing drill steel to refusal, no sampling. Cuttings indicate dry imported sands and gravels.	29
10										Dark wood material in cuttings from approximately 8'-9'.	19
20	▽									Cuttings become wet, dark grey, silty/sandy, with slightly organic odor at approximately 20'.	9
										Cuttings become lighter gray with increasing rock fragments at approximately 25'.	
30											-1
40										Cuttings become predominatly silty at approximately 40'.	-11
50											-21
60										Terminate drilling for the day at 60' at 5:15PM, 10/26/16. Resume drilling at 8AM, 10/27/16.	-31
70										Unable to advance casing beyond approximately 65' with air rotary equipment, bit plugging, indicative of silts/clays. Begin open-hole drilling. Very slow/rough drilling at approximately 72', possible weathered bedrock. Drill refusal, presume bedrock. Terminate drilling at 75' at 9:15AM, 10/27/16.	-41
80											-51

P N D
ENGINEERS, INC.

Logged By: SCS
Data Entry: SCS
Checked:
Project No.: 162083.01
Date: Nov. 2016

ARCHIPELAGO PROPERTIES GEOTECH
356 S FRANKLIN STREET
Juneau, Alaska

BH-4

FIGURE B-5
1 of 1

BOREHOLE LOG 162083 APGI BOREHOLE LOGS.GPJ PND ENGINEERS.GDT 10/13/17 ©2017

Appendix C

Laboratory Test Results

P | N | D

GRADATION - ASTM D6913

#200 WASH

WEIGHT IN GRAMS	
TARE	716.25
WET SOIL + TARE	3708.00
DRY SOIL + TARE	3268.00
DRY SOIL + TARE **BEFORE WASH**	1438.72
DRY SOIL + TARE **AFTER WASH**	1095.99
WEIGHT OF DRY SOIL AFTER WASH	379.74
% FINES	47.44
MOISTURE CONTENT	17.2%

SIEVE ANALYSIS

	SIEVE SIZE	SIEVE WT.	SIEVE WT + SOIL	WT. RET.	% RET.	CUM. WT. RET.	CUM. % RET.	CUM. % PASS
GRAVEL	3.000"			0.00	0.0	0.00	0.0	100.0
	2.000"			0.00	0.0	0.00	0.0	100.0
	1.500"		119.76	119.76	16.6	119.76	16.6	83.4
	1.000"			0.00	0.0	119.76	16.6	83.4
	0.750"			0.00	0.0	119.76	16.6	83.4
	0.375"		10.08	10.08	1.4	129.84	18.0	82.0
SAND	#4	737.27	747.34	10.07	1.4	139.91	19.4	80.6
	#10	454.95	471.64	16.69	2.3	156.60	21.7	78.3
	#20	416.55	430.18	13.63	1.9	170.23	23.6	76.4
	#40	389.60	401.57	11.97	1.7	182.20	25.2	74.8
	#60	374.64	392.40	17.76	2.5	199.96	27.7	72.3
	#100	337.99	388.82	50.83	7.0	250.79	34.7	65.3
	#140	311.11	362.31	51.20	7.1	301.99	41.8	58.2
FINES	#200	425.57	493.24	67.67	9.4	369.66	51.2	48.8
	PAN/WASH	365.91	374.65	351.47	48.6	721.13	99.8	0.2

% GRAVEL	19.4
% SAND	32.0
% FINES	48.6

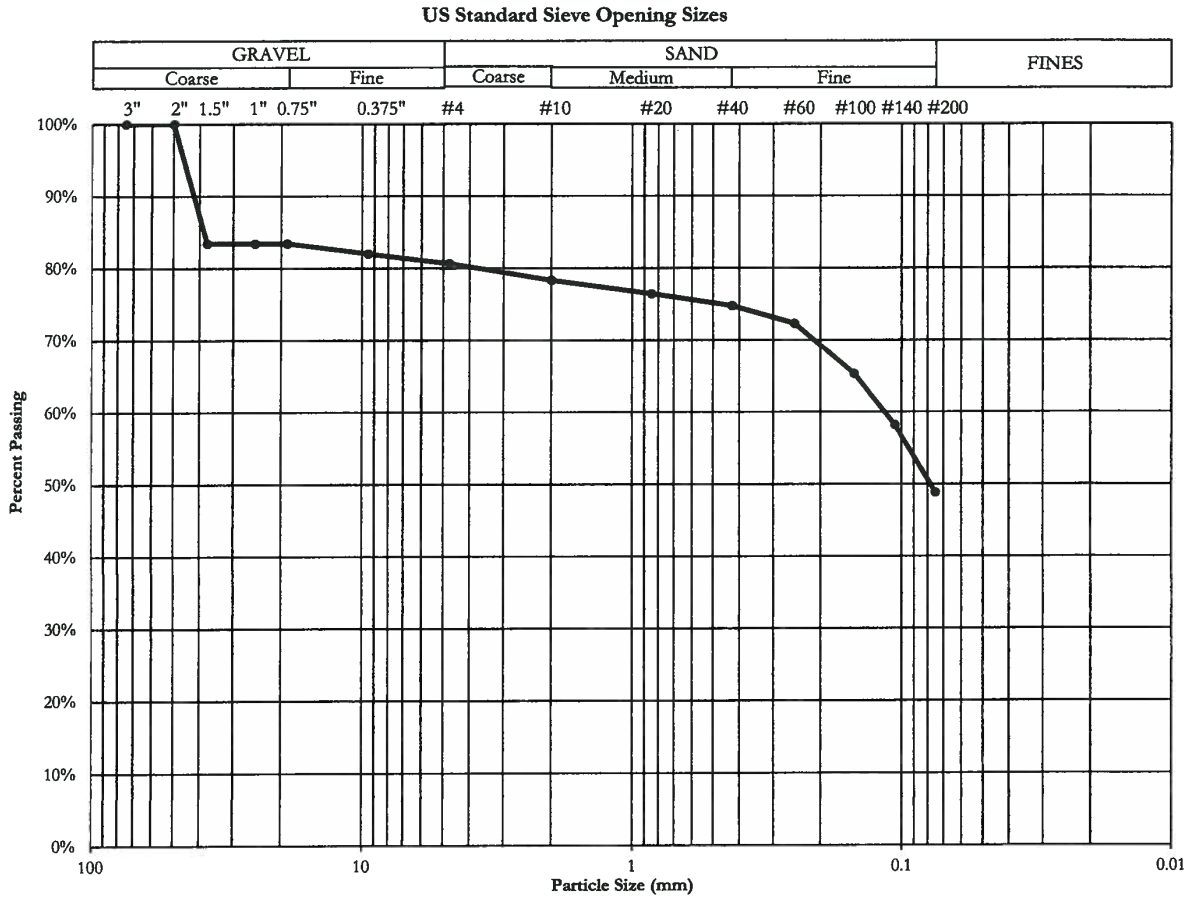
CLASSIFICATION: Silty SAND with gravel (SMg)

NOTE: SAME TARE MUST BE USED FOR ALL WEIGHTS

P | N | D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	**DATE:**	JUNE 15, 2017
PROJECT #:	162083	**TESTED BY:**	KDB2
BOREHOLE #:	01	**CHECKED BY:**	SH
SAMPLE #:	05		
DEPTH (ft):	35-36.5		

GRADATION - ASTM D6913



	LMA	% PASS	SIEVE	mm	in	Material Properties	
GRAVEL	19.4%	100.0%	3.000"	75.000	3.000	D10	0.000
		100.0%	2.000"	50.000	2.000	D30	0.000
		83.4%	1.500"	37.500	1.500	D50	0.078
		83.4%	1.000"	25.000	1.000	D60	0.116
		83.4%	0.750"	19.000	0.750	Cu	#DIV/0!
		82.0%	0.375"	9.500	0.375	Cc	#DIV/0!
SAND	32.0%	80.6%	#4	4.750	0.187	LL	24
		78.3%	#10	2.000	0.0787	PL	18
		76.4%	#20	0.850	0.0335	PI	6
		74.8%	#40	0.425	0.0165	Fines Classification	CL-ML
		72.3%	#60	0.250	0.0098		
		65.3%	#100	0.150	0.0059		
		58.2%	#140	0.106	0.0042		
FINES	48.6%	48.8%	#200	0.075	0.0029		

Silty SAND with gravel (SMg)

P N D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	DATE:	JUNE 15, 2017
PROJECT #:	162083	TESTED BY:	KDB2
BOREHOLE #:	01	CHECKED BY:	SH
SAMPLE #:	05		
DEPTH (ft):	35-36.5		

GRADATION - ASTM D6913

#200 WASH

WEIGHT IN GRAMS	
TARE	413.19
WET SOIL + TARE	1288.42
DRY SOIL + TARE	624.69
WEIGHT OF DRY SOIL	211.50
WEIGHT OF FINES	664.64
% FINES	75.9

SIEVE ANALYSIS

	SIEVE SIZE	SIEVE WT.	SIEVE WT + SOIL	WT. RET.	% RET.	CUM. WT. RET.	CUM. % RET.	CUM. % PASS
GRAVEL	3.000"			0.00	0.0	0.00	0.0	100.0
	2.000"			0.00	0.0	0.00	0.0	100.0
	1.500"			0.00	0.0	0.00	0.0	100.0
	1.000"	799.95	799.95	0.00	0.0	0.00	0.0	100.0
	0.375"	518.26	557.60	39.34	4.5	39.34	4.5	95.5
SAND	#4	453.93	467.11	13.18	1.5	52.52	6.0	94.0
	#10	455.61	467.67	12.06	1.4	64.58	7.4	92.6
	#40	389.82	417.73	27.91	3.2	92.49	10.6	89.4
FINES	#200	425.69	542.22	116.53	13.3	209.02	23.9	76.1
	PAN/WASH	365.93	366.84	0.91	0.1	209.93	100.0	0.0

% GRAVEL	6.0
% SAND	18.1
% FINES	75.9

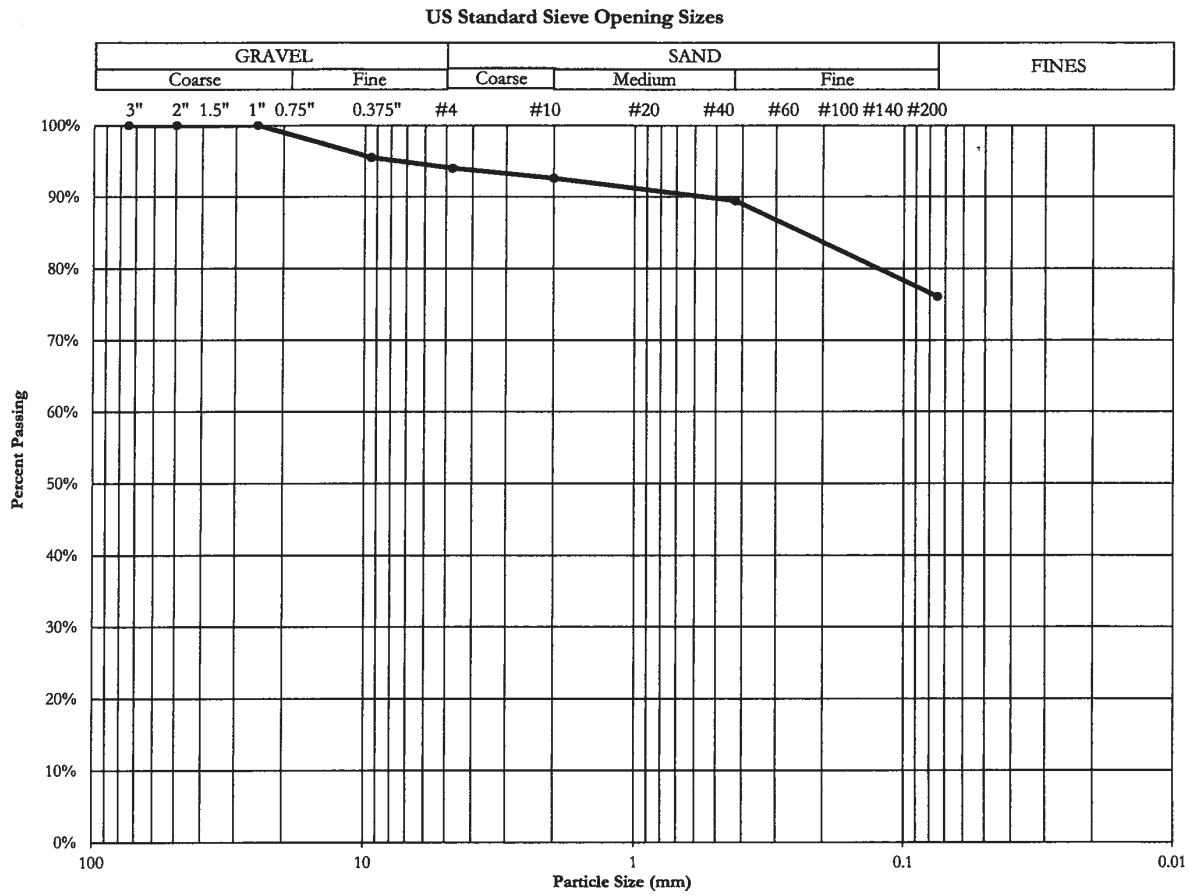
CLASSIFICATION: SILT with sand (MLs)

NOTE: SAME TARE MUST BE USED FOR ALL WEIGHTS

P | N | D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	**DATE:**	JULY 21, 2017
PROJECT #:	162083	**TESTED BY:**	KDB2
BOREHOLE #:	1	**CHECKED BY:**	SH
SAMPLE #:	7		
DEPTH (ft):	45-46.5		

GRADATION - ASTM D6913



	LMA	% PASS	SIEVE	mm	in	Material Properties	
GRAVEL	6.0%	100.0%	3.000"	75.000	3.000	D10	#REF!
		100.0%	2.000"	50.000	2.000	D30	#REF!
		100.0%	1.500"	37.500	1.500	D50	#REF!
		100.0%	1.000"	25.000	1.000	D60	#REF!
		95.5%	0.375"	9.500	0.375	Cu	#REF!
		94.0%	#4	4.750	0.187	Cc	#REF!
SAND	18.1%	92.6%	#10	2.000	0.0787	LL	N/A
		89.4%	#40	0.425	0.0165	PL	N/A
		76.1%	#200	0.075	0.0029	PI	N/A
						Fines Classification	ML
FINES	75.9%						

SILT with Sand (MLs)

P N D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	DATE:	JULY 21, 2017
PROJECT #:	162083	TESTED BY:	KDB2
BOREHOLE #:	1	CHECKED BY:	SH
SAMPLE #:	7		
DEPTH (ft):	45-46.5		

GRADATION - ASTM D6913

#200 WASH

WEIGHT IN GRAMS	
TARE	359.23
WET SOIL + TARE	1449.86
DRY SOIL + TARE	843.02
WEIGHT OF DRY SOIL	483.79
WEIGHT OF FINES	621.90
% FINES	57.0

SIEVE ANALYSIS

	SIEVE SIZE	SIEVE WT.	SIEVE WT + SOIL	WT. RET.	% RET.	CUM. WT. RET.	CUM. % RET.	CUM. % PASS
GRAVEL	3.000"			0.00	0.0	0.00	0.0	100.0
	2.000"			0.00	0.0	0.00	0.0	100.0
	1.500"			0.00	0.0	0.00	0.0	100.0
	1.000"			0.00	0.0	0.00	0.0	100.0
	0.375"	518.23	562.45	44.22	4.1	44.22	4.1	95.9
SAND	#4	453.92	473.08	19.16	1.8	63.38	5.8	94.2
	#10	455.34	470.96	15.62	1.4	79.00	7.2	92.8
	#40	389.64	428.20	38.56	3.5	117.56	10.8	89.2
FINES	#200	425.95	775.24	349.29	32.0	466.85	42.8	57.2
	PAN/WASH	365.91	380.97	15.06	1.4	481.91	100.0	0.0

% GRAVEL	5.8
% SAND	37.2
% FINES	57.0

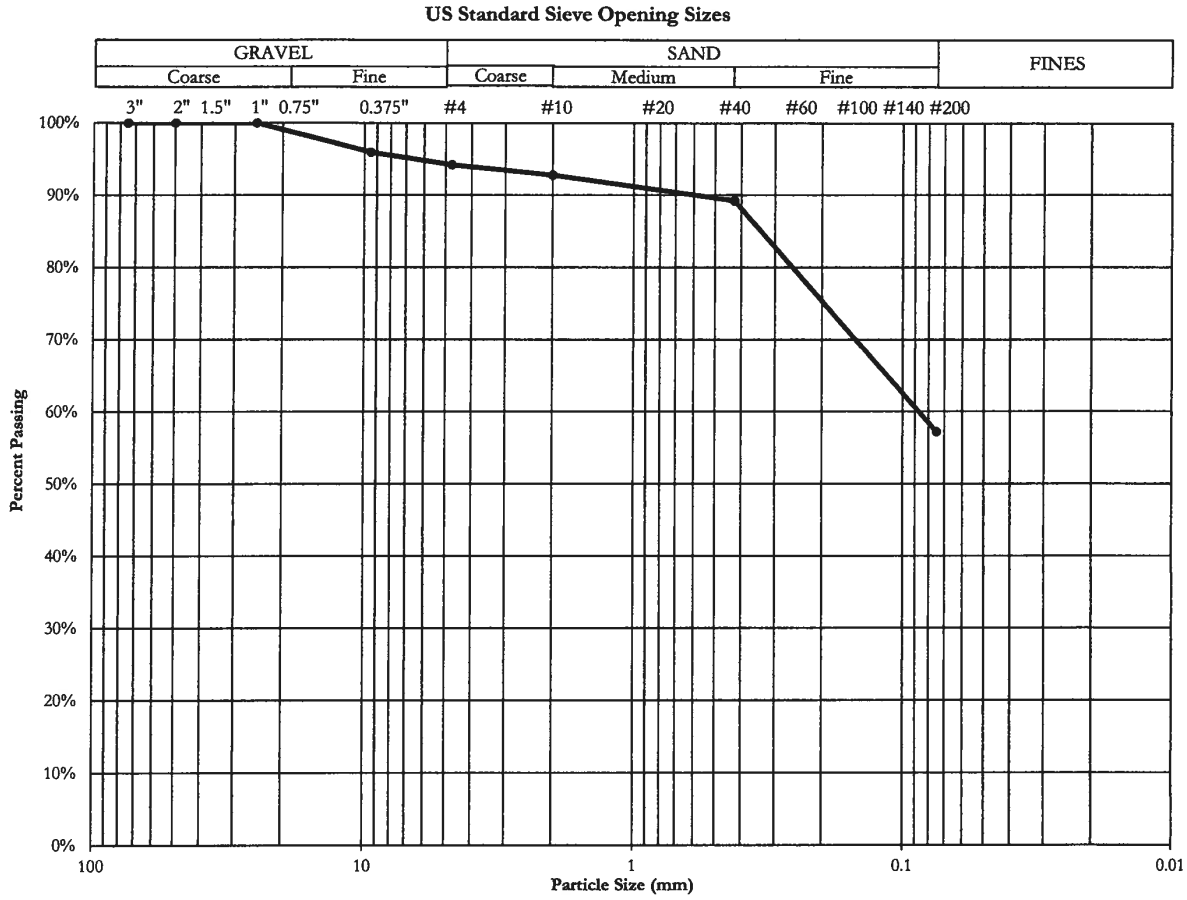
CLASSIFICATION: Sandy SILT (sML)

NOTE: SAME TARE MUST BE USED FOR ALL WEIGHTS

P | N | D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	**DATE:**	JULY 21, 2017
PROJECT #:	162083	**TESTED BY:**	KDB2
BOREHOLE #:	2	**CHECKED BY:**	SH
SAMPLE #:	6		
DEPTH (ft):	29-30.5		

GRADATION - ASTM D6913



	LMA	% PASS	SIEVE	mm	in	Material Properties	
GRAVEL	5.8%	100.0%	3.000"	75.000	3.000	D10	#REF!
		100.0%	2.000"	50.000	2.000	D30	#REF!
		100.0%	1.500"	37.500	1.500	D50	#REF!
		100.0%	1.000"	25.000	1.000	D60	#REF!
		95.9%	0.375"	9.500	0.375	Cu	#REF!
		94.2%	#4	4.750	0.187	Cc	#REF!
SAND	37.2%	92.8%	#10	2.000	0.0787	LL	N/A
		89.2%	#40	0.425	0.0165	PL	N/A
		57.2%	#200	0.075	0.0029	PI	N/A
						Fines Classification	ML
FINES	57.0%						

Sandy SILT (sML)

P | N | D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	**DATE:**	JULY 21, 2017
PROJECT #:	162083	**TESTED BY:**	KDB2
BOREHOLE #:	2	**CHECKED BY:**	SH
SAMPLE #:	6		
DEPTH (ft):	29-30.5		

GRADATION - ASTM D6913

#200 WASH

WEIGHT IN GRAMS	
TARE	590.18
WET SOIL + TARE	4174.00
DRY SOIL + TARE	3740.00
DRY SOIL + TARE **BEFORE WASH**	1151.28
DRY SOIL + TARE **AFTER WASH**	933.02
WEIGHT OF DRY SOIL AFTER WASH	342.84
% FINES	38.90
MOISTURE CONTENT	13.8%

SIEVE ANALYSIS

	SIEVE SIZE	SIEVE WT.	SIEVE WT + SOIL	WT. RET.	% RET.	CUM. WT. RET.	CUM. % RET.	CUM. % PASS
GRAVEL	3.000"			0.00	0.0	0.00	0.0	100.0
	2.000"			0.00	0.0	0.00	0.0	100.0
	1.500"			0.00	0.0	0.00	0.0	100.0
	1.000"		42.03	42.03	7.5	42.03	7.5	92.5
	0.750"		31.92	31.92	5.7	73.95	13.2	86.8
	0.375"		5.70	5.70	1.0	79.65	14.2	85.8
SAND	#4	737.27	743.53	6.26	1.1	85.91	15.3	84.7
	#10	454.92	465.05	10.13	1.8	96.04	17.1	82.9
	#20	416.34	426.80	10.46	1.9	106.50	19.0	81.0
	#40	389.60	399.82	10.22	1.8	116.72	20.8	79.2
	#60	374.49	391.37	16.88	3.0	133.60	23.8	76.2
	#100	337.98	395.73	57.75	10.3	191.35	34.1	65.9
	#140	311.14	366.82	55.68	9.9	247.03	44.0	56.0
FINES	#200	425.62	503.49	77.87	13.9	324.90	57.9	42.1
	PAN/WASH	365.90	382.35	234.71	41.8	559.61	99.7	0.3

% GRAVEL	15.3
% SAND	42.9
% FINES	41.8

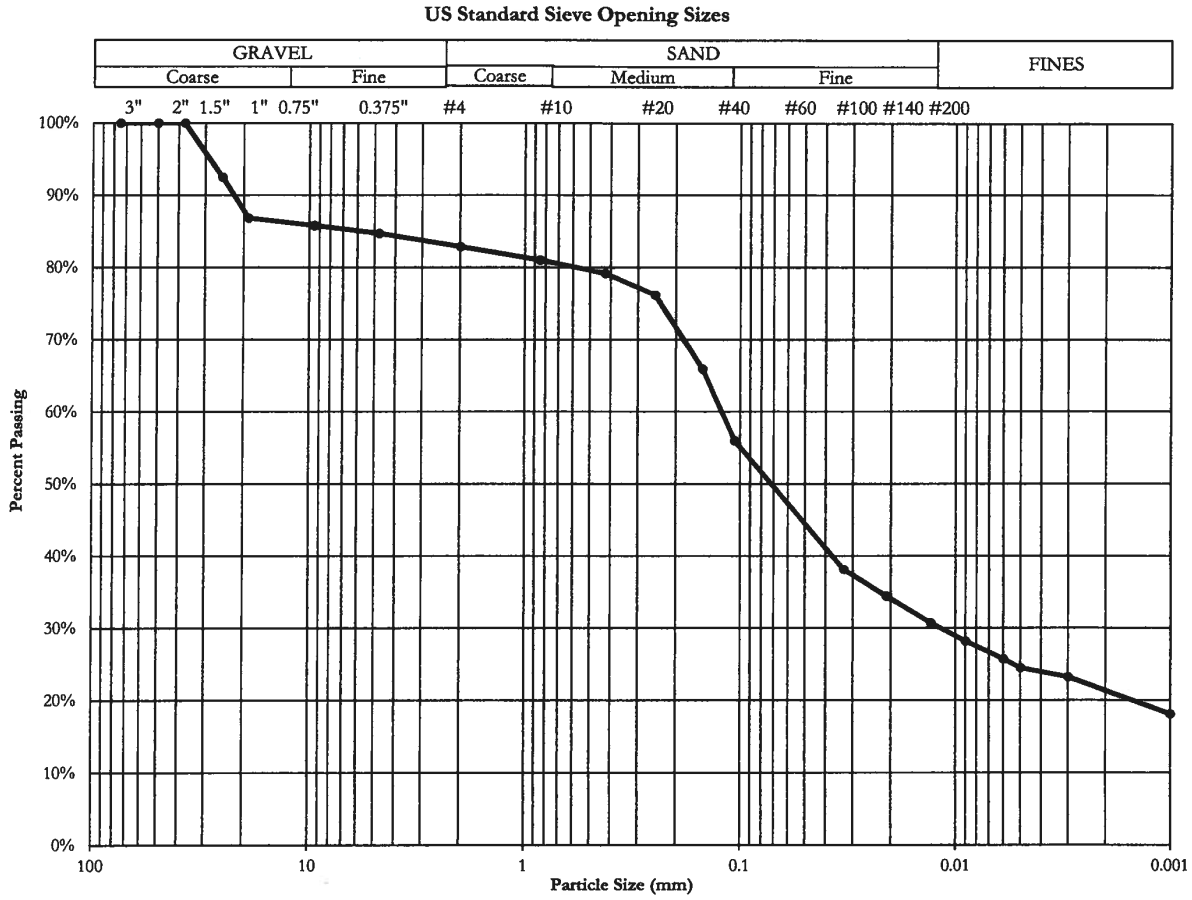
CLASSIFICATION: Clayey SAND with gravel (SCg)

NOTE: SAME TARE MUST BE USED FOR ALL WEIGHTS

P N D ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	**DATE:**	JUNE 15, 2017
PROJECT #:	162083	**TESTED BY:**	KDB2
BOREHOLE #:	02	**CHECKED BY:**	SH
SAMPLE #:	08		
DEPTH (ft):	39-40.5		

GRADATION - ASTM D6913



	LMA	% PASS	SIEVE	mm	in	Material Properties	
GRAVEL	15.3%	100.0%	3.000"	75.000	3.000	D10	0.000
		100.0%	2.000"	50.000	2.000	D30	0.000
		100.0%	1.500"	37.500	1.500	D50	0.091
		92.5%	1.000"	25.000	1.000	D60	0.122
		86.8%	0.750"	19.000	0.750	Cu	#DIV/0!
		85.8%	0.375"	9.500	0.375	Cc	#DIV/0!
SAND	42.9%	84.7%	#4	4.750	0.187	LL	N/A
		82.9%	#10	2.000	0.0787	PL	N/A
		81.0%	#20	0.850	0.0335	PI	N/A
		79.2%	#40	0.425	0.0165	Fines Classification	CL
		76.2%	#60	0.250	0.0098		
		65.9%	#100	0.150	0.0059		
		56.0%	#140	0.106	0.0042		
FINES	41.8%	42.1%	#200	0.075	0.0029		

Clayey SAND with gravel (SCg)

P | N | D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	DATE:	JUNE 15, 2017
PROJECT #:	162083	TESTED BY:	KDB2
BOREHOLE #:	02	CHECKED BY:	SH
SAMPLE #:	08		
DEPTH (ft):	39-40.5		

GRADATION - ASTM D6913

#200 WASH

WEIGHT IN GRAMS	
TARE	402.24
WET SOIL + TARE	1326.70
DRY SOIL + TARE	692.91
WEIGHT OF DRY SOIL	290.67
WEIGHT OF FINES	643.07
% FINES	69.6

SIEVE ANALYSIS

	SIEVE SIZE	SIEVE WT.	SIEVE WT + SOIL	WT. RET.	% RET.	CUM. WT. RET.	CUM. % RET.	CUM. % PASS
GRAVEL	3.000"			0.00	0.0	0.00	0.0	100.0
	2.000"			0.00	0.0	0.00	0.0	100.0
	1.500"			0.00	0.0	0.00	0.0	100.0
	1.000"		76.07	76.07	8.2	76.07	8.2	91.8
	0.375"	545.00	571.88	26.88	2.9	102.95	11.1	88.9
SAND	#4	737.43	745.18	7.75	0.8	110.70	12.0	88.0
	#10	679.57	688.18	8.61	0.9	119.31	12.9	87.1
	#40	568.60	592.31	23.71	2.6	143.02	15.5	84.5
FINES	#200	495.95	634.12	138.17	14.9	281.19	30.4	69.6
	PAN/WASH	482.02	491.30	9.28	1.0	290.47	100.0	0.0

% GRAVEL	12.0
% SAND	18.5
% FINES	69.6

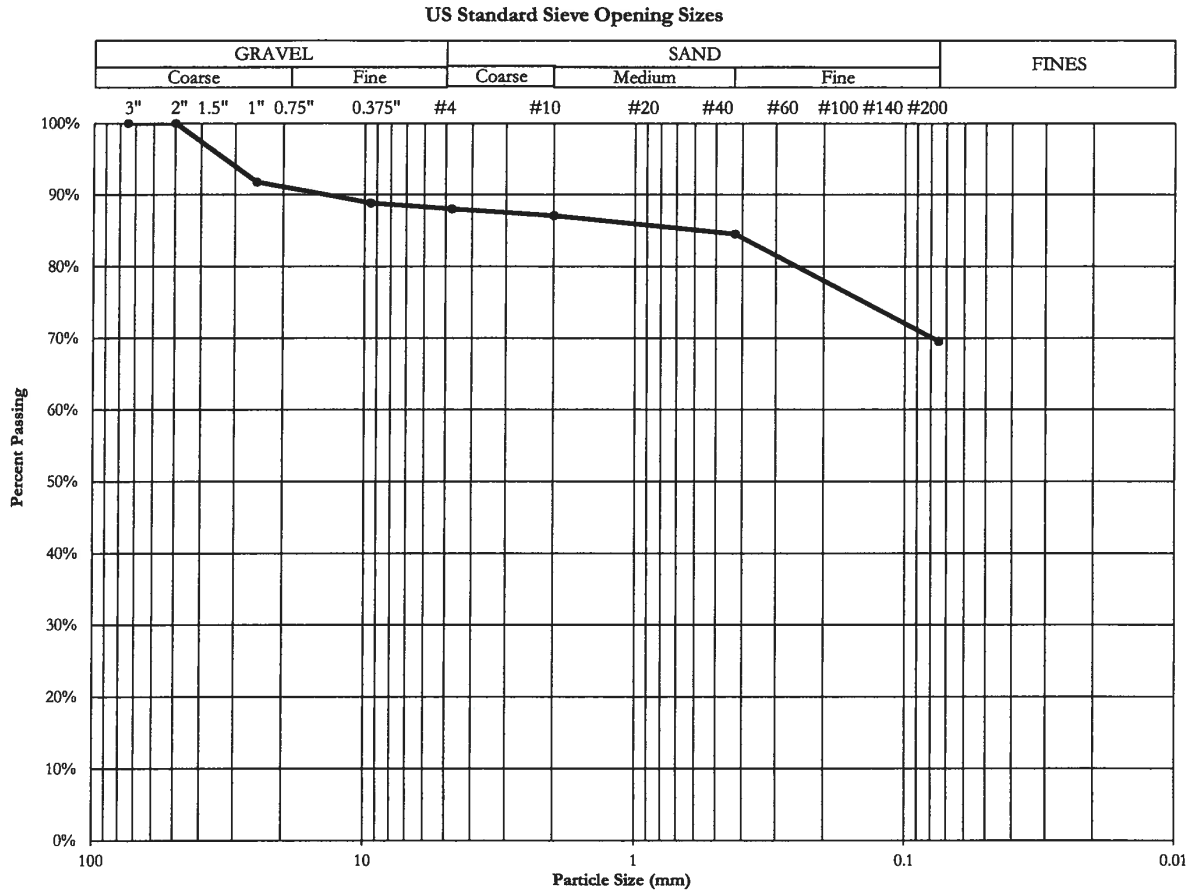
CLASSIFICATION: SILT with sand (MLs)

NOTE: SAME TARE MUST BE USED FOR ALL WEIGHTS

P | N | D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	**DATE:**	July 21, 2017
PROJECT #:	162083	**TESTED BY:**	KDB2
BOREHOLE #:	2	**CHECKED BY:**	SH
SAMPLE #:	9		
DEPTH (ft):	49-50.5		

GRADATION - ASTM D6913



	LMA	% PASS	SIEVE	mm	in	Material Properties	
GRAVEL	12.0%	100.0%	3.000"	75.000	3.000	D10	#REF!
		100.0%	2.000"	50.000	2.000	D30	#REF!
		100.0%	1.500"	37.500	1.500	D50	#REF!
		91.8%	1.000"	25.000	1.000	D60	#REF!
		88.9%	0.375"	9.500	0.375	Cu	#REF!
		88.0%	#4	4.750	0.187	Cc	#REF!
SAND	18.5%	87.1%	#10	2.000	0.0787	LL	N/A
		84.5%	#40	0.425	0.0165	PL	N/A
		69.6%	#200	0.075	0.0029	PI	N/A
						Fines Classification	ML
FINES	69.6%						

SILT with Sand (MLs)

P N D ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	**DATE:**	July 21, 2017
PROJECT #:	162083	**TESTED BY:**	KDB2
BOREHOLE #:	2	**CHECKED BY:**	SH
SAMPLE #:	9		
DEPTH (ft):	49-50.5		

GRADATION - ASTM D6913

#200 WASH

WEIGHT IN GRAMS	
TARE	353.11
WET SOIL + TARE	851.83
DRY SOIL + TARE	586.14
WEIGHT OF DRY SOIL	233.03
WEIGHT OF FINES	294.17
% FINES	59.0

SIEVE ANALYSIS

	SIEVE SIZE	SIEVE WT.	SIEVE WT + SOIL	WT. RET.	% RET.	CUM. WT. RET.	CUM. % RET.	CUM. % PASS
GRAVEL	3.000"			0.00	0.0	0.00	0.0	100.0
	2.000"			0.00	0.0	0.00	0.0	100.0
	1.500"			0.00	0.0	0.00	0.0	100.0
	1.000"		21.90	21.90	4.4	21.90	4.4	95.6
	0.375"	545.01	569.69	24.68	4.9	46.58	9.3	90.7
SAND	#4	737.45	744.86	7.41	1.5	53.99	10.8	89.2
	#10	678.83	685.70	6.87	1.4	60.86	12.2	87.8
	#40	568.37	582.33	13.96	2.8	74.82	15.0	85.0
FINES	#200	495.91	626.03	130.12	26.1	204.94	41.1	58.9
	PAN/WASH	482.00	510.48	28.48	5.7	233.42	100.0	0.0

% GRAVEL	10.8
% SAND	30.2
% FINES	59.0

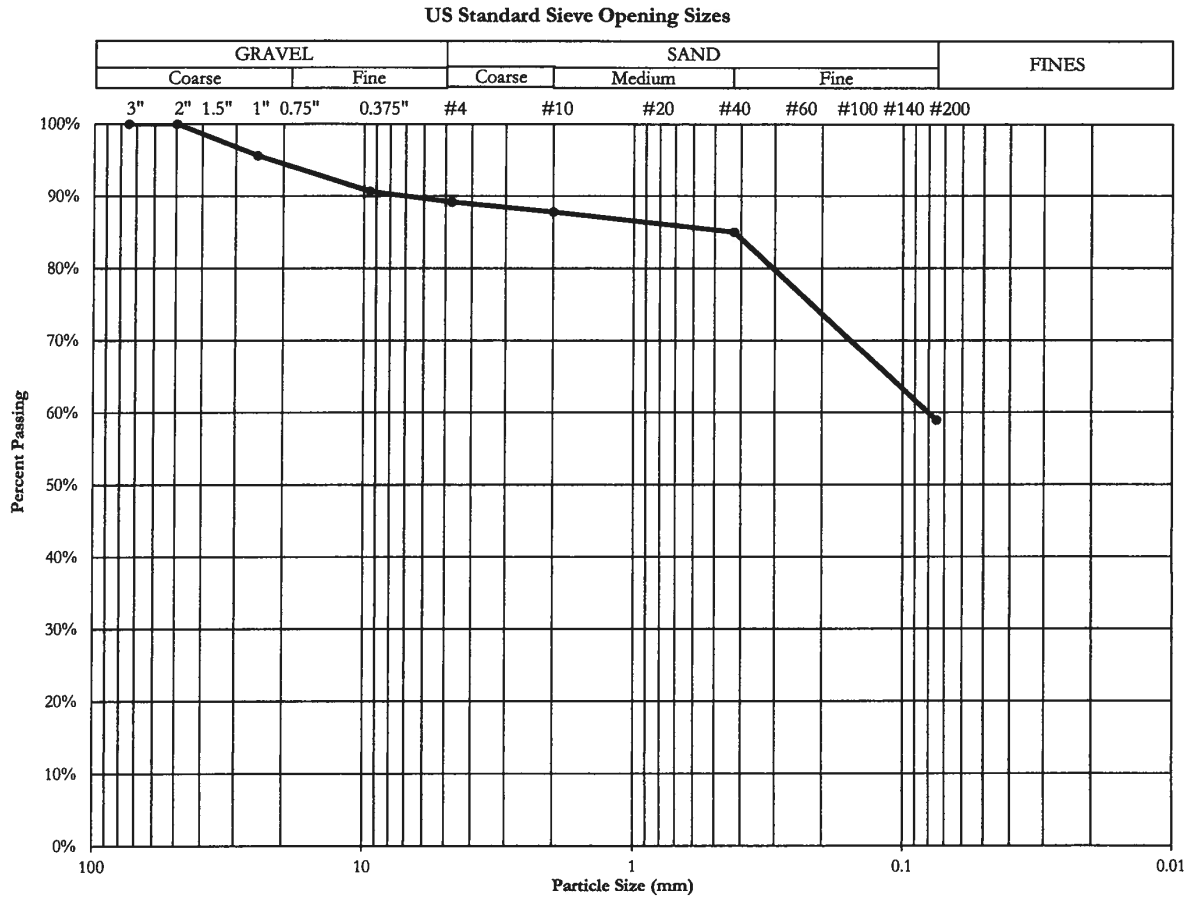
CLASSIFICATION: Sandy SILT (sML)

NOTE: SAME TARE MUST BE USED FOR ALL WEIGHTS

P | N | D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	**DATE:**	JULY 21, 2017
PROJECT #:	162083	**TESTED BY:**	KDB2
BOREHOLE #:	3	**CHECKED BY:**	SH
SAMPLE #:	4		
DEPTH (ft):	40-41.5		

GRADATION - ASTM D6913



	LMA	% PASS	SIEVE	mm	in	Material Properties	
GRAVEL	10.8%	100.0%	3.000"	75.000	3.000	D10	#REF!
		100.0%	2.000"	50.000	2.000	D30	#REF!
		100.0%	1.500"	37.500	1.500	D50	#REF!
		95.6%	1.000"	25.000	1.000	D60	#REF!
		90.7%	0.375"	9.500	0.375	Cu	#REF!
		89.2%	#4	4.750	0.187	Cc	#REF!
SAND	30.2%	87.8%	#10	2.000	0.0787	LL	N/A
		85.0%	#40	0.425	0.0165	PL	N/A
		58.9%	#200	0.075	0.0029	PI	N/A
						Fines Classification	ML
FINES	59.0%						

Sandy SILT (sML)

P | N | D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	DATE:	JULY 21, 2017
PROJECT #:	162083	TESTED BY:	KDB2
BOREHOLE #:	3	CHECKED BY:	SH
SAMPLE #:	4		
DEPTH (ft):	40-41.5		

GRADATION - ASTM D6913

#200 WASH

WEIGHT IN GRAMS	
TARE	713.55
WET SOIL + TARE	3148.00
DRY SOIL + TARE	2691.20
DRY SOIL + TARE **BEFORE WASH**	1203.76
DRY SOIL + TARE **AFTER WASH**	854.25
WEIGHT OF DRY SOIL AFTER WASH	140.70
% FINES	71.30
MOISTURE CONTENT	23.1%

SIEVE ANALYSIS

	SIEVE SIZE	SIEVE WT.	SIEVE WT + SOIL	WT. RET.	% RET.	CUM. WT. RET.	CUM. % RET.	CUM. % PASS
GRAVEL	3.000"			0.00	0.0	0.00	0.0	100.0
	2.000"			0.00	0.0	0.00	0.0	100.0
	1.500"			0.00	0.0	0.00	0.0	100.0
	1.000"		29.78	29.78	6.1	29.78	6.1	93.9
	0.750"		11.08	11.08	2.3	40.86	8.3	91.7
	0.375"		9.98	9.98	2.0	50.84	10.4	89.6
SAND	#4	737.28	745.05	7.77	1.6	58.61	12.0	88.0
	#10	454.88	464.32	9.44	1.9	68.05	13.9	86.1
	#20	416.28	427.36	11.08	2.3	79.13	16.1	83.9
	#40	389.54	399.04	9.50	1.9	88.63	18.1	81.9
	#60	374.43	385.66	11.23	2.3	99.86	20.4	79.6
	#100	337.91	354.90	16.99	3.5	116.85	23.8	76.2
	#140	311.11	322.43	11.32	2.3	128.17	26.1	73.9
FINES	#200	425.59	436.85	11.26	2.3	139.43	28.4	71.6
	PAN/WASH	365.89	366.88	350.50	71.5	489.93	99.9	0.1

% GRAVEL	12.0
% SAND	16.5
% FINES	71.5

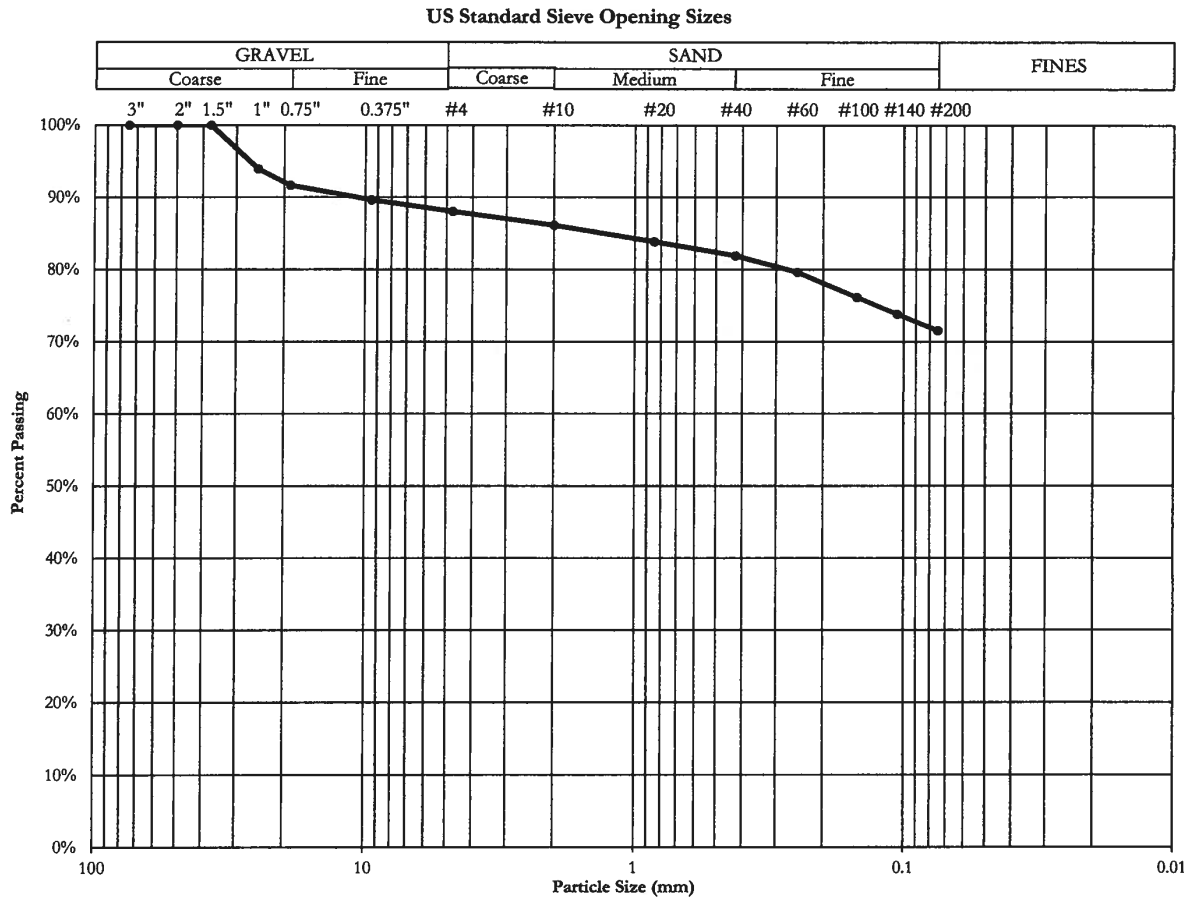
CLASSIFICATION: CLAY with sand (CLs)

NOTE: SAME TARE MUST BE USED FOR ALL WEIGHTS

P | N | D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	**DATE:**	JUNE 15, 2017
PROJECT #:	162083	**TESTED BY:**	KDB2
BOREHOLE #:	03	**CHECKED BY:**	SH
SAMPLE #:	05		
DEPTH (ft):	50-51.5		

GRADATION - ASTM D6913



	LMA	% PASS	SIEVE	mm	in	Material Properties	
GRAVEL	12.0%	100.0%	3.000"	75.000	3.000	D10	0.000
		100.0%	2.000"	50.000	2.000	D30	0.000
		100.0%	1.500"	37.500	1.500	D50	0.000
		93.9%	1.000"	25.000	1.000	D60	0.000
		91.7%	0.750"	19.000	0.750	Cu	#DIV/0!
		89.6%	0.375"	9.500	0.375	Cc	#DIV/0!
SAND	16.5%	88.0%	#4	4.750	0.187	LL	31
		86.1%	#10	2.000	0.0787	PL	16
		83.9%	#20	0.850	0.0335	PI	15
		81.9%	#40	0.425	0.0165	Fines Classification	CL
		79.6%	#60	0.250	0.0098		
		76.2%	#100	0.150	0.0059		
		73.9%	#140	0.106	0.0042		
FINES	71.5%	71.6%	#200	0.075	0.0029		

CLAY with sand (CLs)

PND ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	DATE:	JUNE 15, 2017
PROJECT #:	162083	TESTED BY:	KDB2
BOREHOLE #:	03	CHECKED BY:	SH
SAMPLE #:	05		
DEPTH (ft):	50-51.5		

GRADATION - ASTM D6913

#200 WASH

WEIGHT IN GRAMS	
TARE	712.31
WET SOIL + TARE	4570.00
DRY SOIL + TARE	4562.00
DRY SOIL + TARE **BEFORE WASH**	4562.00
DRY SOIL + TARE **AFTER WASH**	4330.00
WEIGHT OF DRY SOIL AFTER WASH	3617.69
% FINES	6.03
MOISTURE CONTENT	0.2%

SIEVE ANALYSIS

	SIEVE SIZE	SIEVE WT.	SIEVE WT + SOIL	WT. RET.	% RET.	CUM. WT. RET.	CUM. % RET.	CUM. % PASS
GRAVEL	3.000"			0.00	0.0	0.00	0.0	100.0
	2.000"			0.00	0.0	0.00	0.0	100.0
	1.500"		554.64	554.64	14.4	554.64	14.4	85.6
	1.000"		75.77	75.77	2.0	630.41	16.4	83.6
	0.750"		106.95	106.95	2.8	737.36	19.2	80.8
	0.375"	518.18	1002.10	483.92	12.6	1221.28	31.7	68.3
SAND	#4	737.30	1151.02	413.72	10.7	1635.00	42.5	57.5
	#10	454.88	840.08	385.20	10.0	2020.20	52.5	47.5
	#20	416.21	792.70	376.49	9.8	2396.69	62.3	37.7
	#40	389.60	783.88	394.28	10.2	2790.97	72.5	27.5
	#60	374.47	735.66	361.19	9.4	3152.16	81.9	18.1
	#100	338.08	581.20	243.12	6.3	3395.28	88.2	11.8
	#140	311.19	410.23	99.04	2.6	3494.32	90.8	9.2
FINES	#200	425.61	519.53	93.92	2.4	3588.24	93.2	6.8
	PAN/WASH	365.90	392.31	258.41	6.7	3846.65	99.9	0.1

% GRAVEL	42.5
% SAND	50.8
% FINES	6.7

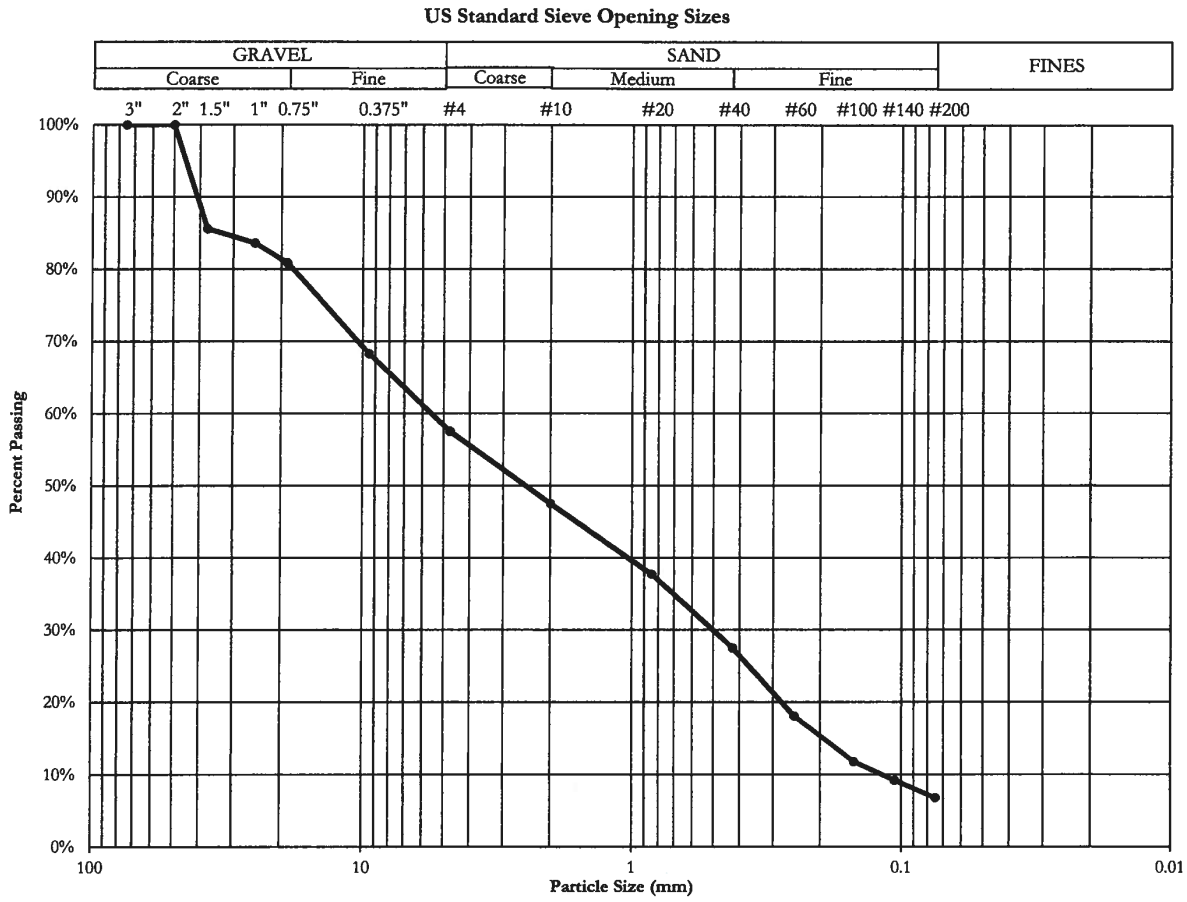
CLASSIFICATION: Poorly graded SAND with silt and gravel (SPg-SM)

NOTE: SAME TARE MUST BE USED FOR ALL WEIGHTS

P | N | D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO PROPERTIES GEOTECH	**DATE:**	JUNE 15, 2017
PROJECT #:	162083	**TESTED BY:**	KDB2
BOREHOLE #:	SURFICIAL	**CHECKED BY:**	SH
SAMPLE #:	STOCKPILE		
DEPTH (ft):			

GRADATION - ASTM D6913



	LMA	% PASS	SIEVE	mm	in	Material Properties	
GRAVEL	42.5%	100.0%	3.000"	75.000	3.000	D10	0.118
		100.0%	2.000"	50.000	2.000	D30	0.503
		85.6%	1.500"	37.500	1.500	D50	2.478
		83.6%	1.000"	25.000	1.000	D60	5.571
		80.8%	0.750"	19.000	0.750	Cu	47.374
		68.3%	0.375"	9.500	0.375	Cc	0.387
SAND	50.8%	57.5%	#4	4.750	0.187	LL	N/A
		47.5%	#10	2.000	0.0787	PL	N/A
		37.7%	#20	0.850	0.0335	PI	N/A
		27.5%	#40	0.425	0.0165	Fines Classification	ML
		18.1%	#60	0.250	0.0098		
		11.8%	#100	0.150	0.0059		
		9.2%	#140	0.106	0.0042		
FINES	6.7%	6.8%	#200	0.075	0.0029		

Poorly graded SAND with silt and gravel (SPg-SM)

P | N | D
ENGINEERS, INC.

PROJECT NAME:	RCHIPELAGO PROPERTIES GEOTEC	DATE:	JUNE 15, 2017
PROJECT #:	162083	TESTED BY:	KDB2
BOREHOLE #:	SURFICIAL	CHECKED BY:	SH
SAMPLE #:	STOCKPILE		
DEPTH (ft):			

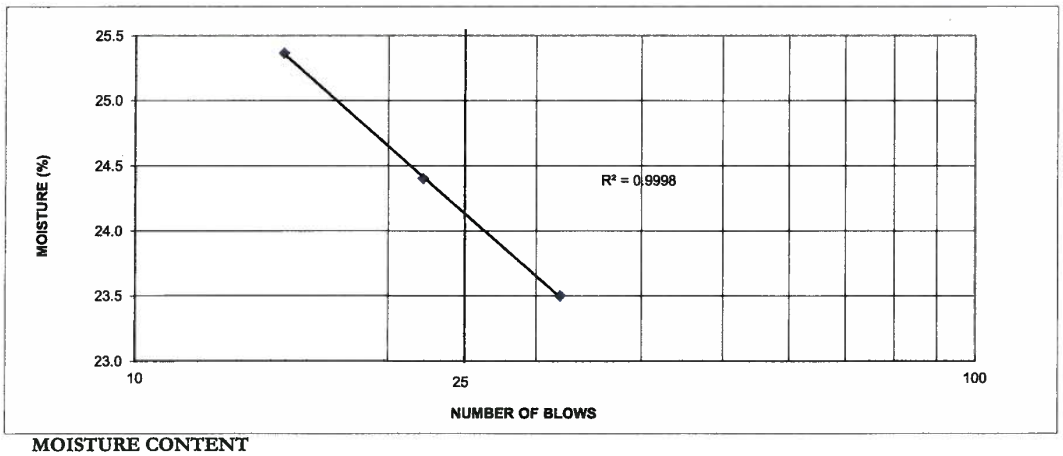
ATTERBERG LIMITS
ASTM D 4318

P | N | D
ENGINEERS, INC.

JOB NUMBER:	162083	SAMPLE NUMBER:	5
BOREHOLE NUMBER:	1	DEPTH (ft):	35-36.5ft

LIQUID LIMIT

Tare, g	Moist Soil & Tare, g	Dry Soil & Tare, g	Moisture, g	Dry Soil, g	Moisture, %	Number of Blows
20.68	27.88	26.51	1.37	5.83	23.5	32
20.95	29.26	27.63	1.63	6.68	24.4	22
20.49	28.20	26.64	1.56	6.15	25.4	15
			0.00	0.00	#DIV/0!	
20.43	37.82	35.15	2.67	14.72	18.1	
20.57	32.52	30.71	1.81	10.14	17.9	



MOISTURE CONTENT AS TESTED (%):	#DIV/0!	LIQUID LIMIT:	24
		PLASTIC LIMIT:	18
USCS:	CL-ML	PLASTICITY INDEX:	6.0

DATE: 6/28/2017 TECH: KDB2 REVIEW: SH

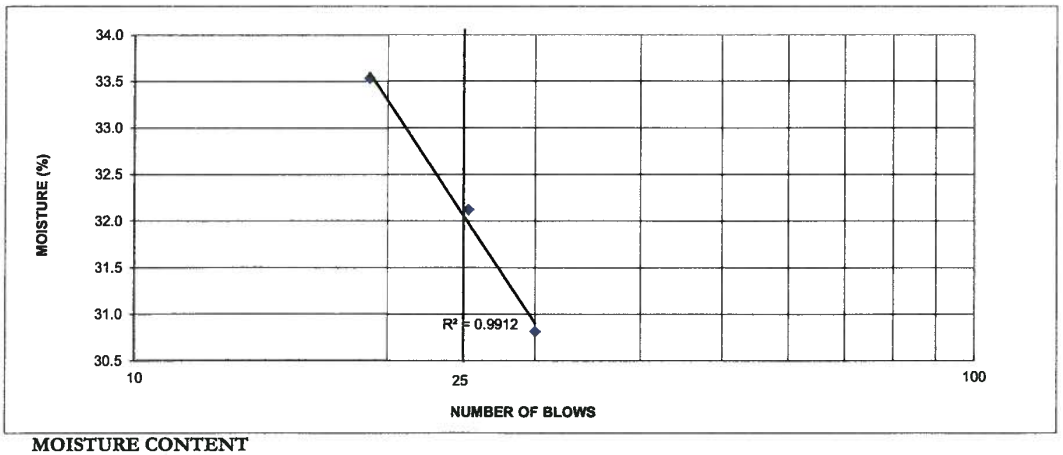
ATTERBERG LIMITS
ASTM D 4318

P | N | D
ENGINEERS, INC.

JOB NUMBER:	162083	SAMPLE NUMBER:	5
BOREHOLE NUMBER:	3	DEPTH (ft):	50-51.5

LIQUID LIMIT

Tare, g	Moist Soil & Tare, g	Dry Soil & Tare, g	Moisture, g	Dry Soil, g	Moisture, %	Number of Blows
20.96	30.13	27.97	2.16	7.01	30.8	30
20.58	27.86	26.09	1.77	5.51	32.1	25
20.42	29.18	26.98	2.20	6.56	33.5	19
20.71	33.11	31.37	1.74	10.66	16.3	
20.96	33.43	31.69	1.74	10.73	16.2	



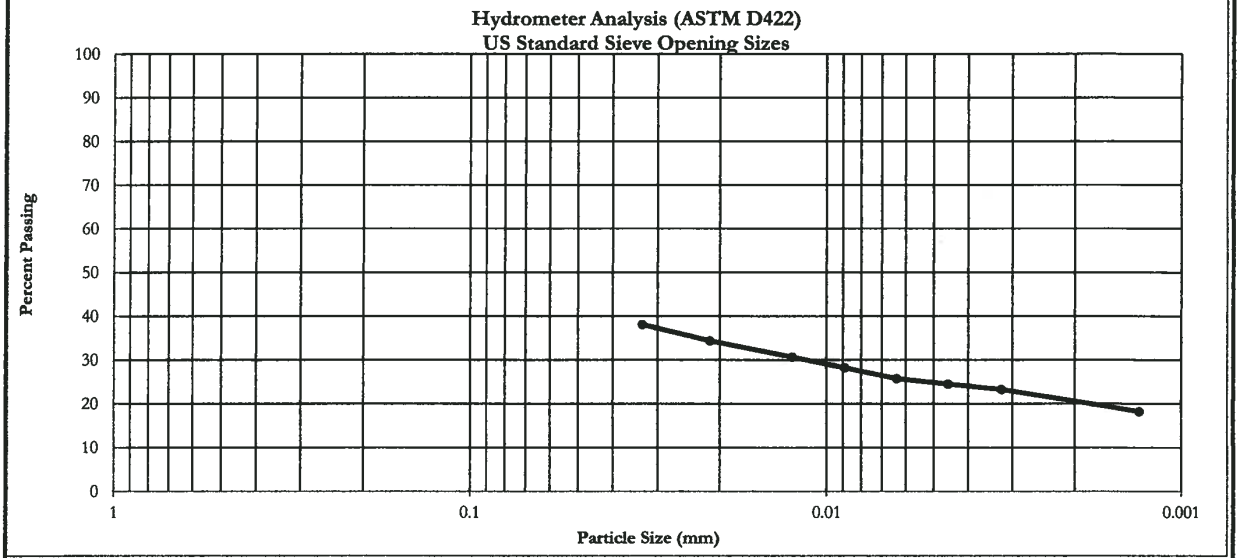
MOISTURE CONTENT AS TESTED (%):	#DIV/0!	LIQUID LIMIT:	31
		PLASTIC LIMIT:	16
USCS:	CL	PLASTICITY INDEX:	15

DATE: 6/28/2017 TECH: KDB2 REVIEW: SH

HYDROMETER ANALYSIS - ASTM D422 - USING THE 152H HYDROMETER

HYDROMETER ID	152H	
TARE	0.00	g
TARE + DRY SOIL	65.00	g
DRY SOIL	65.00	g
SPECIFIC GRAVITY OF SOILIDS	2.65	

DATE	TIME	ELAPSED TIME	HYDROMETER READING	TEMP.	CALIBRATION READING	PARTICLE DIAMETER	PERCENT FINER
	0:00:15	0.25			1.001	#N/A	#N/A
	0:00:30	0.50			1.001	#N/A	#N/A
	0:01:00	1			1.001	#N/A	#N/A
	0:02:00	2	1.017	21	1.001	0.033	38.0896106
	0:05:00	5	1.016	21	1.001	0.021	34.38199114
	0:08:00	8		21	1.001	#N/A	-2475.676384
	0:15:00	15	1.014	21	1.001	0.013	30.67437168
	0:30:00	30	1.013	21	1.001	0.009	28.20262537
	1:00:00	60	1.012	21	1.001	0.006	25.73087906
	2:00:00	120	1.012	21	1.001	0.005	24.49500591
	4:00:00	240	1.011	21	1.001	0.003	23.25913275
	8:00:00	480			1.001	#N/A	#N/A
	24:00:00	1440	1.009	23	1.001	0.001	18.18709093



P | N | D
ENGINEERS, INC.

PROJECT NAME:	ARCHIPELAGO GEOTECH	DATE:	27-Jun-17
PROJECT #:	162083	TESTED BY:	KDB2
BOREHOLE #:	2	CHECKED BY:	SH
SAMPLE #:	8		
DEPTH (ft):	39-40.5 ft		

Moisture Content of Soils	Date: June 2017	Project: Archipelago Geotech
ASTM D2216 / AASHTO T265	Tech: KDB2	162083
NOTES:		Reviewed by: SCS

PND ENGINEERS, INC.

Hole ID	Sample No.	Depth from	Depth to	Tare Wt.	Wet Sample Wt. (Soil + Tare)	Dry Sample Weight (Soil + Tare)	Water Weight (Wet Soil - Dry Soil)	Dry Soil Weight (Dry Sample - Tare)	Moisture Content
-	-	ft	ft	g	g	g	g	g	%
1	5	35	36.5	716.25	3708.00	3268.00	440.0	2551.8	17.2
1	7	45	46.5	711.96	3476.00	3011.93	464.1	2300.0	20.2
2	6	29	30.5	600.52	2979.36	2554.21	425.2	1953.7	21.8
2	8	39	40.5	590.18	4174.00	3740.00	434.0	3149.8	13.8
2	9	49	50.5	597.81	2329.33	2035.03	294.3	1437.2	20.5
3	4	40	41.5	710.52	3046.27	2634.77	411.5	1924.3	21.4
3	5	50	51.5	713.55	3148.00	2691.20	456.8	1977.7	23.1
Surficial Fill (Stockpile)				712.31	4570.00	4562.00	8.0	3849.7	0.2

Appendix D

Corrected Blow Counts
and Liquefaction Analysis

P | N | D

SPT BLOW COUNT CORRECTIONS AND LIQUEFACTION POTENTIAL[1]

Input Parameters:

Hammer / Split Spoon			
Spoon OD (in.) =	3.0	ER =	60 %
Spoon ID (in.) =	2.5	Dia =	115 (85-115, 150 or 200) mm
Hammer weight (lb) =	340	Sampler Lined (Y/N) =	N/A
Hammer Drop (in.) =	30		
SPT Spoon OD (in.) =	2.0		
SPT Spoon ID (in.) =	1.375		
SPT Hammer weight (lb) =	140		
SPT Hammer Drop (in.) =	30		

Earthquake Motion		
Return Period =	2475	years
Mw =	8.00	
PGA =	0.290	g (CLE)

Groundwater		
WD =	8	ft

Note: Water depth relative to ground surface below concrete slab, see borehole log

Surcharge	0	psf

Sample Size Correction Factor Equations From Fang's Foundation Engineering Handbook, 2nd Ed

Cohesive ONLY <-only use this for clay

Chs = W H (ODspt^2 - IDspt^2) / Wspt Hspt (OD^2 - ID^2)

Chs = Rc(spt)/Rc = 1.86

Rc(clay)= OD^2 - ID^2 / 12 W H

Cohesionless ONLY

Chs = W H (ODspt^3 - IDspt^3) / Wspt Hspt (OD^3 - ID^3)

Chs = Rs(spt)/Rs 1.15

Rs(sand)= OD^3 - ID^3 / 144 W H

Borehole = BH-1

Depth (ft)	Soil Type	γ_{bulk} (pcf)	N_{Field} (blows/ft)	Fines Content (%)	σ_v (psf)	σ'_v (psf)	overburden factor C_N	sampler size factor C_{HS}	sample liner factor C_S	energy factor C_E	rod length factor C_R	borehole dia. factor C_B	N_{60} (blows/ft)	$(N_1)_{60}$ (blows/ft)	Dr %	ΔN	$(N_1)_{60\ CS}$ (blows/ft)	r_d	CSR	$CRR_{7.5}$	MSF	K_σ	CRR	FS_{LIQ}	Potentially Liquefiable?
5	Gravel	125	14	10	625	625	1.70	1.15	1.00	1.33	0.85	1.00	18	31	76	1.149	32	0.9882	0.1882	0.67	0.876	1.100	0.65	2.00	No
10	Gravel	125	33	10	1,250	1,125	1.33	1.15	1.00	1.33	0.95	1.00	48	64	90	1.149	65	0.9892	0.2071	2.00	0.876	1.100	1.93	2.00	No
15	Gravel	125	4	10	1,875	1,438	1.18	1.15	1.00	1.33	0.95	1.00	6	7	38	1.149	8	0.9786	0.2405	0.10	0.876	1.033	0.09	0.39	Yes
20	Silt	115	8	70	2,450	1,701	1.08	1.15	1.00	1.33	0.95	1.00	12	13	57	5.575	18	0.9668	0.2624	0.19	0.876	1.027	0.17	0.64	Yes
25	Sand	115	4	49	3,025	1,964	1.01	1.15	1.00	1.33	1.00	1.00	6	6	46	5.814	12	0.9536	0.2768	0.13	0.876	1.007	0.12	0.42	Yes
30	Sand	115	6	49	3,600	2,227	0.95	1.15	1.00	1.33	1.00	1.00	9	9	51	5.814	14	0.9394	0.2882	0.15	0.876	0.994	0.13	0.48	Yes
35	Silt	115	4	76	4,175	2,490	0.90	1.15	1.00	1.33	1.00	1.00	6	6	45	5.556	11	0.9241	0.2921	0.13	0.876	0.984	0.11	0.37	Yes
40	Silt	115	4	76	4,750	2,753	0.85	1.15	1.00	1.33	1.00	1.00	6	5	44	5.556	11	0.9081	0.2953	0.12	0.876	0.975	0.11	0.36	Yes
50	Silt	115	22	76	5,900	3,279	0.78	1.15	1.00	1.33	1.00	1.00	34	26	76	5.556	32	0.8741	0.2964	0.64	0.876	0.902	0.51	1.71	No
53	Silt	115	22	76	6,245	3,437	0.76	1.15	1.00	1.33	1.00	1.00	34	26	75	5.556	31	0.8636	0.2958	0.58	0.876	0.894	0.46	1.55	No
53	Gravel	150	1000	10	6,245	3,437	0.76	1.15	1.00	1.33	1.00	1.00	1537	1173	90	1.149	1174	0.8636	0.2958	2.00	0.876	0.858	1.50	2.00	No
53	Gravel	150	1000	10	6,245	3,437	0.76	1.15	1.00	1.33	1.00	1.00	1537	1173	90	1.149	1174	0.8636	0.2958	2.00	0.876	0.858	1.50	2.00	No
53	Gravel	150	1000	10	6,245	3,437	0.76	1.15	1.00	1.33	1.00	1.00	1537	1173	90	1.149	1174	0.8636	0.2958	2.00	0.876	0.858	1.50	2.00	No
53	Gravel	150	1000	10	6,245	3,437	0.76	1.15	1.00	1.33	1.00	1.00	1537	1173	90	1.149	1174	0.8636	0.2958	2.00	0.876	0.858	1.50	2.00	No
53	Gravel	150	1000	10	6,245	3,437	0.76	1.15	1.00	1.33	1.00	1.00	1537	1173	90	1.149	1174	0.8636	0.2958	2.00	0.876	0.858	1.50	2.00	No
53	Gravel	150	1000	10	6,245	3,437	0.76	1.15	1.00	1.33	1.00	1.00	1537	1173	90	1.149	1174	0.8636	0.2958	2.00	0.876	0.858	1.50	2.00	No
53	Gravel	150	1000	10	6,245	3,437	0.76	1.15	1.00	1.33	1.00	1.00	1537	1173	90	1.149	1174	0.8636	0.2958	2.00	0.876	0.858	1.50	2.00	No
53	Gravel	150	1000	10	6,245	3,437	0.76	1.15	1.00	1.33	1.00	1.00	1537	1173	90	1.149	1174	0.8636	0.2958	2.00	0.876	0.858	1.50	2.00	No
																		1.0057							

Note: Sample depths are relative to the ground surface below concrete slab, see borehole log

N_{Median} 18

Legend

Depth	Depth of sample (ft)
Soil Type	Dominate soil type: Gravel, Sand, Silt, or Clay
γ_{bulk}	Bulk unit weight of soil (pcf)
N_{Field}	Uncorrected SPT field blowcount
Fines Content	Approximate percent of fines (minus No. 200)
σ_v	Total vertical stress
σ'_v	Effective vertical stress
ER	Energy ratio for the SPT hammer system (%)
WD	Groundwater level below ground surface (ft)
C_N	Overburden correction for SPT blowcount
C_E	Energy correction for SPT blowcount (ER/60)
C_B	Borehole diameter correction for SPT blowcount
C_R	Rod length correction for SPT blowcount
C_S	Sampler correction for SPT blowcount
C_{HS}	Sampler and Hammer correction for SPT blowcount (Burmister 1948)
Dia	Borehole diameter (mm)
Sampler Lined	Sampler lined or unlined
GSE	Ground surface elevation (feet)
$(N_1)_{60}$	SPT blowcount corrected for all factors (SSC Lieo and RV Whitman 1986)
$(N_1)_{60\ CS}$	SPT blowcount corrected for fines content
Dr	Relative Density, % (max of 90%)
r_d	Stress reduction factor
CSR	Cyclic Stress Ratio (seismic demand)
$CRR_{7.5}$	Cyclic Resistance Ratio (soil capacity) normalized for a Mw = 7.5 earthquake
MSF	Magnitude scaling factor
FS_{LIQ}	Factor of Safety against liquefaction being triggered (NOT APPLICABLE IF SOIL TYPE IS A CLAY)
Mw:	Earthquake moment magnitude
PGA	Maximum horizontal acceleration at ground surface (g)

LIQUEFACTION SETTLEMENT

Idriss and Boulanger, 2008[1]

γ_{lim} (%)	Fα	γ_{max} (%)	ε_v (%)	Settlement (inches)
0.034	-0.24	0.000	0.00%	0.000
0.000	-2.89	0.000	0.00%	0.000
0.500	0.94	0.500	4.22%	2.529
0.193	0.61	0.193	2.48%	1.489
0.388	0.87	0.388	3.37%	2.025
0.295	0.78	0.295	2.96%	1.779
0.421	0.89	0.421	3.52%	2.110
0.434	0.90	0.434	3.57%	2.142
0.035	-0.22	0.006	0.12%	0.145
0.038	-0.18	0.011	0.21%	0.074
0.000	-128.93	0.000	0.00%	0.000
0.000	-128.93	0.000	0.00%	0.000
0.000	-128.93	0.000	0.00%	0.000
0.000	-128.93	0.000	0.00%	0.000
0.000	-128.93	0.000	0.00%	0.000
0.000	-128.93	0.000	0.00%	0.000
0.000	-128.93	0.000	0.00%	0.000
0.000	-128.93	0.000	0.00%	0.000

Total Settlement: S = 12.3 in

Ishihara, 1992[2]

FS_{LIQ}	Dr %	ε_v (%)	Settlement (inches)
2.00	76	0.00%	0.000
2.00	90	0.00%	0.000
0.39	38	4.68%	2.807
0.64	57	2.93%	1.760
0.42	46	3.87%	2.320
0.46	51	3.42%	2.054
0.37	45	4.02%	2.413
0.38	44	4.07%	2.445
1.71	76	0.08%	0.098
1.55	75	0.13%	0.047
2.00	90	0.00%	0.000
2.00	90	0.00%	0.000
2.00	90	0.00%	0.000
2.00	90	0.00%	0.000
2.00	90	0.00%	0.000
2.00	90	0.00%	0.000
2.00	90	0.00%	0.000
2.00	90	0.00%	0.000

Total Settlement: S = 13.9 in

Tokimatsu and Seed, 1987[3] as modified by Lee, 2007[4]

$(N_1)_{60cs}$ (blows/ft)	CSR	ε_v (%)	Settlement (inches)
32	0.188	0.00%	0.000
65	0.207	0.00%	0.000
8	0.241	3.20%	1.921
18	0.282	1.96%	1.175
12	0.277	2.54%	1.524
14	0.286	2.26%	1.356
11	0.292	2.64%	1.586
11	0.295	2.66%	1.609
32	0.296	0.00%	0.000
31	0.296	0.03%	0.009
1174	0.296	0.00%	0.000
1174	0.296	0.00%	0.000
1174	0.296	0.00%	0.000
1174	0.296	0.00%	0.000
1174	0.296	0.00%	0.000
1174	0.296	0.00%	0.000
1174	0.296	0.00%	0.000
1174	0.296	0.00%	0.000

Total Settlement: S = 9.2 in

References:

1 Soil Liquefaction During Earthquakes, I.M. Idriss, and R.W. Boulanger, Earthquake Engineering Research Institute Monograph No. MNO-12, 2008

2 Evaluation of Settlements in Sand Deposits Following Earthquakes, Ishihara, K. and Yoshimine, M., Soils and Foundations, Vol.32, No.1, pp.173-188, 1992.

3 Evaluation of Settlements in Sand Due to Earthquake Shaking, Tokimatsu, K. and Seed, H.B., Journal of Geotechnical Engineering, Vol. 113, No. 8, pp. 861-878, 1987.

4 Earthquake-Induced Settlements In Saturated Sandy Soils, Lee, C.Y., ARPN Journal of Engineering and Applied Sciences, Vol. 2, No. 4, pp. 8-13, 2007

SPT BLOW COUNT CORRECTIONS AND LIQUEFACTION POTENTIAL[1]

Input Parameters:

Hammer / Split Spoon	
Spoon OD (in.) =	3.0
Spoon ID (in.) =	2.5
Hammer weight (lb) =	340
Hammer Drop (in.) =	30
SPT Spoon OD (in.) =	2.0
SPT Spoon ID (in.) =	1.375
SPT Hammer weight (lb) =	140
SPT Hammer Drop (in.) =	30

ER = 80 %
Dia = 115 (65-115, 150 or 200) mm
Sampler Lined (Y/N) = N/A

Groundwater
WD = 18 ft

Surcharge: 0 psf

Earthquake Motion
Return Period = 2475 years
Mw = 8.00
PGA = 0.290 g (CLE)

Sample Size Correction Factor Equations From Fang's Foundation Engineering Handbook, 2nd Ed

Cohesive ONLY <-only use this for clay
Chs = W H (ODspt^2 - IDspt^2) / Wspt Hspt (OD^2 - ID^2)
Chs = Rc(spt)/Rc = 1.86
Rc(clay)= OD^2 - ID^2 / 12 W H

Cohesionless ONLY
Chs = W H (ODspt^3 - IDspt^3) / Wspt Hspt (OD^3 - ID^3)
Chs = Rs(spt)/Rs = 1.15
Rs(sand)= OD^3 - ID^3 / 144 W H

Borehole = BH-2

Depth (ft)	Soil Type	γ_{bulk} (pcf)	N_{Field} (blows/ft)	Fines Content (%)	σ_v (psf)	σ'_v (psf)	overburden factor C_N	sampler size factor C_{HS}	sample liner factor C_s	energy factor C_E	rod length factor C_R	borehole dia. factor C_B	N_{60} (blows/ft)	$(N_1)_{60}$ (blows/ft)	Dr %	ΔN	$(N_1)_{60\ cs}$ (blows/ft)	r_d	CSR	$CRR_{7.5}$	MSF	K_σ	CRR	FS_{LIQ}	Potentially Liquefiable?
4	Gravel	125	23	5	500	500	1.70	1.15	1.00	1.33	0.75	1.00	27	45	90	0.002	45	0.9998	0.1885	2.00	0.876	1.100	1.93	2.00	No
9	Gravel	125	8	10	1,125	1,125	1.33	1.15	1.00	1.33	0.75	1.00	9	12	49	1.149	13	0.9911	0.1868	0.14	0.876	1.066	0.13	0.72	No
14	Sand	120	7	15	1,725	1,725	1.08	1.15	1.00	1.33	0.85	1.00	9	10	49	3.261	13	0.9809	0.1849	0.14	0.876	1.021	0.13	0.68	No
19	Sand	120	8	15	2,325	2,263	0.94	1.15	1.00	1.33	0.85	1.00	10	10	49	3.261	13	0.9892	0.1677	0.14	0.876	0.993	0.12	0.65	Yes
24	Sand	120	6	10	2,925	2,551	0.89	1.15	1.00	1.33	0.95	1.00	9	8	40	1.149	9	0.9583	0.2067	0.11	0.876	0.983	0.10	0.46	Yes
29	Silt	115	3	57	3,500	2,814	0.84	1.15	1.00	1.33	0.95	1.00	4	4	41	5.809	9	0.9423	0.2210	0.11	0.876	0.974	0.10	0.44	Yes
34	Silt	115	5	57	4,075	3,077	0.81	1.15	1.00	1.33	1.00	1.00	8	6	46	5.809	12	0.9272	0.2315	0.13	0.876	0.963	0.11	0.48	Yes
39	Sand	115	15	42	4,650	3,340	0.77	1.15	1.00	1.33	1.00	1.00	23	18	65	5.591	23	0.9113	0.2392	0.26	0.876	0.930	0.21	0.88	Yes
49	Silt	115	7	70	5,800	3,868	0.72	1.15	1.00	1.33	1.00	1.00	11	8	49	5.575	13	0.8778	0.2482	0.14	0.876	0.937	0.12	0.47	Yes
54	Silt	115	7	70	6,375	4,129	0.70	1.15	1.00	1.33	1.00	1.00	11	7	49	5.575	13	0.8601	0.2503	0.14	0.876	0.931	0.11	0.46	Yes
68	Silt	115	7	70	7,985	4,865	0.64	1.15	1.00	1.33	1.00	1.00	11	7	48	5.575	12	0.8106	0.2508	0.14	0.876	0.916	0.11	0.43	Yes
68	Gravel	150	1000	10	7,985	4,865	0.64	1.15	1.00	1.33	1.00	1.00	1537	986	90	1.149	987	0.8106	0.2508	2.00	0.876	0.753	1.32	2.00	No
68	Gravel	150	1000	10	7,985	4,865	0.64	1.15	1.00	1.33	1.00	1.00	1537	986	90	1.149	987	0.8106	0.2508	2.00	0.876	0.753	1.32	2.00	No
68	Gravel	150	1000	10	7,985	4,865	0.64	1.15	1.00	1.33	1.00	1.00	1537	986	90	1.149	987	0.8106	0.2508	2.00	0.876	0.753	1.32	2.00	No
68	Gravel	150	1000	10	7,985	4,865	0.64	1.15	1.00	1.33	1.00	1.00	1537	986	90	1.149	987	0.8106	0.2508	2.00	0.876	0.753	1.32	2.00	No
68	Gravel	150	1000	10	7,985	4,865	0.64	1.15	1.00	1.33	1.00	1.00	1537	986	90	1.149	987	0.8106	0.2508	2.00	0.876	0.753	1.32	2.00	No
68	Gravel	150	1000	10	7,985	4,865	0.64	1.15	1.00	1.33	1.00	1.00	1537	986	90	1.149	987	0.8106	0.2508	2.00	0.876	0.753	1.32	2.00	No
																		1.0057							

N_{60avg} 12

Legend

Depth	Depth of sample (ft)
Soil Type	Dominate soil type: Gravel, Sand, Silt, or Clay
γ_{bulk}	Bulk unit weight of soil (pcf)
N_{Field}	Uncorrected SPT field blowcount
Fines Content	Approximate percent of fines (minus No. 200)
σ_v	Total vertical stress
σ'_v	Effective vertical stress
ER	Energy ratio for the SPT hammer system (%)
WD	Groundwater level below ground surface (ft)
C_N	Overburden correction for SPT blowcount
C_E	Energy correction for SPT blowcount (ER/60)
C_B	Borehole diameter correction for SPT blowcount
C_R	Rod length correction for SPT blowcount
C_S	Sampler correction for SPT blowcount
C_{HS}	Sampler and Hammer correction for SPT blowcount (Burmister 1948)
Dia	Borehole diameter (mm)
Sampler Lined	Sampler lined or unlined
GSE	Ground surface elevation (feet)
$(N_1)_{60}$	SPT blowcount corrected for all factors (SSC Liao and RV Whitman 1986)
$(N_1)_{60\ cs}$	SPT blowcount corrected for fines content
Dr	Relative Density, % (max of 90%)
r_d	Stress reduction factor
CSR	Cyclic Stress Ratio (seismic demand)
$CRR_{7.5}$	Cyclic Resistance Ratio (soil capacity) normalized for a Mw = 7.5 earthquake
MSF	Magnitude scaling factor
FS_{LIQ}	Factor of Safety against liquefaction being triggered (NOT APPLICABLE IF SOIL TYPE IS A CLAY)
Mw:	Earthquake moment magnitude
PGA	Maximum horizontal acceleration at ground surface (g)

LIQUEFACTION SETTLEMENT

Idriss and Boulanger, 2008[1]

γ_{lim} (%)	Fα	γ_{max} (%)	ε_v (%)	Settlement (inches)	FS_{LIQ}
0.002	-1.20	0.000	0.00%	0.000	2.00
0.325	0.81	0.325	3.10%	0.000	0.72
0.337	0.83	0.337	3.15%	0.000	0.68
0.338	0.83	0.338	3.16%	0.000	0.65
0.500	0.93	0.500	3.99%	2.393	0.46
0.500	0.93	0.500	3.89%	2.336	0.44
0.388	0.87	0.388	3.38%	2.026	0.48
0.107	0.33	0.048	1.21%	0.727	0.86
0.330	0.82	0.330	3.12%	3.748	0.47
0.339	0.83	0.339	3.16%	1.897	0.46
0.361	0.85	0.361	3.26%	5.476	0.43
0.000	-106.58	0.000	0.00%	0.000	2.00
0.000	-106.58	0.000	0.00%	0.000	2.00
0.000	-106.58	0.000	0.00%	0.000	2.00
0.000	-106.58	0.000	0.00%	0.000	2.00
0.000	-106.58	0.000	0.00%	0.000	2.00
0.000	-106.58	0.000	0.00%	0.000	2.00
0.000	-106.58	0.000	0.00%	0.000	2.00

Total Settlement
S = 18.6 in

Ishihara, 1992[2]

Dr %	ε_v (%)	Settlement (inches)
90	0.00%	0.000
49	3.56%	0.000
49	3.62%	0.000
49	3.62%	0.000
40	4.48%	2.690
41	4.39%	2.634
46	3.87%	2.322
65	1.78%	1.069
49	3.58%	4.302
49	3.63%	2.178
48	3.74%	6.281
90	0.00%	0.000
90	0.00%	0.000
90	0.00%	0.000
90	0.00%	0.000
90	0.00%	0.000
90	0.00%	0.000
90	0.00%	0.000

Total Settlement
S = 21.5 in

Tokimatsu and Seed, 1987[3] as modified by Lee, 2007[4]

$(N_1)_{60cs}$ (blows/ft)	CSR	ε_v (%)	Settlement (inches)
45	0.188	0.00%	0.000
13	0.187	2.35%	0.000
13	0.185	2.39%	0.000
13	0.188	2.39%	0.000
9	0.207	3.01%	1.806
9	0.221	2.93%	1.760
12	0.232	2.54%	1.525
23	0.239	1.68%	1.011
13	0.248	2.37%	2.838
13	0.250	2.39%	1.435
12	0.251	2.46%	4.132
987	0.251	0.00%	0.000
987	0.251	0.00%	0.000
987	0.251	0.00%	0.000
987	0.251	0.00%	0.000
987	0.251	0.00%	0.000
987	0.251	0.00%	0.000
987	0.251	0.00%	0.000

Total Settlement
S = 14.5 in

References:

1 Soil Liquefaction During Earthquakes, I.M. Idriss, and R.W. Boulanger, Earthquake Engineering Research Institute Monograph No. MNO-12, 2008
2 Evaluation of Settlements in Sand Deposits Following Earthquakes, Ishihara, K. and Yoshimine, M., Soils and Foundations, Vol.32, No.1, pp.173-188, 1992.
3 Evaluation of Settlements in Sand Due to Earthquake Shaking, Tokimatsu, K. and Seed, H.B., Journal of Geotechnical Engineering, Vol. 113, No. 8, pp. 861-878, 1987.
4 Earthquake-Induced Settlements in Saturated Sandy Soils, Lee, C.Y., ARPN Journal of Engineering and Applied Sciences, Vol. 2, No. 4, pp. 6-13, 2007

SPT BLOW COUNT CORRECTIONS AND LIQUEFACTION POTENTIAL[1]

Input Parameters:

Hammer / Split Spoon	
Spoon OD (in.) =	3.0
Spoon ID (in.) =	2.5
Hammer weight (lb) =	340
Hammer Drop (in.) =	30
SPT Spoon OD (in.) =	2.0
SPT Spoon ID (in.) =	1.375
SPT Hammer weight (lb) =	140
SPT Hammer Drop (in.) =	30

ER = 80 %
Dia = 115 (85-115, 150 or 200) mm
Sampler Lined (Y/N) = N/A

Groundwater
WD = 13 ft

Surcharge: 0 psf

Earthquake Motion
Return Period = 2475 years
Mw = 8.00
PGA = 0.290 g (CLE)

Sample Size Correction Factor Equations From Fang's Foundation Engineering Handbook, 2nd Ed

Cohesive ONLY <-only use this for clay
Chs = W H (ODspt^2 - IDspt^2) / Wspt Hspt (OD^2 - ID^2)
Chs = Rs(spt)/Rc = 1.86
Rc(clay)= OD^2 - ID^2 / 12 W H

Cohesionless ONLY
Chs = W H (ODspt^3 - IDspt^3) / Wspt Hspt (OD^3 - ID^3)
Chs = Rs(spt)/Rs = 1.15
Rs(sand)= OD^3 - ID^3 / 144 W H

Borehole = BH-3

Depth (ft)	Soil Type	γ_{nat} (pcf)	N_{Field} (blows/ft)	Fines Content (%)	σ_v (psf)	σ'_v (psf)	overburden factor C_N	sampler size factor C_{HS}	sample liner factor C_s	energy factor C_E	rod length factor C_R	borehole dia. factor C_B	N_{60} (blows/ft)	$(N_1)_{60}$ (blows/ft)	Dr %	ΔN	$(N_1)_{60\ CS}$ (blows/ft)	r_d	CSR	$CRR_{7.5}$	MSF	K_σ	CRR	FS_{LIQ}	Potentially Liquefiable?
10	Gravel	125	5	10	1,250	1,250	1.26	1.15	1.00	1.33	0.75	1.00	6	7	39	1.149	8	0.9892	0.1865	0.11	0.876	1.046	0.10	0.53	No
20	Sand	120	4	15	2,450	2,013	1.00	1.15	1.00	1.33	0.95	1.00	6	6	41	3.261	9	0.9668	0.2218	0.11	0.876	1.004	0.10	0.44	Yes
30	Sand	120	14	10	3,650	2,589	0.88	1.15	1.00	1.33	0.95	1.00	20	18	59	1.149	19	0.9394	0.2496	0.20	0.876	0.974	0.17	0.87	Yes
40	Silt	115	11	59	4,800	3,115	0.80	1.15	1.00	1.33	1.00	1.00	17	14	59	5.605	19	0.9081	0.2637	0.20	0.876	0.950	0.16	0.82	Yes
50	Clay	115	3	72	5,950	3,641	0.74	1.86	1.00	1.33	1.00	1.00	7	6	45	5.589	11	0.8741	0.2892	0.13	0.876	0.948	0.10	0.39	No
60	Clay	115	3	72	7,100	4,167	0.69	1.86	1.00	1.33	1.00	1.00	7	5	44	5.589	11	0.8388	0.2894	0.12	0.876	0.935	0.10	0.37	No
70	Clay	115	3	72	8,250	4,693	0.65	1.86	1.00	1.33	1.00	1.00	7	5	43	5.589	10	0.8037	0.2863	0.12	0.876	0.925	0.10	0.37	No
73	Clay	115	3	72	8,595	4,851	0.64	1.86	1.00	1.33	1.00	1.00	7	5	43	5.589	10	0.7934	0.2850	0.12	0.876	0.922	0.10	0.37	No
50	Gravel	150	1000	70	5,145	2,838	0.84	1.15	1.00	1.33	1.00	1.00	1537	1291	90	5.575	1297	0.8741	0.2989	2.00	0.876	0.913	1.60	2.00	No
50	Gravel	150	1000	60	5,145	2,838	0.84	1.15	1.00	1.33	1.00	1.00	1537	1291	90	5.602	1297	0.8741	0.2989	2.00	0.876	0.913	1.60	2.00	No
50	Gravel	150	1000	10	5,145	2,838	0.84	1.15	1.00	1.33	1.00	1.00	1537	1291	90	1.149	1292	0.8741	0.2989	2.00	0.876	0.913	1.60	2.00	No
50	Gravel	150	1000	10	5,145	2,838	0.84	1.15	1.00	1.33	1.00	1.00	1537	1291	90	1.149	1292	0.8741	0.2989	2.00	0.876	0.913	1.60	2.00	No
50	Gravel	150	1000	10	5,145	2,838	0.84	1.15	1.00	1.33	1.00	1.00	1537	1291	90	1.149	1292	0.8741	0.2989	2.00	0.876	0.913	1.60	2.00	No
50	Gravel	150	1000	10	5,145	2,838	0.84	1.15	1.00	1.33	1.00	1.00	1537	1291	90	1.149	1292	0.8741	0.2989	2.00	0.876	0.913	1.60	2.00	No
50	Gravel	150	1000	10	5,145	2,838	0.84	1.15	1.00	1.33	1.00	1.00	1537	1291	90	1.149	1292	0.8741	0.2989	2.00	0.876	0.913	1.60	2.00	No
50	Gravel	150	1000	10	5,145	2,838	0.84	1.15	1.00	1.33	1.00	1.00	1537	1291	90	1.149	1292	0.8741	0.2989	2.00	0.876	0.913	1.60	2.00	No
50	Gravel	150	1000	10	5,145	2,838	0.84	1.15	1.00	1.33	1.00	1.00	1537	1291	90	1.149	1292	0.8741	0.2989	2.00	0.876	0.913	1.60	2.00	No
																		1.0057							

N_{60avg} 10

Legend

Depth	Depth of sample (ft)
Soil Type	Dominate soil type: Gravel, Sand, Silt, or Clay
γ_{nat}	Bulk unit weight of soil (pcf)
N_{Field}	Uncorrected SPT field blowcount
Fines Content	Approximate percent of fines (minus No. 200)
σ_v	Total vertical stress
σ'_v	Effective vertical stress
ER	Energy ratio for the SPT hammer system (%)
WD	Groundwater level below ground surface (ft)
C_N	Overburden correction for SPT blowcount
C_E	Energy correction for SPT blowcount (ER/60)
C_B	Borehole diameter correction for SPT blowcount
C_R	Rod length correction for SPT blowcount
C_S	Sampler correction for SPT blowcount
C_{HS}	Sampler and Hammer correction for SPT blowcount (Burmister 1948)
Dia	Borehole diameter (mm)
Sampler Lined	Sampler lined or unlined
GSE	Ground surface elevation (feet)
$(N_1)_{60}$	SPT blowcount corrected for all factors (SSC Liao and RV Whitman 1986)
$(N_1)_{60\ CS}$	SPT blowcount corrected for fines content
Dr	Relative Density, % (max of 90%)
r_d	Stress reduction factor
CSR	Cyclic Stress Ratio (seismic demand)
$CRR_{7.5}$	Cyclic Resistance Ratio (soil capacity) normalized for a Mw = 7.5 earthquake
MSF	Magnitude scaling factor
FS_{LIQ}	Factor of Safety against liquefaction being triggered (NOT APPLICABLE IF SOIL TYPE IS A CLAY)
Mw:	Earthquake moment magnitude
PGA	Maximum horizontal acceleration at ground surface (g)

LIQUEFACTION SETTLEMENT

Idriss and Boulanger, 2008[1]					Ishihara, 1992[2]			Tokimatsu and Seed, 1987[3] as modified by Lee, 2007[4]			
γ_{lim} (%)	$F_{\sigma g}$	γ_{max} (%)	ε_v (%)	Settlement (inches)	FS_{LIQ}	Dr %	ε_v (%)	Settlement (inches)	$(N_1)_{60cs}$ (blows/ft)	CSR	ε_v (%)	Settlement (inches)
0.500	0.94	0.500	4.11%	0.000	0.53	39	4.59%	0.000	8	0.186	3.11%	0.000
0.500	0.93	0.500	3.95%	0.000	0.44	41	4.44%	0.000	9	0.222	2.97%	0.000
0.175	0.56	0.175	2.39%	2.868	0.87	59	2.83%	3.399	19	0.250	1.90%	2.284
0.175	0.56	0.175	2.39%	2.864	0.82	59	2.83%	3.395	19	0.264	1.90%	2.282
0.420	0.89	0.420	3.51%	4.214	0.39	45	4.02%	4.821	11	0.269	2.64%	3.167
0.437	0.90	0.437	3.58%	0.000	0.37	44	4.09%	0.000	11	0.269	2.69%	0.000
0.451	0.90	0.451	3.64%	0.000	0.37	43	4.15%	0.000	10	0.266	2.74%	0.000
0.455	0.91	0.455	3.66%	0.000	0.37	43	4.16%	0.000	10	0.265	2.75%	0.000
0.000	-143.67	0.000	0.00%	0.000	2.00	90	0.00%	0.000	1297	0.299	0.00%	0.000
0.000	-143.67	0.000	0.00%	0.000	2.00	90	0.00%	0.000	1297	0.299	0.00%	0.000
0.000	-143.14	0.000	0.00%	0.000	2.00	90	0.00%	0.000	1292	0.299	0.00%	0.000
0.000	-143.14	0.000	0.00%	0.000	2.00	90	0.00%	0.000	1292	0.299	0.00%	0.000
0.000	-143.14	0.000	0.00%	0.000	2.00	90	0.00%	0.000	1292	0.299	0.00%	0.000
0.000	-143.14	0.000	0.00%	0.000	2.00	90	0.00%	0.000	1292	0.299	0.00%	0.000
0.000	-143.14	0.000	0.00%	0.000	2.00	90	0.00%	0.000	1292	0.299	0.00%	0.000
0.000	-143.14	0.000	0.00%	0.000	2.00	90	0.00%	0.000	1292	0.299	0.00%	0.000
0.000	-143.14	0.000	0.00%	0.000	2.00	90	0.00%	0.000	1292	0.299	0.00%	0.000
Total Settlement S = 9.9 in					**Total Settlement** S = 11.6 in				**Total Settlement** S = 7.7 in			

References:
1 Soil Liquefaction During Earthquakes, I.M. Idriss, and R.W. Boulanger, Earthquake Engineering Research Institute Monograph No. MNO-12, 2008
2 Evaluation of Settlements in Sand Deposits Following Earthquakes, Ishihara, K. and Yoshimine, M., Soils and Foundations, Vol.32, No.1, pp.173-188, 1992.
3 Evaluation of Settlements in Sand Due to Earthquake Shaking, Tokimatsu, K. and Seed, H.B., Journal of Geotechnical Engineering, Vol. 113, No. 8, pp. 861-878, 1987.
4 Earthquake-Induced Settlements in Saturated Sandy Soils, Lee, C.Y., ARPN Journal of Engineering and Applied Sciences, Vol. 2, No. 4, pp. 6-13, 2007

Appendix E

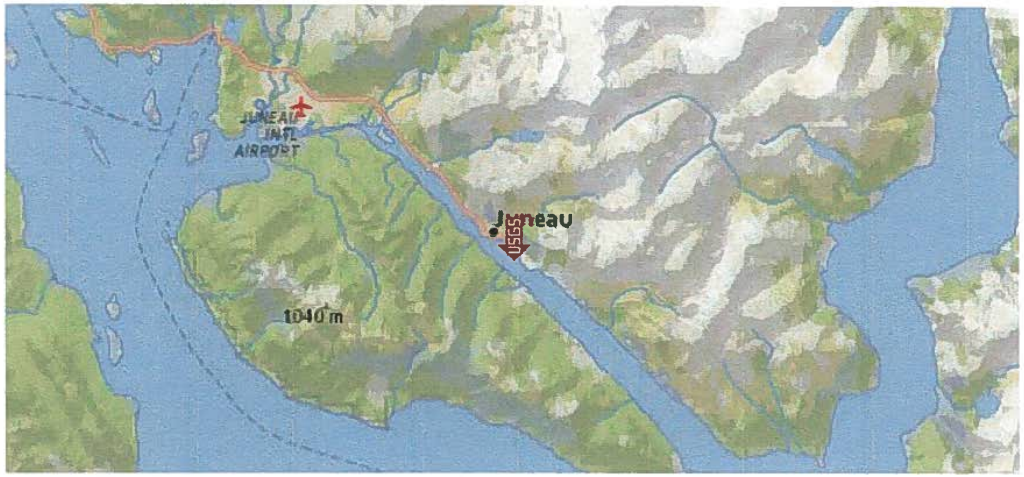
USGS Seismic Design Parameters

P | N | D

USGS Design Maps Summary Report

User-Specified Input

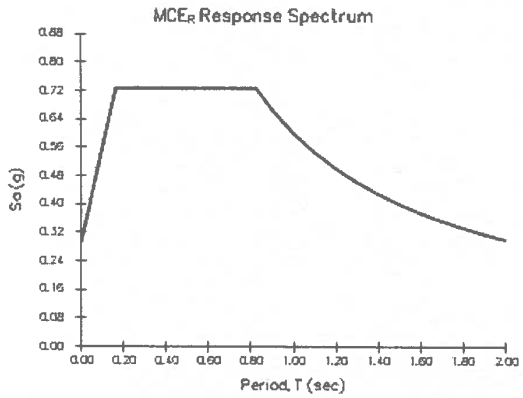
Report Title	Archipelago Properties Geotechnical Investigation Sun June 25, 2017 00:16:08 UTC
Building Code Reference Document	2012/2015 International Building Code (which utilizes USGS hazard data available in 2008)
Site Coordinates	58.2981°N, 134.4031°W
Site Soil Classification	Site Class D – "Stiff Soil"
Risk Category	I/II/III

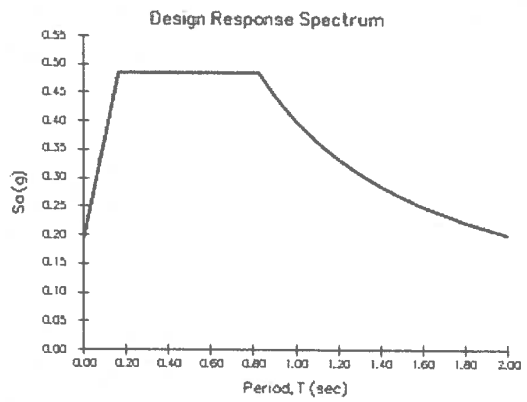


USGS-Provided Output

S_S =	0.528 g	S_{MS} =	0.727 g	S_{DS} =	0.485 g
S_1 =	0.356 g	S_{M1} =	0.601 g	S_{D1} =	0.400 g

For information on how the SS and S1 values above have been calculated from probabilistic (risk-targeted) and deterministic ground motions in the direction of maximum horizontal response, please return to the application and select the "2009 NEHRP" building code reference document.





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USGS Design Maps Detailed Report

2012/2015 International Building Code (58.2981°N, 134.4031°W)

Site Class D - "Stiff Soil", Risk Category I/II/III

Section 1613.3.1 — Mapped acceleration parameters

Note: Ground motion values provided below are for the direction of maximum horizontal spectral response acceleration. They have been converted from corresponding geometric mean ground motions computed by the USGS by applying factors of 1.1 (to obtain S_S) and 1.3 (to obtain S_1). Maps in the 2012/2015 International Building Code are provided for Site Class B. Adjustments for other Site Classes are made, as needed, in Section 1613.3.3.

From Figure 1613.3.1(4) [1] $S_S = 0.528$ g

From Figure 1613.3.1(5) [2] $S_1 = 0.356$ g

Section 1613.3.2 — Site class definitions

The authority having jurisdiction (not the USGS), site-specific geotechnical data, and/or the default has classified the site as Site Class D, based on the site soil properties in accordance with Section 1613.

2010 ASCE-7 Standard - Table 20.3-1
SITE CLASS DEFINITIONS

Site Class	$\bar{v}_s$	$\bar{N}$ or $\bar{N}_{ch}$	$\bar{s}_u$
A. Hard Rock	>5,000 ft/s	N/A	N/A
B. Rock	2,500 to 5,000 ft/s	N/A	N/A
C. Very dense soil and soft rock	1,200 to 2,500 ft/s	>50	>2,000 psf
D. Stiff Soil	600 to 1,200 ft/s	15 to 50	1,000 to 2,000 psf
E. Soft clay soil	<600 ft/s	<15	<1,000 psf
	Any profile with more than 10 ft of soil having the characteristics: • Plasticity index $PI > 20$, • Moisture content $w \geq 40\%$, and • Undrained shear strength $\bar{s}_u < 500$ psf		
F. Soils requiring site response	See Section 20.3.1		

analysis in accordance with Section
21.1

Fo¯ SI: 1ft/s = 0.3048 m/s 1lb/ft² = 0.0479 kN/m²

Section 1613.3.3 — Site coefficients and adjusted maximum considered earthquake spectral response acceleration parameters

TABLE 1613.3.3(1)
VALUES OF SITE COEFFICIENT F_a

Site Class	Mapped Spectral Response Acceleration at Short Period				
	$S_S \le 0.25$	$S_S = 0.50$	$S_S = 0.75$	$S_S = 1.00$	$S_S \ge 1.25$
A	0.8	0.8	0.8	0.8	0.8
B	1.0	1.0	1.0	1.0	1.0
C	1.2	1.2	1.1	1.0	1.0
D	1.6	1.4	1.2	1.1	1.0
E	2.5	1.7	1.2	0.9	0.9
F	See Section 11.4.7 of ASCE 7				

Note: Use straight-line interpolation for intermediate values of S_S

For Site Class = D and S_s = 0.528 g, F_a = 1.378

TABLE 1613.3.3(2)
VALUES OF SITE COEFFICIENT F_v

Site Class	Mapped Spectral Response Acceleration at 1-s Period				
	$S_1 \le 0.10$	$S_1 = 0.20$	$S_1 = 0.30$	$S_1 = 0.40$	$S_1 \ge 0.50$
A	0.8	0.8	0.8	0.8	0.8
B	1.0	1.0	1.0	1.0	1.0
C	1.7	1.6	1.5	1.4	1.3
D	2.4	2.0	1.8	1.6	1.5
E	3.5	3.2	2.8	2.4	2.4
F	See Section 11.4.7 of ASCE 7				

Note: Use straight-line interpolation for intermediate values of S_1

For Site Class = D and S_1 = 0.356 g, F_v = 1.689

Equation (16-37): $S_{MS} = F_a S_S = 1.378 \times 0.528 = 0.727$ g

Equation (16-38): $S_{M1} = F_v S_1 = 1.689 \times 0.356 = 0.601$ g

Section 1613.3.4 — Design spectral response acceleration parameters

Equation (16-39): $S_{DS} = \frac{2}{3} S_{MS} = \frac{2}{3} \times 0.727 = 0.485$ g

Equation (16-40): $S_{D1} = \frac{2}{3} S_{M1} = \frac{2}{3} \times 0.601 = 0.400$ g

Section 1613.3.5 — Determination of seismic design category

TABLE 1613.3.5(1)
SEISMIC DESIGN CATEGORY BASED ON SHORT-PERIOD (0.2 second) RESPONSE ACCELERATION

VALUE OF S_{DS}	RISK CATEGORY		
	I or II	III	IV
$S_{DS} < 0.167g$	A	A	A
$0.167g \le S_{DS} < 0.33g$	B	B	C
$0.33g \le S_{DS} < 0.50g$	C	C	D
$0.50g \le S_{DS}$	D	D	D

For Risk Category = I and S_{DS} = 0.485 g, Seismic Design Category = C

TABLE 1613.3.5(2)
SEISMIC DESIGN CATEGORY BASED ON 1-SECOND PERIOD RESPONSE ACCELERATION

VALUE OF S_{D1}	RISK CATEGORY		
	I or II	III	IV
$S_{D1} < 0.067g$	A	A	A
$0.067g \le S_{D1} < 0.133g$	B	B	C
$0.133g \le S_{D1} < 0.20g$	C	C	D
$0.20g \le S_{D1}$	D	D	D

For Risk Category = I and S_{D1} = 0.400 g, Seismic Design Category = D

Note: When S_1 is greater than or equal to 0.75g, the Seismic Design Category is **E** for buildings in Risk Categories I, II, and III, and **F** for those in Risk Category IV, irrespective of the above.

Seismic Design Category ≡ "the more severe design category in accordance with Table 1613.3.5(1) or 1613.3.5(2)" = D

Note: See Section 1613.3.5.1 for alternative approaches to calculating Seismic Design Category.

References

1. *Figure 1613.3.1(4)*: https://earthquake.usgs.gov/hazards/designmaps/downloads/pdfs/IBC-2012-Fig1613p3p1(4).pdf

2. *Figure 1613.3.1(5)*: https://earthquake.usgs.gov/hazards/designmaps/downloads/pdfs/IBC-2012-Fig1613p3p1(5).pdf

USGS Design Maps Summary Report

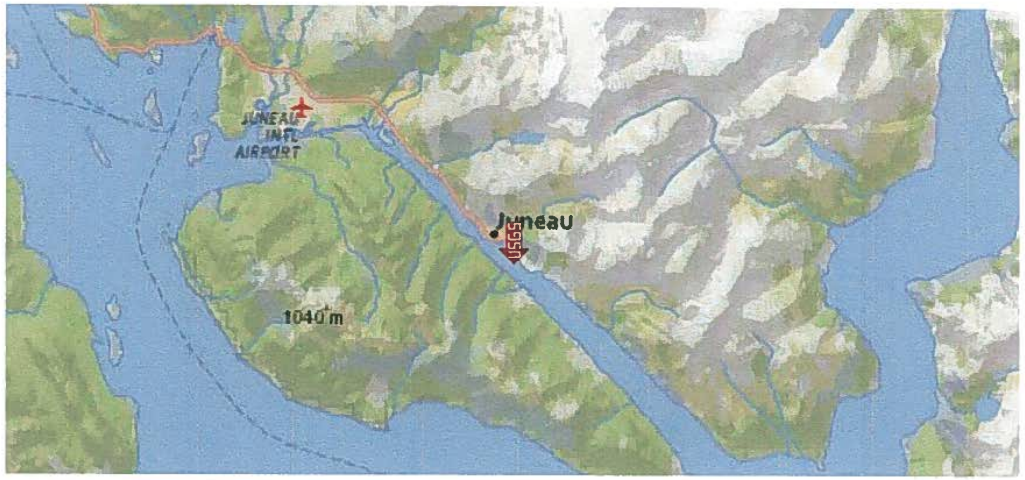
User-Specified Input

Building Code Reference Document ASCE 7-10 Standard
(which utilizes USGS hazard data available in 2008)

Site Coordinates 58.2981°N, 134.4031°W

Site Soil Classification Site Class D – "Stiff Soil"

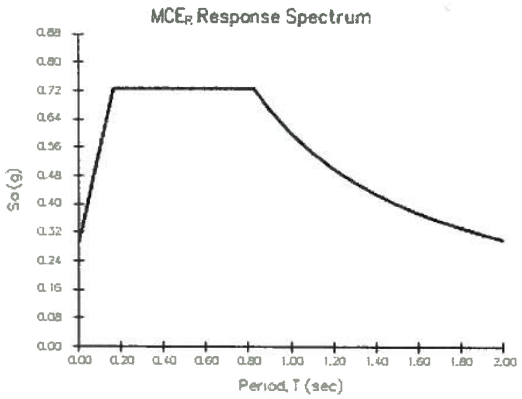
Risk Category I/II/III

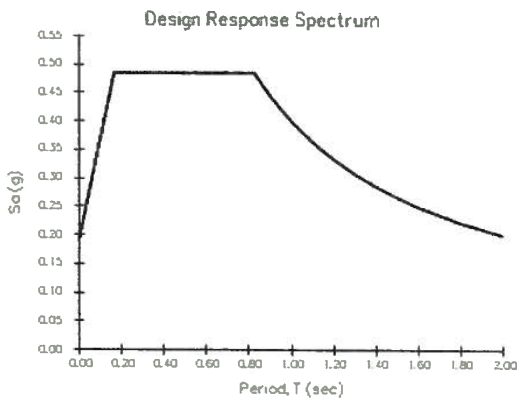


USGS-Provided Output

S_S =	0.528 g	S_{MS} =	0.727 g	S_{DS} =	0.485 g
S_1 =	0.356 g	S_{M1} =	0.601 g	S_{D1} =	0.400 g

For information on how the SS and S1 values above have been calculated from probabilistic (risk-targeted) and deterministic ground motions in the direction of maximum horizontal response, please return to the application and select the "2009 NEHRP" building code reference document.





For PGA_M, T_L, C_{RS}, and C_{R1} values, please view the detailed report.

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USGS Design Maps Detailed Report

ASCE 7-10 Standard (58.2981°N, 134.4031°W)

Site Class D – "Stiff Soil", Risk Category I/II/III

Section 11.4.1 — Mapped Acceleration Parameters

Note: Ground motion values provided below are for the direction of maximum horizontal spectral response acceleration. They have been converted from corresponding geometric mean ground motions computed by the USGS by applying factors of 1.1 (to obtain S_S) and 1.3 (to obtain S_1). Maps in the 2010 ASCE-7 Standard are provided for Site Class B. Adjustments for other Site Classes are made, as needed, in Section 11.4.3.

From Figure 22-3 [1] $S_S = 0.528$ g

From Figure 22-4 [2] $S_1 = 0.356$ g

Section 11.4.2 — Site Class

The authority having jurisdiction (not the USGS), site-specific geotechnical data, and/or the default has classified the site as Site Class D, based on the site soil properties in accordance with Chapter 20.

Table 20.3–1 Site Classification

Site Class	$\bar{v}_s$	$\bar{N}$ or $\bar{N}_{ch}$	$\bar{s}_u$
A. Hard Rock	>5,000 ft/s	N/A	N/A
B. Rock	2,500 to 5,000 ft/s	N/A	N/A
C. Very dense soil and soft rock	1,200 to 2,500 ft/s	>50	>2,000 psf
D. Stiff Soil	600 to 1,200 ft/s	15 to 50	1,000 to 2,000 psf
E. Soft clay soil	<600 ft/s	<15	<1,000 psf
	Any profile with more than 10 ft of soil having the characteristics: • Plasticity index $PI > 20$, • Moisture content $w \geq 40\%$, and • Undrained shear strength $\bar{s}_u < 500$ psf		
F. Soils requiring site response analysis in accordance with Section	See Section 20.3.1		

21.1

For SI: 1ft/s = 0.3048 m/s 1lb/ft² = 0.0479 kN/m²

Section 11.4.3 — Site Coefficients and Risk-Targeted Maximum Considered Earthquake (MCE_R) Spectral Response Acceleration Parameters

Table 11.4-1: Site Coefficient F_a

Site Class	Mapped MCE_R Spectral Response Acceleration Parameter at Short Period				
	$S_S \leq 0.25$	$S_S = 0.50$	$S_S = 0.75$	$S_S = 1.00$	$S_S \geq 1.25$
A	0.8	0.8	0.8	0.8	0.8
B	1.0	1.0	1.0	1.0	1.0
C	1.2	1.2	1.1	1.0	1.0
D	1.6	1.4	1.2	1.1	1.0
E	2.5	1.7	1.2	0.9	0.9
F	See Section 11.4.7 of ASCE 7				

Note: Use straight-line interpolation for intermediate values of S_S

For Site Class = D and S_S = 0.528 g, F_a = 1.378

Table 11.4-2: Site Coefficient F_v

Site Class	Mapped MCE_R Spectral Response Acceleration Parameter at 1-s Period				
	$S_1 \leq 0.10$	$S_1 = 0.20$	$S_1 = 0.30$	$S_1 = 0.40$	$S_1 \geq 0.50$
A	0.8	0.8	0.8	0.8	0.8
B	1.0	1.0	1.0	1.0	1.0
C	1.7	1.6	1.5	1.4	1.3
D	2.4	2.0	1.8	1.6	1.5
E	3.5	3.2	2.8	2.4	2.4
F	See Section 11.4.7 of ASCE 7				

Note: Use straight-line interpolation for intermediate values of S_1

Site Class = D and S_s = 0.356 g, F = 1.689

Equation (11.4–1): $S_{MS} = F_a S_S = 1.378 \times 0.528 = 0.727$ g

Equation (11.4–2): $S_{M1} = F_v S_1 = 1.689 \times 0.356 = 0.601$ g

Section 11.4.4 — Design Spectral Acceleration Parameters

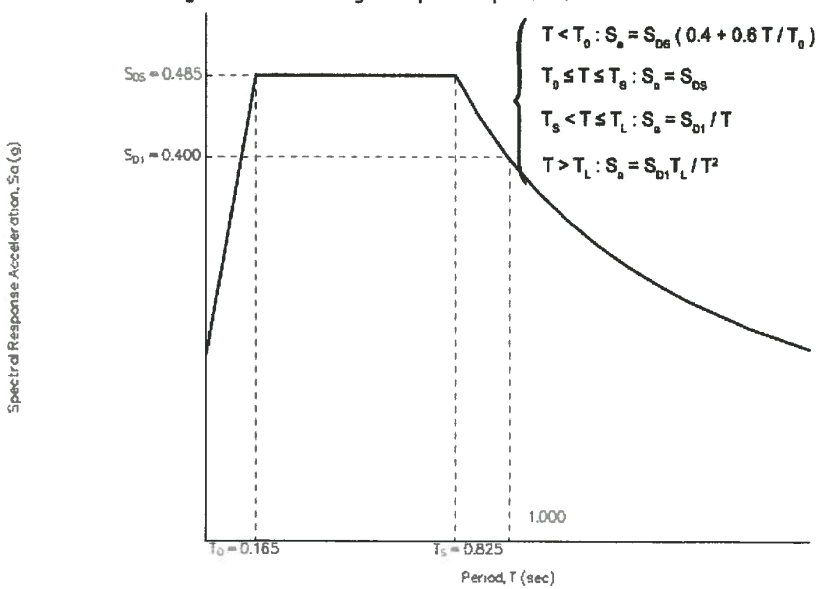
Equation (11.4–3): $S_{DS} = \frac{2}{3} S_{MS} = \frac{2}{3} \times 0.727 = 0.485$ g

Equation (11.4–4): $S_{D1} = \frac{2}{3} S_{M1} = \frac{2}{3} \times 0.601 = 0.400$ g

Section 11.4.5 — Design Response Spectrum

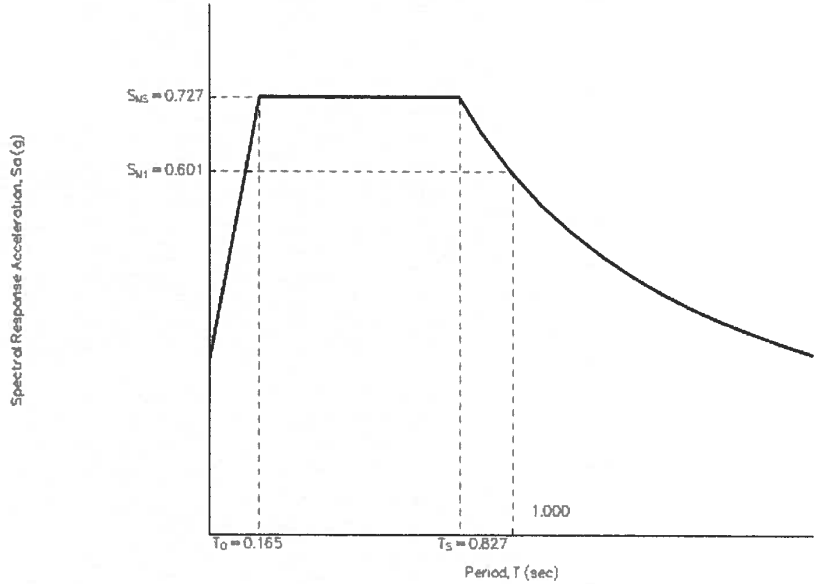
From Figure 22-13 [3] $T_L = 12$ seconds

Figure 11.4–1: Design Response Spectrum



Section 11.4.6 — Risk-Targeted Maximum Considered Earthquake (MCE_R) Response Spectrum

The MCE_R Response Spectrum is determined by multiplying the design response spectrum above by 1.5.



Section 11.8.3 — Additional Geotechnical Investigation Report Requirements for Seismic Design Categories D through F

From Figure 22-9 [4] PGA = 0.207

Equation (11.8–1): $PGA_M = F_{PGA}PGA = 1.386 \times 0.207 = 0.287$ g

Table 11.8–1: Site Coefficient F_{PGA}

Site Class	Mapped MCE Geometric Mean Peak Ground Acceleration, PGA				
	PGA ≤ 0.10	PGA = 0.20	PGA = 0.30	PGA = 0.40	PGA ≥ 0.50
A	0.8	0.8	0.8	0.8	0.8
B	1.0	1.0	1.0	1.0	1.0
C	1.2	1.2	1.1	1.0	1.0
D	1.6	1.4	1.2	1.1	1.0
E	2.5	1.7	1.2	0.9	0.9
F	See Section 11.4.7 of ASCE 7				

Note: Use straight–line interpolation for intermediate values of PGA

For Site Class = D and PGA = 0.207 g, F_{PGA} = 1.386

Section 21.2.1.1 — Method 1 (from Chapter 21 – Site-Specific Ground Motion Procedures for Seismic Design)

From Figure 22-17 [5] C_{RS} = 0.993

From Figure 22-18 [6] C_{R1} = 1.036

Section 11.6 — Seismic Design Category

Table 11.6-1 Seismic Design Category Based on Short Period Response Acceleration Parameter

VALUE OF S_{DS}	RISK CATEGORY		
	I or II	III	IV
$S_{DS} < 0.167g$	A	A	A
$0.167g \le S_{DS} < 0.33g$	B	B	C
$0.33g \le S_{DS} < 0.50g$	C	C	D
$0.50g \le S_{DS}$	D	D	D

For Risk Category = I and S_{DS} = 0.485 g, Seismic Design Category = C

Table 11.6-2 Seismic Design Category Based on 1-S Period Response Acceleration Parameter

VALUE OF S_{D1}	RISK CATEGORY		
	I or II	III	IV
$S_{D1} < 0.067g$	A	A	A
$0.067g \le S_{D1} < 0.133g$	B	B	C
$0.133g \le S_{D1} < 0.20g$	C	C	D
$0.20g \le S_{D1}$	D	D	D

For Risk Category = I and S_{D1} = 0.400 g, Seismic Design Category = D

Note: When S_1 is greater than or equal to 0.75g, the Seismic Design Category is **E** for buildings in Risk Categories I, II, and III, and **F** for those in Risk Category IV, irrespective of the above.

Seismic Design Category ≡ "the more severe design category in accordance with Table 11.6-1 or 11.6-2" = D

Note: See Section 11.6 for alternative approaches to calculating Seismic Design Category.

References

1. *Figure 22-3*: https://earthquake.usgs.gov/hazards/designmaps/downloads/pdfs/2010_ASCE-7_Figure_22-3.pdf
2. *Figure 22-4*: https://earthquake.usgs.gov/hazards/designmaps/downloads/pdfs/2010_ASCE-7_Figure_22-4.pdf
3. *Figure 22-13*: https://earthquake.usgs.gov/cn2/designmaps/us/2010_ASCE-7_Figures_22-13_and_22-14.pdf
4. *Figure 22-9*: https://earthquake.usgs.gov/cn2/designmaps/us/2010_ASCE-7_Figures_22-8_and_22-9.pdf

5. *Figure 22-17*: https://earthquake.usgs.gov/hazards/designmaps/downloads/pdfs/2010_ASCE-7_Figure_22-17.pdf
6. *Figure 22-18*: https://earthquake.usgs.gov/hazards/designmaps/downloads/pdfs/2010_ASCE-7_Figure_22-18.pdf

Appendix F

Climate Summaries for
Temperature and Precipitation Variation

P | N | D

JUNEAU 2, ALASKA

Period of Record General Climate Summary - Temperature

Station:(504094) JUNEAU 2																
From Year=1965 To Year=2012																
	Monthly Averages			Daily Extremes				Monthly Extremes				Max. Temp.		Min. Temp.	
	Max.	Min.	Mean	High	Date	Low	Date	Highest Mean	Year	Lowest Mean	Year	>= 90 F	<= 32 F	<= 32 F	<= 0 F
	F	F	F	F	dd/yyyy or yyyymmdd	F	dd/yyyy or yyyymmdd	F	-	F	-	# Days	# Days	# Days	# Days
January	33.2	24.4	28.8	56	19/2009	-20	19/1972	39.2	1981	13.4	1969	0.0	11.3	22.7	0.6
February	36.9	27.3	32.1	57	27/1992	-9	01/1968	40.6	1977	13.9	1979	0.0	5.9	18.9	0.4
March	40.4	30.0	35.2	56	21/1981	-4	01/1972	40.6	1984	29.0	1967	0.0	2.9	18.0	0.0
April	48.8	35.0	41.9	69	26/1983	20	04/1968	46.0	1993	37.7	1982	0.0	0.0	7.6	0.0
May	55.8	41.5	48.7	79	28/1998	28	11/1971	53.8	1998	44.7	1982	0.0	0.0	0.3	0.0
June	62.1	47.9	55.0	87	21/1991	32	07/2010	61.4	1998	51.2	1972	0.0	0.0	0.0	0.0
July	63.6	51.0	57.3	85	29/1976	42	21/1965	61.6	1998	54.5	1969	0.0	0.0	0.0	0.0
August	63.0	49.9	56.5	88	20/1998	34	31/1968	61.6	2004	53.4	2006	0.0	0.0	0.0	0.0
September	56.5	45.3	50.9	76	04/1996	28	27/1983	53.2	1989	47.1	1992	0.0	0.0	0.3	0.0
October	48.6	39.0	43.8	63	02/1987	16	30/1984	46.9	1993	40.8	1996	0.0	0.1	3.6	0.0
November	39.9	30.8	35.3	58	11/1997	-7	24/1965	41.2	1976	25.6	1985	0.0	3.7	14.9	0.1
December	36.1	27.4	31.8	68	09/1965	-22	07/1970	38.6	1969	23.2	1980	0.0	8.0	20.0	0.2
Annual	48.7	37.5	43.1	88	19980820	-22	19701207	45.6	1993	40.6	1982	0.0	31.9	106.1	1.3
Winter	35.4	26.4	30.9	68	19651209	-22	19701207	37.2	1977	22.7	1969	0.0	25.2	61.6	1.1
Spring	48.3	35.5	41.9	79	19980528	-4	19720301	45.3	1993	38.8	1982	0.0	2.9	25.8	0.0
Summer	62.9	49.6	56.3	88	19980820	32	20100607	58.7	1993	53.9	1985	0.0	0.0	0.0	0.0
Fall	48.3	38.4	43.3	76	19960904	-7	19651124	45.7	1979	39.2	1985	0.0	3.8	18.7	0.1

Table updated on Oct 31, 2012

For monthly and annual means, thresholds, and sums:
Months with 5 or more missing days are not considered
Years with 1 or more missing months are not considered
Seasons are climatological not calendar seasons
Winter = Dec., Jan., and Feb. Spring = Mar., Apr., and May
Summer = Jun., Jul., and Aug. Fall = Sep., Oct., and Nov.

Western Regional Climate Center, wrcc@dri.edu

JUNEAU 2, ALASKA

Period of Record General Climate Summary - Precipitation

Station:(504094) JUNEAU 2														
From Year=1965 To Year=2012														
	Precipitation											Total Snowfall		
	Mean	High	Year	Low	Year	1 Day Max.		>= 0.01 in.	>= 0.10 in.	>= 0.50 in.	>= 1.00 in.	Mean	High	Year
	in.	in.	-	in.	-	in.	dd/yyyy or yyyymmdd	# Days	# Days	# Days	# Days	in.	in.	-
January	7.06	15.35	1985	0.69	1998	2.17	17/1987	18	14	5	1	24.2	72.1	1989
February	6.10	11.66	1988	0.06	1989	3.14	20/1988	16	12	4	1	12.7	44.8	1990
March	5.92	10.04	2004	1.42	2011	3.60	13/1972	18	13	4	1	10.1	53.7	2007
April	4.98	9.38	1980	1.18	1989	1.83	22/1970	17	12	3	1	0.8	3.1	1982
May	5.62	11.26	1966	1.86	1968	2.50	19/1972	19	13	4	1	0.0	0.5	1971
June	4.28	7.57	2012	1.00	1966	2.57	03/1977	16	10	3	1	0.0	0.0	1966
July	5.69	13.43	1969	2.51	1993	2.24	16/1971	17	12	4	1	0.0	0.0	1965
August	7.61	15.39	1983	2.09	1979	4.16	17/2009	19	14	6	2	0.0	0.0	1965
September	12.00	19.09	1968	4.10	1986	4.55	28/1970	21	17	9	4	0.0	0.0	1966
October	13.21	26.68	1978	6.64	1969	3.60	18/1978	24	20	10	4	0.3	7.0	1991
November	9.39	21.01	2005	2.26	1965	4.14	30/1988	20	16	7	2	8.0	45.8	1990
December	8.67	19.59	2006	1.17	1983	5.00	17/2006	20	15	6	2	15.8	42.2	1968
Annual	90.52	108.05	1987	72.17	1982	5.00	20061217	226	169	65	21	71.9	124.8	1989
Winter	21.82	34.91	2007	7.97	1969	5.00	20061217	55	41	16	5	52.7	90.3	1982
Spring	16.52	22.78	1966	10.19	1989	3.60	19720313	54	38	11	2	10.9	53.7	2007
Summer	17.57	26.75	1969	9.13	1989	4.16	20090817	52	36	13	4	0.0	0.0	1966
Fall	34.60	51.28	2005	20.62	1984	4.55	19700928	65	53	26	10	8.3	45.8	1990

Table updated on Oct 31, 2012

For monthly and annual means, thresholds, and sums:
Months with 5 or more missing days are not considered
Years with 1 or more missing months are not considered
Seasons are climatological not calendar seasons

Winter = Dec., Jan., and Feb. Spring = Mar., Apr., and May

Summer = Jun., Jul., and Aug. Fall = Sep., Oct., and Nov.

Appendix G

GBA Publication
Important Information About Your Geotechnical-Engineering Report

P | N | D

Important Information about Your

Geotechnical-Engineering Report

Subsurface problems are a principal cause of construction delays, cost overruns, claims, and disputes.

While you cannot eliminate all such risks, you can manage them. The following information is provided to help.

Geotechnical Services Are Performed for Specific Purposes, Persons, and Projects

Geotechnical engineers structure their services to meet the specific needs of their clients. A geotechnical-engineering study conducted for a civil engineer may not fulfill the needs of a construction contractor or even another civil engineer. Because each geotechnical-engineering study is unique, each geotechnical-engineering report is unique, prepared *solely* for the client. No one except you should rely on your geotechnical engineering report without first conferring with the geotechnical engineer who prepared it. *And no one — not even you* — should apply the report for any purpose or project except the one originally contemplated.

Read the Full Report

Serious problems have occurred because those relying on a geotechnical-engineering report did not read it all. Do not rely on an executive summary. Do not read selected elements only.

A Geotechnical-Engineering Report Is Based on a Unique Set of Project-Specific Factors

Geotechnical engineers consider many unique, project-specific factors when establishing the scope of a study. Typical factors include: the client's goals, objectives, and risk-management preferences; the general nature of the structure involved, its size, and configuration; the location of the structure on the site; and other planned or existing site improvements, such as access roads, parking lots, and underground utilities. Unless the geotechnical engineer who conducted the study specifically indicates otherwise, do not rely on a geotechnical engineering report that was:

- not prepared for you,
- not prepared for your project,
- not prepared for the specific site explored, or
- completed before important project changes were made.

Typical changes that can erode the reliability of an existing geotechnical-engineering report include those that affect:

- the function of the proposed structure, as when it's changed from a parking garage to an office building, or from a light-industrial plant to a refrigerated warehouse,
- elevation, configuration, location, orientation, or weight of the proposed structure,
- composition of the design team, or
- project ownership.

As a general rule, *always* inform your geotechnical engineer of project changes—even minor ones—and request an assessment of their impact. *Geotechnical engineers cannot accept responsibility or liability for problems that occur because their reports do not consider developments of which they were not informed.*

Subsurface Conditions Can Change

A geotechnical-engineering report is based on conditions that existed at the time the study was performed. *Do not rely on a geotechnical-engineering report* whose adequacy may have been affected by: the passage of time; by man-made events, such as construction on or adjacent to the site; or by natural events, such as floods, droughts, earthquakes, or groundwater fluctuations. *Always* contact the geotechnical engineer before applying the report to determine if it is still reliable. A minor amount of additional testing or analysis could prevent major problems.

Most Geotechnical Findings Are Professional Opinions

Site exploration identifies subsurface conditions only at those points where subsurface tests are conducted or samples are taken. Geotechnical engineers review field and laboratory data and then apply their professional judgment to render an opinion about subsurface conditions throughout the site. Actual subsurface conditions may differ—sometimes significantly—from those indicated in your report. Retaining the geotechnical engineer who developed your report to provide construction observation is the most effective method of managing the risks associated with unanticipated conditions.

A Report's Recommendations Are *Not* Final

Do not overrely on the construction recommendations included in your report. *Those recommendations are not final,* because geotechnical engineers develop them principally from judgment and opinion. Geotechnical engineers can finalize their recommendations *only* by observing actual

subsurface conditions revealed during construction. *The geotechnical engineer who developed your report cannot assume responsibility or liability for the report's recommendations if that engineer does not perform construction observation.*

A Geotechnical Engineering Report Is Subject to Misinterpretation

Other design team members' misinterpretation of geotechnical-engineering reports has resulted in costly problems. Lower that risk by having your geotechnical engineer confer with appropriate members of the design team after submitting the report. Also retain your geotechnical engineer to review pertinent elements of the design team's plans and specifications. Contractors can also misinterpret a geotechnical-engineering report. Reduce that risk by having your geotechnical engineer participate in prebid and preconstruction conferences, and by providing construction observation.

Do Not Redraw the Engineer's Logs

Geotechnical engineers prepare final boring and testing logs based upon their interpretation of field logs and laboratory data. To prevent errors or omissions, the logs included in a geotechnical engineering report should *never* be redrawn for inclusion in architectural or other design drawings. Only photographic or electronic reproduction is acceptable, *but recognize that separating logs from the report can elevate risk.*

Give Contractors a Complete Report and Guidance

Some owners and design professionals mistakenly believe they can make contractors liable for unanticipated subsurface conditions by limiting what they provide for bid preparation. To help prevent costly problems, give contractors the complete geotechnical-engineering report, *but* preface it with a clearly written letter of transmittal. In that letter, advise contractors that the report was not prepared for purposes of bid development and that the report's accuracy is limited; encourage them to confer with the geotechnical engineer who prepared the report (a modest fee may be required) and/or to conduct additional study to obtain the specific types of information they need or prefer. A prebid conference can also be valuable. *Be sure contractors have sufficient time* to perform additional study. Only then might you be in a position to give contractors the best information available to you, while requiring them to at least share some of the financial responsibilities stemming from unanticipated conditions.

Read Responsibility Provisions Closely

Some clients, design professionals, and contractors do not recognize that geotechnical engineering is far less exact than other engineering disciplines. This lack of understanding has created unrealistic expectations that have led to disappointments, claims, and disputes. To help reduce the risk of such outcomes, geotechnical engineers commonly include a variety of explanatory provisions in their reports. Sometimes labeled "limitations," many of these provisions indicate where geotechnical engineers' responsibilities begin and end, to help others recognize their own responsibilities and risks. *Read these provisions closely.* Ask questions. Your geotechnical engineer should respond fully and frankly.

Geoenvironmental Concerns Are Not Covered

The equipment, techniques, and personnel used to perform a *geoenvironmental* study differ significantly from those used to perform a *geotechnical* study. For that reason, a geotechnical-engineering report does not usually relate any geoenvironmental findings, conclusions, or recommendations; e.g., about the likelihood of encountering underground storage tanks or regulated contaminants. *Unanticipated environmental problems have led to numerous project failures.* If you have not yet obtained your own geoenvironmental information, ask your geotechnical consultant for risk management guidance. *Do not rely on an environmental report prepared for someone else.*

Obtain Professional Assistance To Deal with Mold

Diverse strategies can be applied during building design, construction, operation, and maintenance to prevent significant amounts of mold from growing on indoor surfaces. To be effective, all such strategies should be devised for the *express purpose* of mold prevention, integrated into a comprehensive plan, and executed with diligent oversight by a professional mold-prevention consultant. Because just a small amount of water or moisture can lead to the development of severe mold infestations, many mold-prevention strategies focus on keeping building surfaces dry. While groundwater, water infiltration, and similar issues may have been addressed as part of the geotechnical-engineering study whose findings are conveyed in this report, the geotechnical engineer in charge of this project is not a mold-prevention consultant; ***none of the services performed in connection with the geotechnical engineer's study were designed or conducted for the purpose of mold prevention. Proper implementation of the recommendations conveyed in this report will not of itself be sufficient to prevent mold from growing in or on the structure involved.***

Rely, on Your GBA-Member Geotechncial Engineer for Additional Assistance

Membership in the GEOPROFESSIONAL BUSINESS ASSOCIATION exposes geotechnical engineers to a wide array of risk confrontaton techniques that can be of genuine benefit for everyone involved with a construction project. Confer with your GBA-member geotechnical engineer for more information.

GEOPROFESSIONAL BUSINESS ASSOCIATION

8811 Colesville Road/Suite G106, Silver Spring, MD 20910
Telephone: 301/565-2733 Facsimile: 301/589-2017
e-mail: info@geoprofessional.org www.geoprofessional.org

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IIGER 0914/5.0MRP

ARCHIPELAGO PROPERTIES

CONCEPT DEVELOPMENT OPTIONS
PRELIMINARY ENGINEER'S ESTIMATE - December 23, 2003
Prepared by: PERATROVICH, NOTTINGHAM & DRAGE, INC.

Concept No. 1 - Full Bulkhead

Item	Item Description	Units	Quantity	Unit Cost	Amount
1	Mobilization/Demobilization	LS	All Reqd	8%	$320,000.00
2	Sheet Pile Bulkhead	Tons	965	$1,800.00	$1,737,000.00
3	Backfill	CY	25,000	$16.00	$400,000.00
4	Concrete Pile Supported Dock - Archipelago Property	SF	8,500	$150.00	$1,275,000.00
5	Conc. Pile Supported Dock - Outside Prop. Boundary	SF	3,700	$150.00	$555,000.00
6	Construction Survey Measurement	LS	All Reqd	$50,000.00	$50,000.00
	ESTIMATED CONSTRUCTION BID PRICE				**4,337,000.00**
	CONTINGENCY (15%)				**650,550.00**
	GEOTECH INVESTIGATION AND SLOPE STABLITY ANALYSIS				**75,000.00**
	PERMITS				**50,000.00**
	ENGINEERING, CONTRACT ADMIN.& CONSTRUCTION INSPECTION (12%)				**520,440.00**
					5,632,990.00

Concept No. 2 - Full Pile Supported Deck

Item	Item Description	Units	Quantity	Unit Cost	Amount
1	Mobilization/Demobilization	LS	All Reqd	8%	$510,000.00
2	Concrete Pile Supported Dock - Archipelago Property	SF	38,700	$150.00	$5,805,000.00
3	Conc. Pile Supported Dock - Outside Prop. Boundary	SF	3,700	$150.00	$555,000.00
4	Construction Survey Measurement	LS	All Reqd	$50,000.00	$50,000.00
	ESTIMATED CONSTRUCTION BID PRICE				**6,920,000.00**
	CONTINGENCY (15%)				**1,038,000.00**
	GEOTECH INVESTIGATION AND SLOPE STABLITY ANALYSIS				**75,000.00**
	PERMITS				**50,000.00**
	ENGINEERING, CONTRACT ADMIN.& CONSTRUCTION INSPECTION (12%)				**830,400.00**
					8,913,400.00

Concept No. 3 - 50/50 Combination

Item	Item Description	Units	Quantity	Unit Cost	Amount
1	Mobilization/Demobilization	LS	All Reqd	8%	$420,000.00
2	Sheet Pile Bulkhead	Tons	550	$1,800.00	$990,000.00
3	Backfill	CY	10,000	$16.00	$160,000.00
4	Concrete Pile Supported Dock - Archipelago Property	SF	23,600	$150.00	$3,540,000.00
5	Conc. Pile Supported Dock - Outside Prop. Boundary	SF	3,700	$150.00	$555,000.00
6	Construction Survey Measurement	LS	All Reqd	$50,000.00	$50,000.00
	ESTIMATED CONSTRUCTION BID PRICE				**5,715,000.00**
	CONTINGENCY (15%)				**857,250.00**
	GEOTECH INVESTIGATION AND SLOPE STABLITY ANALYSIS				**75,000.00**
	PERMITS				**50,000.00**
	ENGINEERING, CONTRACT ADMIN.& CONSTRUCTION INSPECTION (12%)				**685,800.00**
					7,383,050.00

EXHIBIT 7
ASSESSMENT YEAR 2020 PETITION FOR REVIEW DATED 5/14/2020

RELIANT LLC
ADVISORY SERVICES

Review of Assessed Value for Parcel 1C070K830022- 356 S Franklin- Archipelago Properties

Analysis by: Michael Dahle, Deputy Assessor
Market Valuation as of: January 1, 2020 (AY2020)
Report Date: May 14, 2020

Assessment Year 2020 Petition for Review

On the Petition for Review- Appellant Checked: My Property was valued improperly/incorrectly

Reasons Given:

- Failure to consider Horan appraisal of purchase from CBJ.
  - Note that the Horan appraisal was considered.
- Failure to consider adverse easements, soils, foundation, and parking requirements.
  - Note that these factors were considered.
- DOT has a drainage culvert on the site.
  - Note that this is part of the site considerations and has existed since at least around 1980.

History:

- 05/29/2019- New plat recorded
- 11/16/2018- Appraisal by Charles Horan for Purchase and Sale Agreement
- 09/03/2010- Appraisal by Kim Wold for Partial Taking
- 05/07/2008- Letter to Assessors Office from Kim Wold regarding the AV for AY2008
- AY2007 appeal of property value

Focus:

- The focus of the review is to determine if the property is assessed at market value and is assessed equitably; if it is a fair and equitable assessment.

Conclusion:

- After review of the property, assessed values, the valuation model and the market it is the opinion of this appraiser that the assessed value of $10,162,500 for this parcel does not exceed market value. The land residual approach indicates a land market value of $15,950,053. Market value indicated by the Assessor's downtown land model if the prime location rate were to be applied would be $15,243,800. Being a review in response to a Petition for Review I recommend no change to the assessed value for this year.

Notations:

- A general description of the property, as given by the owner in testimony to the Planning Commission, is that "The very unique size and location of this site, with its proximity to the cruise ships and access to existing parking garage is what makes this site so special. It is truly one of a kind and is the last private piece of commercial property in the area available for private development." And, "Staff notes that this property is rather large, compared to its neighbors, but that presents opportunities that some of the smaller places didn't have."
- As a result of the 2019 plat the pad area changed from 51% of 73,654 = 37,564 SF to 100% of 33,875 SF
    - What Archipelago sold was the tidelands area which was of lesser utility and/or significantly greater development costs. It is being developed by CBJ in a manner that attributes utility to the upland (Archipelago) portion.
    - As a result of the 2019 plat the usable (pad) portion of the Archipelago parcel is increased in depth.
    - This is a unique parcel being vacant land in a prime location ready for development with 0.79 acres and almost 250 feet of frontage on both S Franklin and the waterfront.
- 01/28/2020 approved Conditional Use Permit Case No. USE2019 0021- Shows Bldg A with 8,023 SF of first floor and 7,766 SF of second floor and Bldg B with 8,290 Sf of first floor and 8290 SF of second floor. That is a total potential of 32,369 SF of commercial space with a total potential of 16,313 SF of first floor space, likely used as primary retail or restaurant space, and 16,056 SF of second floor space likely used as office or living. (Note that some of the likely office or living space, while being second floor, would have water views. This could even be prime restaurant space.)
    - While this is based on a 2 building plan, rather than the original 3 buildings the owner apparently hoped for, it still represents significant commercial space in a prime location.
    - In the renditions of the plan that I have seen the early 3 building rendition shows a total building footprint of 12,300 SF while the 2 buildings in the Conditional Use Permit rendition show a total building footprint of 16,313 SF. Indicating the 2 building plan actually has more SF than the early renditions for the project.
- From Conditional Use Permit- "Archipelago Center could not be to the level it is in coordination and design without the close coordinated effort with CBJ Docks and Harbors." This property and its potential for development have been enhanced by the work and expenditures of CBJ.
- The new float, completed by CBJ in 2017, increases the port capacity and potentially provides increased tourist traffic in the area of this property. From Ordinance No. 2019-02, "Whereas, from 2010 until 2016, the number of cruise ships calling at the Alaska Steamship Dock in downtown Juneau averaged 81, representing approximately 95,000 disembarking passengers, and increased to 117 ships by 2018, representing approximately 270,000 passengers; and Whereas, although the number of cruise ships calling at the Alaska Steamship Dock has increased 44 percent since 2010, the number of passengers has increased 182 percent since 2010;" It is my understanding that the large increase in passengers is due to the new dock being able to accommodate the larger ships.
    - For many of those passengers the businesses located on the Archipelago property will be the first shops that they encounter as they disembark off the cruise ship, the shops that they see while waiting for their tour, the shops that they see getting off of the bus as they return from their tour and the last shop that they will see before re-boarding onto the cruise ship. This presents tremendous economic and marketing potential.
    - Within the context of the above increased passenger traffic at the Alaska Steamship Dock, note that this parcel is being valued based on the downtown valuation model implemented in 2010 and 2011, partly based on the work of Charles Horan. Of particular note is that the rates within this model

have not been increased over the past 10 years even though the economic potential of the properties have increased.

- Section 14 of the Purchase and Sale Agreement provides the subject Property with a very unique Objection Clause. It states that "With respect to Future Improvements other than the Approved Structures, Archipelago shall have, and hereby reserves for itself and its successors and assigns, a limited right to object in advance of placement or construction of such improvements on the subject property designated on Exhibit E hereto, based upon the following considerations: Archipelago may object if the Future Improvement does not provide an identifiable public purpose or benefit, and is reasonably likely to impair, interfere with, or unfairly compete with, the businesses and operations taking place on the adjacent Archipelago premises." This is of immeasurable economic benefit in that it secures the visibility and viability of the properties exposure to the cruise ship tourism trade. For example, this development will take away and hinder visibility of properties currently on the upland side of S. Franklin but which have enjoyed visibility to the cruise ship tourists due to the vacant land. This subject property, with the Objection Clause, is likely able to protect its visibility and access.
- In regards to the DOT drainage culvert, here is what my research would indicate. There is a storm drain in the combined CBJ/Archipelago project area that transports water from an ADOT catch basis. The storm drain has been in existence since around 1980. It would appear that issues around the drain were resolved by running it through the newly constructed Docks and Harbors owned retaining wall and adding another 36" HDPE drain at a second section of the wall for future use.
- In regards to the issue of the foundations, which was raised by the appraiser for the appeal, indications are that they were 80% removed by July of 2019. Any remaining is likely within the normal scope of site prep and development. In two inspections of the property, made from the edge of the property due to the active construction work, one on 02/13/2020 for new construction call back and the other on 05/01/2020 in response to the appeal, no remaining foundations were observed on the site.
- The appellant's appraiser raised the issue of the cost of the pilings. The pilings are on the CBJ parcel portion of the project. CBJ is paying for the pilings and decking although they certainly will benefit the Archipelago property.
- The parking requirements have not been fully resolved. The last hearing that I found was from the Planning Commission Special Meeting of 02/04/2020. At that meeting the Planning Commission denied the application for a variance to zero parking spaces required, however, a review of the discussions indicates that they are not totally closed to a variance they just were not comfortable with zero and had the expectation that they were "denying the variance and leaving it to the applicant and CDD to come up with a solution."
- The Archipelago property will directly benefit from the improvements on the CBJ portion of the project.
    - It is estimated that vans will attract 2,000 passengers per day to the staging area right next to their buildings.
    - It is estimated that the Plaza will be a milling area for 1,500 to 1,800 passengers per day. Again right next to their buildings.
    - The improvements to the seawall, pilings and decking (paid for by CBJ) will create an attractive and inviting area between the subject property and the cruise ships creating great visibility and increasing the appeal of the property to the cruise ship tourists and crew.
    - The project envisions that the Plaza potentially attracts off season activity. If so, this extends the economic season for the property.

- In Phase 1 of the development it is reported that CBJ is spending $23 million. There was $11 million approved in just one construction authorization.
    - CBJ is paying for:
        - Seawall/Bulkhead
        - Fill
        - Site work (on CBJ portion; there is additional site work Archipelago has and/or will do)
        - Mini-bus staging area
        - Pilings, decking, plaza
        - Walkway
    - Again, these improvements provide benefit to the subject parcel.
- Phase 2 of this project, when done by CBJ, will provide further benefit to this parcel.
- One of the adverse easements, claimed by the owner and his appraiser, is the 8-12 month construction easement. I do not see this as having a negative effect on the land value.
    - This Construction Easement is granted in Section 10 of the Purchase and Sale Agreement. It grants to "CBJ an exclusive temporary construction easement or license on its uplands portion."
    - Note that if this easement would not have been granted there would have been "extraordinary cost associated with constructing the pile decking." This property benefits from the Plaza created by the decking thus it was in their interest to grant this easement. If the easement had not been granted that increased cost to CBJ would have had to be factored into the agreement.
    - The temporary easement runs for "a period of ten (10) months." It appears that this would be through June of 2020.
    - The subject property receives additional benefit in that "when CBJ has substantially completed construction of the pile decking and transportation staging area, CBJ shall likewise grant to Archipelago a temporary easement or license to the transportation staging and pile-supported decking areas for construction of Archipelago's upland improvements." Thus potentially decreasing the cost of development through improved site access and staging.
    - Section 11 of the Purchase and Sale Agreement places date constraints on the easement for CBJ
    - The improvements being done during this time, and being paid for by CBJ, provide direct benefit to the development and utility of the property.
    - Conditional Use Permit Case No. USE2019 0021 was not approved until 01/28/2020. In addition to the Conditional Use Permit building plans need to be submitted and approved. Currently, there are no approved building plans for the site so they could not be constructing their buildings at this time anyway.
    - "Presently on site, the CBJ Docks & Harbors Waterfront Improvements are currently underway. Coordination and cooperation continues from both entities and will continue for many years to come. The projects are adjacent to one another and as they have depended on each other to design each site, now that the construction has begun, one cannot live without the other. Currently the large retaining wall that establishes the edge of the upland area is under construction."
    - "This wall and the pilings underway, needs to stage on the Archipelago property for materials and equipment to build the D&H Waterfront Improvements, and until roughly June of this year, D&H contractors will have control of the entire site. Similarly, when the improvements are completed or completed far enough, the Archipelago Center contractor will have access to stage on the deck. As a very tight site this will allow for less trips and road congestion for the construction time of both projects."

- Section 11 of the Purchase and Sale Agreement also gave Archipelago a repurchase option if CBJ did not complete its portion of the development.
- In Section 12 CBJ agrees to provide public access and a utility easement "between the Property and the public parking structure." This provides benefit to the property in tourist foot traffic, utility easement and options for site development. This section also provides the Property "non-exclusive limited license for access to the transportation staging area ... outside of peak usage by commercial passenger transportation."

CBJ Downtown Land Model Review

A review of the new valuation applied in response to the plat of 2019 indicated that it was based on the downtown land valuation model that was established in 2010 and updated in 2011. The review indicates that this parcel was valued in an equitable manner, using the same valuation model. The argument could even be made that it is undervalued considering that the average price per SF was utilized and this is such a prime piece of property.

1C070K830022- 2011 DOWNTOWN COMMERCIAL model applied to new 2020 parcel

BASE RATE	PARCEL	AV	AREA SF	ACRES	2010 LAND RATE	2011 LAND RATE	Calc AV	*DIFF*	NOTES
	356 - 432 FRANKLIN ST (WATERFRONT)								
2011 Parcel									
300	1C070K830031	9,600,000	73,654	1.69	130	130	9,575,000	*(25,000)*	*51% PAD SITE 16% TDLND 33% SBMRG 5%SIZE*
									51% of 73654 = 37,564
2020 Parcel									
	1C070K83022	10,162,500	33,875	0.78		130	4,403,800	*(5,758,700)*	
	1C070K83022	**10,162,500**	**33,875**	**0.78**		**300**	**10,162,500**	**-**	***100% Pad Site***
	1C070K83022	10,162,500	33,875	0.78		450	15,243,800	*5,081,300*	*100% Pad Site*

Land sales cited in the Horan appraisal include:

- 425 S. Franklin – 2001 & 4 – Upland side, steep, extensive site work required - $142/SF
- 265 S. Franklin – 2005 – Upland side, steep hillside, price applied to development area - $300/SF
- 307 S. Franklin – 2006 – Upland side, some value may attribute to building - $333/Sf

Also in the Horan appraisal Table 4.1 indicates an Adjusted SF Value of $300 applied to the upland portion of 3A.

Note that the base rate in the Assessor's land model for that area is $300/SF and that, even though the parcel is a premium property, it is that base rate that was applied to arrive at the $10,162,500 assessed value. The premium rate of $450/SF, applied to other 100% pad sites in the neighborhood, would result in a land value of $15,243,800.

Land Residual Utilizing Income and Cost Approaches

- This income approach is estimated off of the SF presented in the conditional use permit.
- In the Horan appraisal it states, "The small retail spaces along South Franklin Street produce the highest SF rents." And, "The highest rents achieved along South Franklin Street are across the street from the subject. It is in the prime block. These rents range from $6.00/SF for the larger poorer quality spaces to over $10.00/SF for the smallest, good quality jewelry store spaces."
- For the potential rents we have used $8.00/SF for the first floor retail space and $5.00/SF for the second floor retail/office/restaurant/apartment space. We feel that these rental rates are conservative.
- Also to remain conservative we utilized a cap rate of 9% even though 7% would be more typical currently in our model.
- The income approach indicates a value for the development of $20,516,309. The cost approach indicates a building cost/value of $4,566,256. This leaves a value of $15,950,053 for the land.
- Note that value indicated by the land residual valuation and the prime land rate calculation are very similar: $15,950,053 and $15,243,800.

Income Approach			Gross Income		Expenses			For this model:
Gross Income	2,529,408		Annual	Desc	Annual	Desc	Exp % Gross	ExpNot To I
Vacancy / Collection Loss Factor	(50,588)	2.00%	1,566,048	16,313		Mgmt	0.0000	Prop.Taxes
Misc Income				8.00		Wages	0.0000	Depreciation
Eff.GI	2,478,820		963,360	16,056		Utilities	0.0000	Debt Service
Expenses	(632,352)			5.00		Supplies	0.0000	Income Taxe
NOI	1,846,468					Repairs	0.0000	Capital Imp
Cap Rate / Preliminary Value	9.00%	20,516,309				Insurance	0.0000	OwnerBusEx
Adj-Market / Market Area	1.00				632,352	Misc.	0.2500	ReplaceResr
Adj-Condition / Econ.Life	1.00		2,529,408	Total	632,352	Total (est. at 25% of Gross Income)		
Indicated Value		20,516,309	Econ Life	50	Reserve %	1%	Replac.Res.	25,294
			NOI % of Gro	73%	Exp % Gros	25%		

Cost Approach			Section 1		Section 2		Section 3		Section 4
Type Desc. / SF	Mixed Retail/Office		32,369	(Type Desc)	(SF)	Retail	16,313	Office	16,056
Type #/Class		597	D	(Type #)	(Class)	353	D	344	D
Quality			Good				Good		Good
Condition/EffAge			0				0		0
Rate/Base		107.00	3,463,483	(Rate)	0	106.00	1,729,178	145.98	2,343,855
Components									
(Desc)	(Rate)	(SF)	-	(SF)	-	(SF)	-	(SF)	-
(Desc)	(Rate)	(SF)	-	(SF)	-	(SF)	-	(SF)	-
(Desc)	(Rate)	(SF)	-	(SF)	-	(SF)	-	(SF)	-
RCN		0%	3,463,483	0%	0	0%	1,729,178	0%	2,343,855
RCNLD	(50 Year, 20% Res	0	3,463,483	0	0	0	1,729,178	0	2,343,855
LclMulti./Cos	1.28	1.03	4,566,256	(Cost Adj)	0	1.03	2,279,748	1.09	3,270,146

Notations:	**Run as mixed**	4,566,256
	Run Separately	5,549,895

Juneau Commercial Properties Assessment and Market Analysis (Excerpts From)

Overview

This is a review of assessed values, ratios, sales and market indicators for AY2020.

Ratio Study - The Core

One of the basic steps of the analysis was to establish a benchmark for reference purposes. To establish that market benchmark a study was done that included all types of sales from the past 5 years. A 2.5% per year trend was applied and outliers established using IAAO standards were excluded.

There were 2,107 sales in the study after removal of the outliers and the COD, COV and PRD are all in good ranges.

The benchmark indicates that over all the past 5 and even 10 years have seen a market increase of over 2.5% per year. Our overall level of assessment is 0.95 and indications are that our model is not regressive. The Kurtosis is somewhat high but there is a normal distribution.

AY2020- as of 20200319- 5 Year- Q$AV- All- Trended 2.5- with No Outliers

Summary Report

IAAO Standards for COD	
SFR	15.0 or less
SFR-newer/homog	10.0 or less
Income Properties	20.0 or less
Income-Urban area	15.0 or less
Vacant Land	20.0 or less

Statistics

Current	Proposed		
2107	2107	Count	(Number of Records with Ratio)
0.7680	0.7680	Minimum Ratio	
1.1287	1.1287	Maximum Ratio	
0.3607	0.3607	Range	
0.9492	**0.9492**	**Mean**	(This is the average ratio for your sample.)
0.9484	**0.9484**	**Median**	(This is the mid-point value for your sample. Preferred measure of central tendency.)
0.9465	0.9465	Weighted Mean	
9.0031	9.0031	Sum of the Square of Deviations	
0.0506	0.0506	AAD	
0.0654	0.0654	Standard Deviation	
5.3397	**5.3397**	**COD**	(Good indicator of confidence level.)
6.8883	**6.8883**	**COV**	
1.0028	**1.0028**	**PRD- Price-Related or Factor Differential**	
		(PRD s/b between 0.98 & 1.03, IAAO)	
		(PRD over 1=Regressive)	

Coefficients (0=Normal Distribution)	
Kurtosis	#DIV/0!
Skewness	#DIV/0!
Alt.Cyhelsky's Skew	0.0090
Alt.Pearson's Skew	0.0360

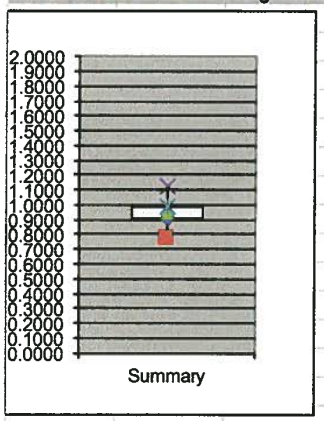
Trending Factors

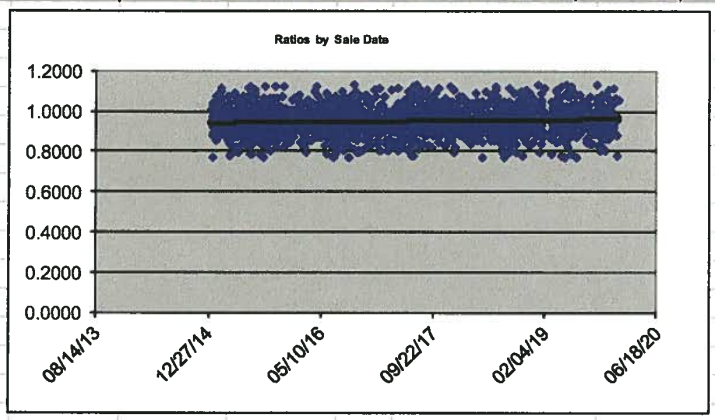
0.85	Target Level
0.8955	Factor on Mean
0.8962	**Factor on Median**
0.8980	Factor on Weighted Mean

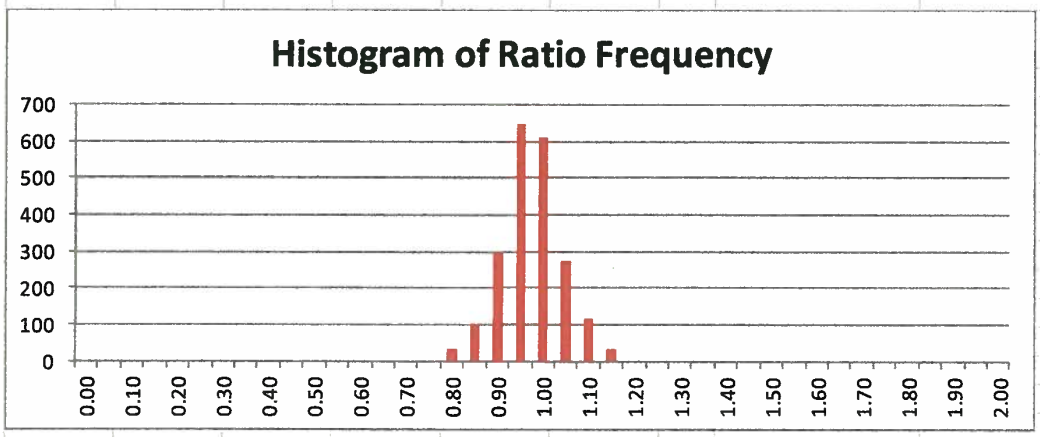
Normal / Skewed Distribution Evaluation

-0.0008	Differential Mean to Median
1063	Number of data points below the mean.
1044	Number of data points above the mean.

*Note- # below/above works on data sets up to 5,000 pts.







With the overall market as our benchmark we next focused on the commercial market specifically. We looked at both 5 year and 10 year timelines. In the 5 year sales study, after excluding outliers, we had 119 sales that were deemed to be market sales for which we had sales price and assessed value figures, allowing for analysis. A 2.5% per year trend was applied. The results indicate that the actual trend may be fractionally less than the 2.5% but that this is an appropriate trending percentage for this sample.

The mean and median can be seen in the table below. The study shows the market is skewed with a longer tail on the under assessed end, therefore, emphasis should be placed on the mean.

Type	Count	Mean	Median
Overall Commercial	119	0.9021	0.9287
Multi-Family (Plexes-Du,Tri,Four)	57	0.9572	0.9558
Apartments	7	0.8553	0.8813
Lodging (Hotels,Motels)	1	0.9720	0.9720
Retail	2	0.8370	0.8370
Office	9	0.9041	0.9287
Medical	0		
General/Industrial	21	0.8092	0.8361
Commercial Other	18	0.8439	0.8813
Other	4	0.9590	1.0035

Note that some of these fall out of the preferred +/- 5% range. They are all below market and all, except Lodging (based on one sale) and possibly Land, are below the overall and residential levels of assessment.

AY2020- as of 20200319- 5 Year- Q$AV- Comm- All- Trended 2.5%- with No Outliers

Summary Report

IAAO Standards for COD	
SFR	15.0 or less
SFR-newer/homog	10.0 or less
Income Properties	20.0 or less
Income-Urban area	15.0 or less
Vacant Land	20.0 or less

Statistics

Current	Proposed		
119	119	Count	(Number of Records with Ratio)
0.6001	0.6001	Minimum Ratio	
1.1929	1.1929	Maximum Ratio	
0.5928	0.5928	Range	
0.9021	**0.9021**	**Mean**	(This is the average ratio for your sample.)
0.9287	**0.9287**	**Median**	(This is the mid-point value for your sample. Preferred measure of central tendency.)
0.8709	0.8709	Weighted Mean	
1.6544	1.6544	Sum of the Square of Deviations	
0.0896	0.0896	AAD	
0.1184	0.1184	Standard Deviation	
9.6509	**9.6509**	**COD**	(Good indicator of confidence level.)
13.1256	**13.1256**	**COV**	
1.0358	**1.0358**	**PRD- Price-Related or Factor Differential**	
		(PRD s/b between 0.98 & 1.03, IAAO)	
		(PRD over 1=Regressive)	

Coefficients (0=Normal Distribution)	
Kurtosis	#DIV/0!
Skewness	#DIV/0!
Alt.Cyhelsky's Skew	-0.2269
Alt.Pearson's Skew	-0.6729

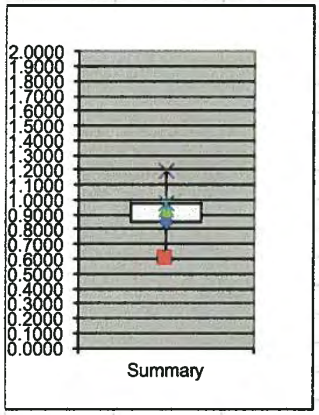
Trending Factors

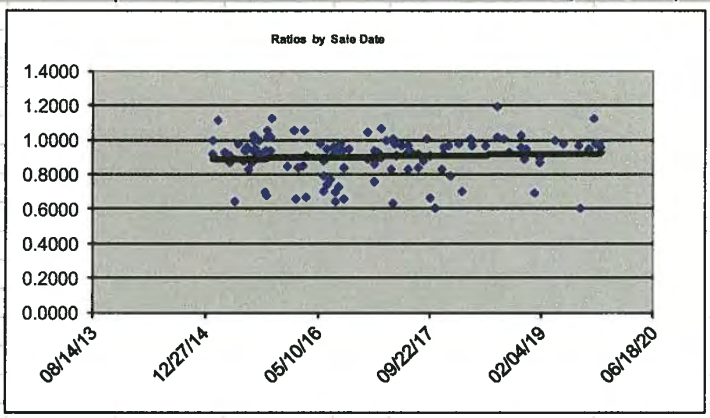
0.85	Target Level
0.9422	Factor on Mean
0.9153	**Factor on Median**
0.9760	Factor on Weighted Mean

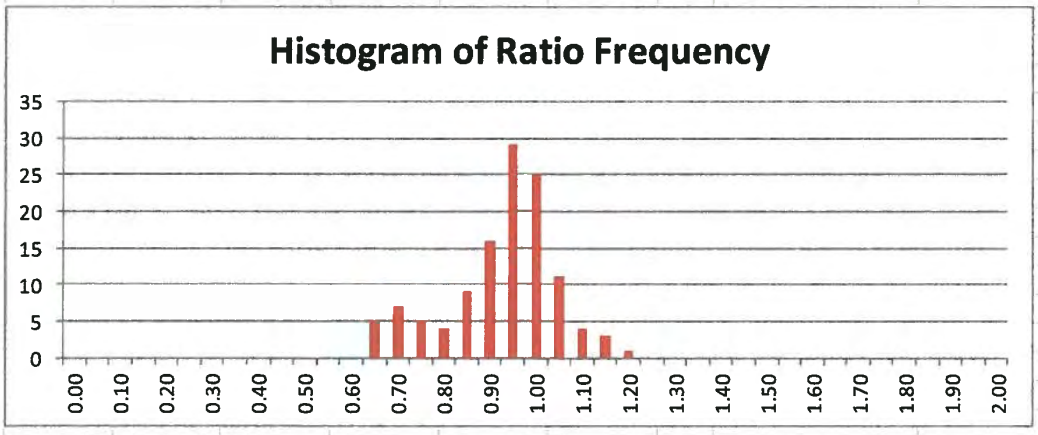
Normal / Skewed Distribution Evaluation

0.0266	Differential Mean to Median
46	Number of data points below the mean.
73	Number of data points above the mean.

*Note- # below/above works on data sets up to 5,000 pts.





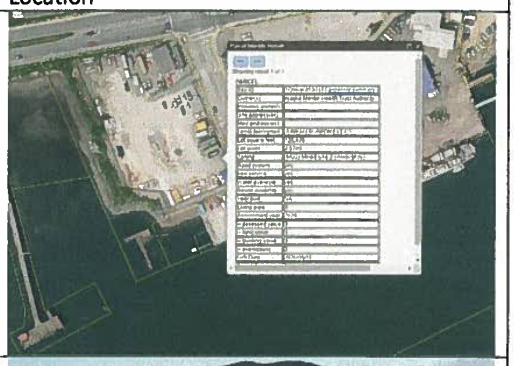


Sales Review

For review of individual sales we utilized GIS mapping as well as tabular data.

The table below shows a sampling of sales that are believed to be market sales for which we have sales price and current assessed value. It is important to note that these sales prices have not been trended. What the trended price would be is indicated in a few instances.

Note that a review of individual sales confirms the statistical indication that our commercial models are producing values that represent approximately 90% of market value.

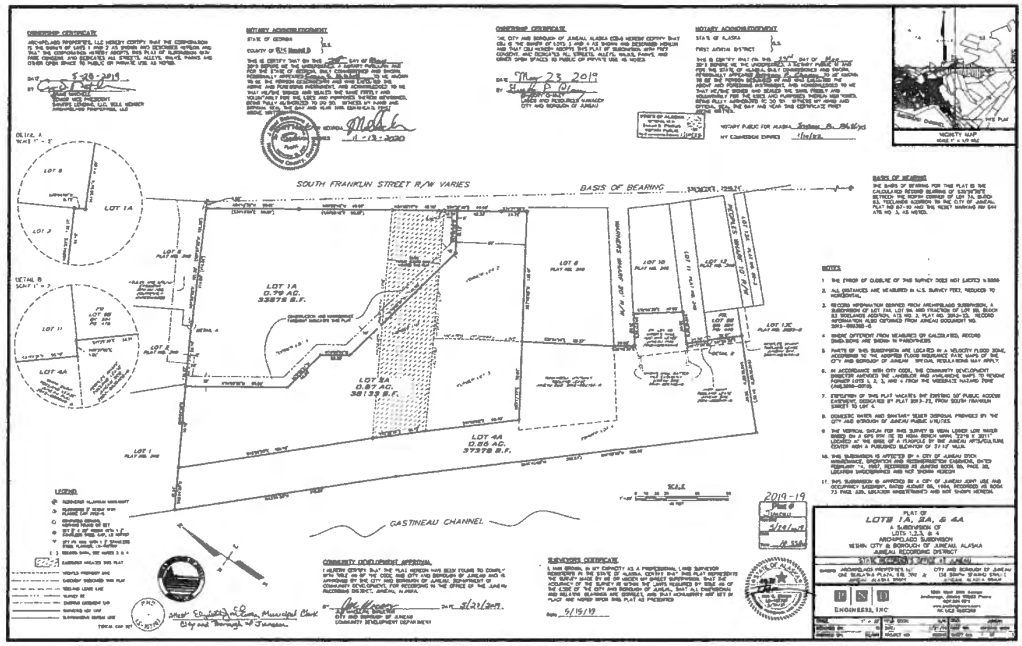
Parcel # & Notes	Sale Date	Sale Price	AV	Location
1C060K010031 (subport) Bid sale 09/09/2019 05/2020- Payments current; $15M paid to date (See Footnote 1)	09/09/2019	20,000,000	N/A (previously exempt)- in 2009 the AV was $10,020,800	
5B1201010010	09/03/2019	1,070,000	1,019,900	
1C060K510020 Land Sale; 187,000 Land AV, Last land value change AY 2018 and 2015 and 2007 This sale is waterfront with docks & separately controlled tidelands in front of it. No cruise ship exposure.	10/26/2014 Note that this sale is from the 6th year back.	130,000 (Trended ~146,900)	187,00	

7B0901030071 This sale is waterfront. The waterfrontage is shallow mud flats and right next to Salmon Creek outlet which would keep placing sediment.	04/11/2017	1,540,000 (Trended 1,646,410)	1,650,100	
1C060K010033 Egan Drive Negotiated non-advertised sale; this property is next to the sub-port sale property but is an upland parcel; this sale does not provide a good analysis of AV at the time of the sale as it was exempt and not valued until the purchase. It could be used in analyzing a land model but whether it is a market sale is questionable.	08/31/2017	$1,352,000	1,723,300	
1C070A040030	05/31/2013 (7th year back)	700,000 (Trended ~810,000)	779,000	

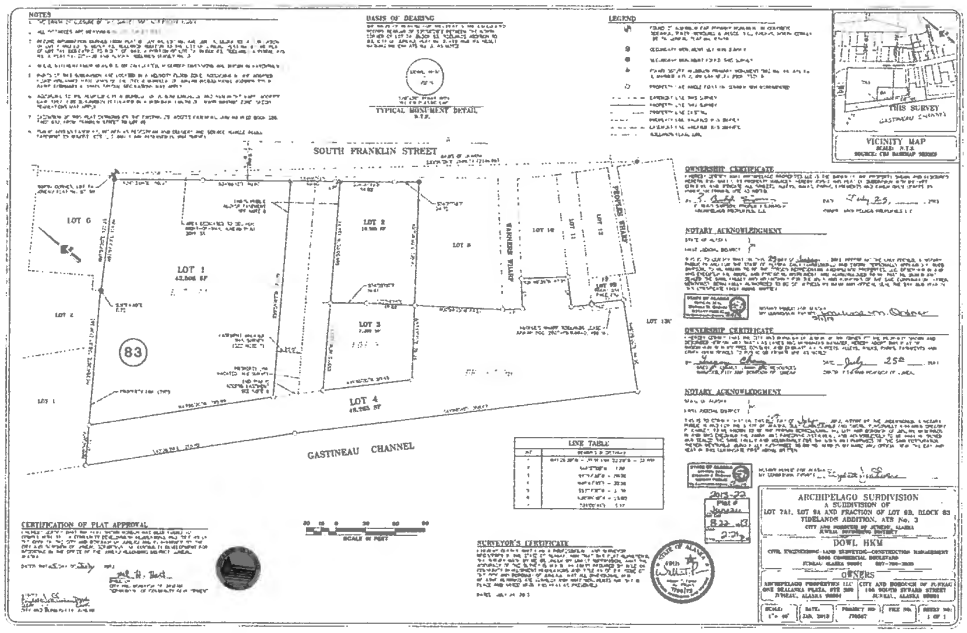
5B1501050040	05/04/2015	1,462,500	1,044,400	
5B1201040052	04/05/2017	3,300,000	2,339,700	
7B0901030071	04/11/2017	1,540,000 (Trended 1,646,410	1,650,100	

Documentation:

Current Plat (05/2019)



Previous Plat



From Horan Appraisal

FIGURE 1.1 - The existing site configuration showing proposed new subdivision line and properties to be sold and purchased by each party. Not to scale - for visual purposes only.

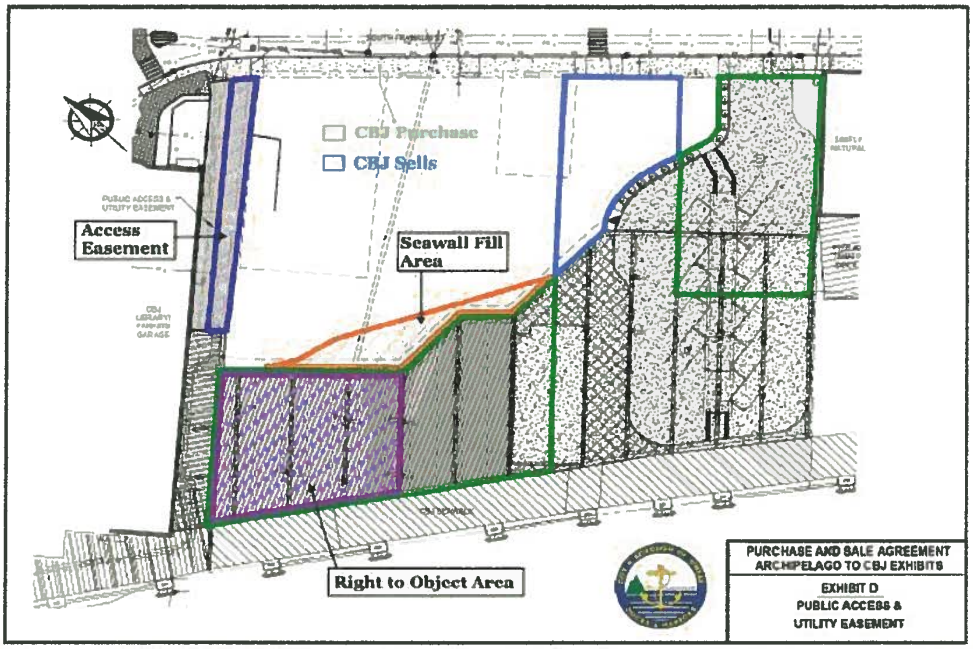
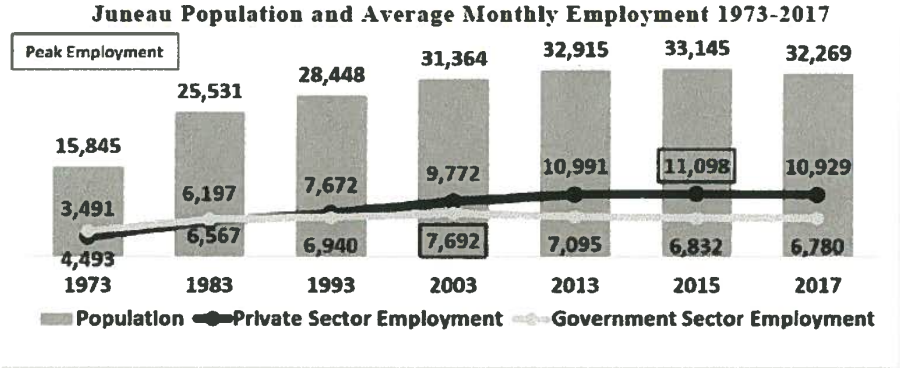


FIGURE 1.2 - PSA Exhibit D (Draft 11/23/18) modified by appraiser to show valuation elements of the purchase and sale agreement not to scale.



Source: Alaska Department of Labor and Workforce Development, Quarterly Census of Employment and Wages

FIGURE 2.2 - Population and average monthly employment for Juneau, published by the Juneau Economic Development Council, August 2018

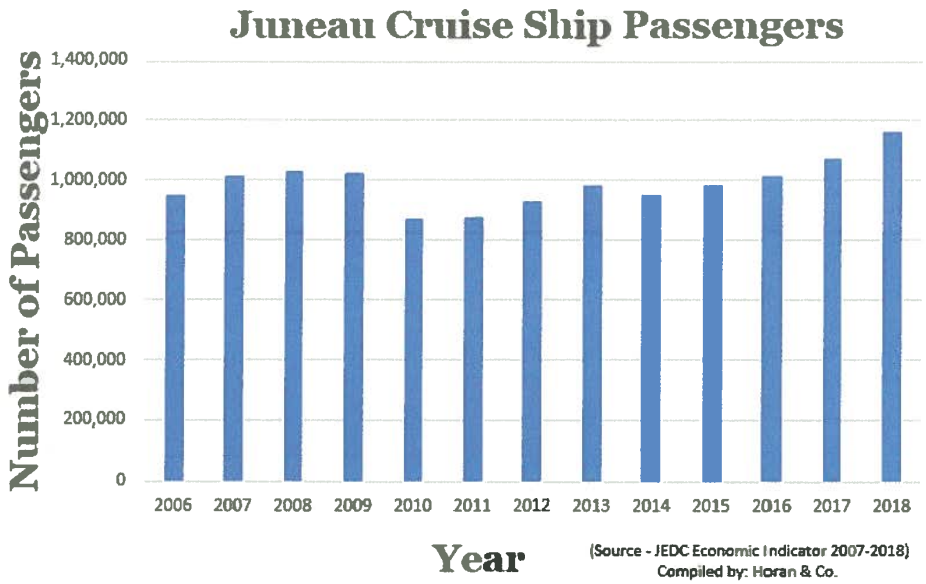


FIGURE 2.3 – Juneau Cruise Ship Passenger Visitation 2006 through 2018.

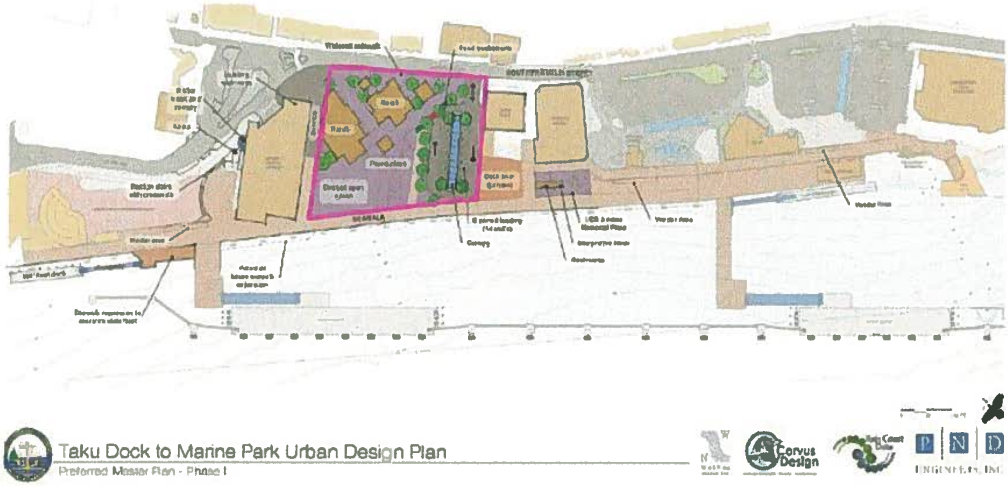


FIGURE 2.4 - A conceptual site plan from a community presentation showing existing neighborhood features, the position of two new cruise ship docks, where passengers enter the Seawalk, and the South Franklin Street tourist retail area.

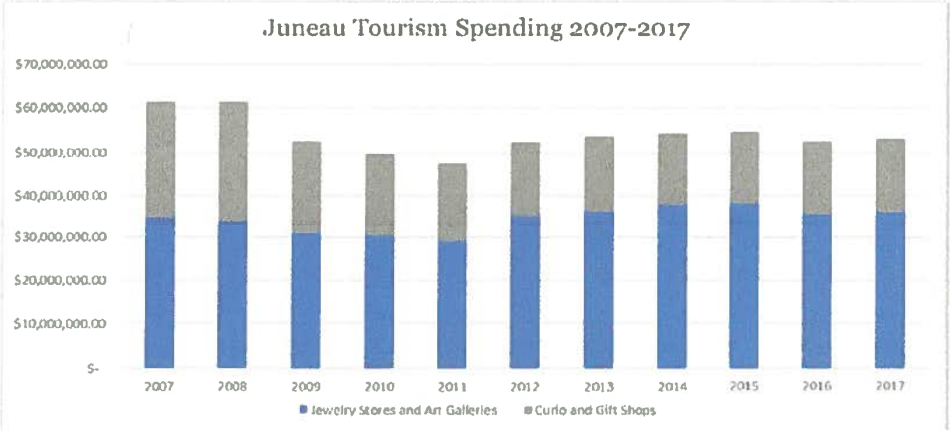
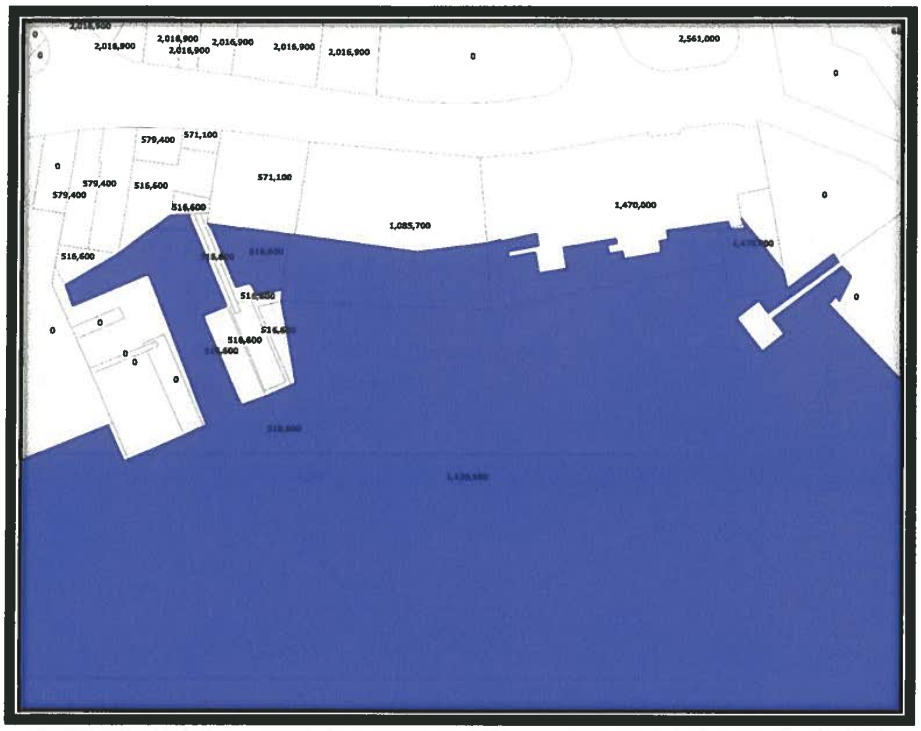


FIGURE 2.5 –Juneau Tourist Spending 2007-2017. Source: Juneau Sales Tax Office. Compiled by: Horan & Co

TABLE 4.2 – Concluded SF Value By Value Characteristic Areas		
Area ID	**Land Character-Location**	**Concluded SF Values**
Area A	Uplands on South Franklin	$300
Area B	Uplands off South Franklin	$200
Area C	Sloping South Franklin	$150
Area D	Sloping middle lands	$75
Area E	Tidelands off Seawalk	$45

From Assessor GIS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2,016,900
2,016,900
2,016,900
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571,100
579,400
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516,600
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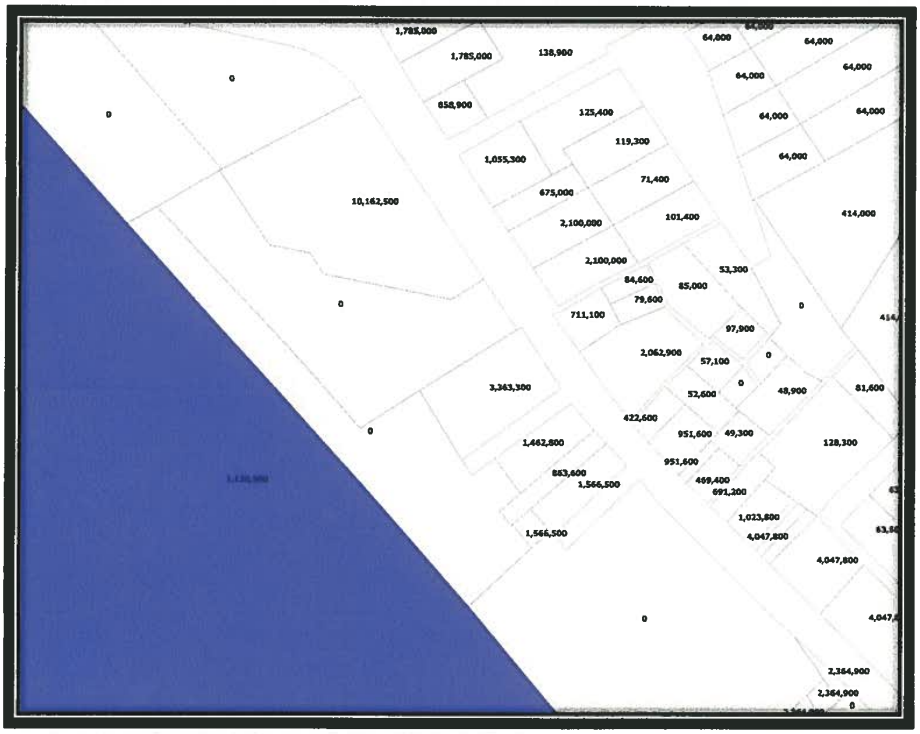
516,600
516,600
516,600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64,000
64,000
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64,000
858,900
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1,055,300
71,400
675,000
10,162,500
2,100,000
101,400
414,000
2,100,000
53,300
84,600
85,000
79,600
711,100
97,900
2,062,900
57,100
3,363,300
52,600
48,900
81,600
422,600
951,600
49,300
1,462,800
128,300
951,600
853,600
1,566,500
469,400
691,200
1,023,800
1,566,500
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4,047,800
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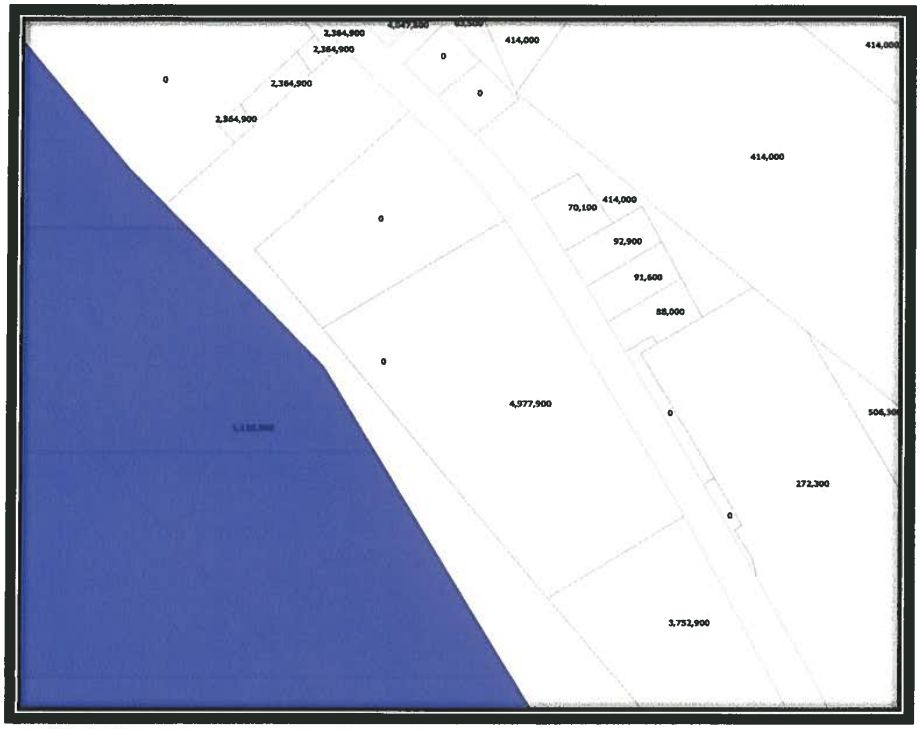
2,364,900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2,364,900
0
2,364,900
0
2,364,900
414,000
414,000
414,000
70,100
414,000
0
92,900
91,600
88,000
0
4,977,900
0
272,300
0
3,752,900

272,300
3,752,900
0
0
506,300
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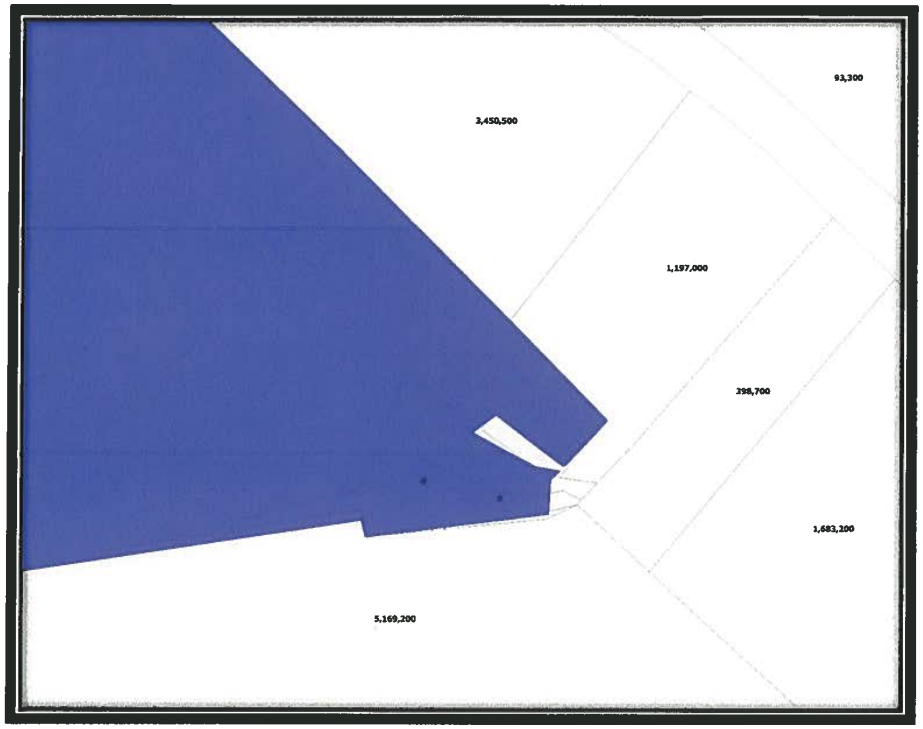
1,120,500
1,853,900
3,450,800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1,197,000
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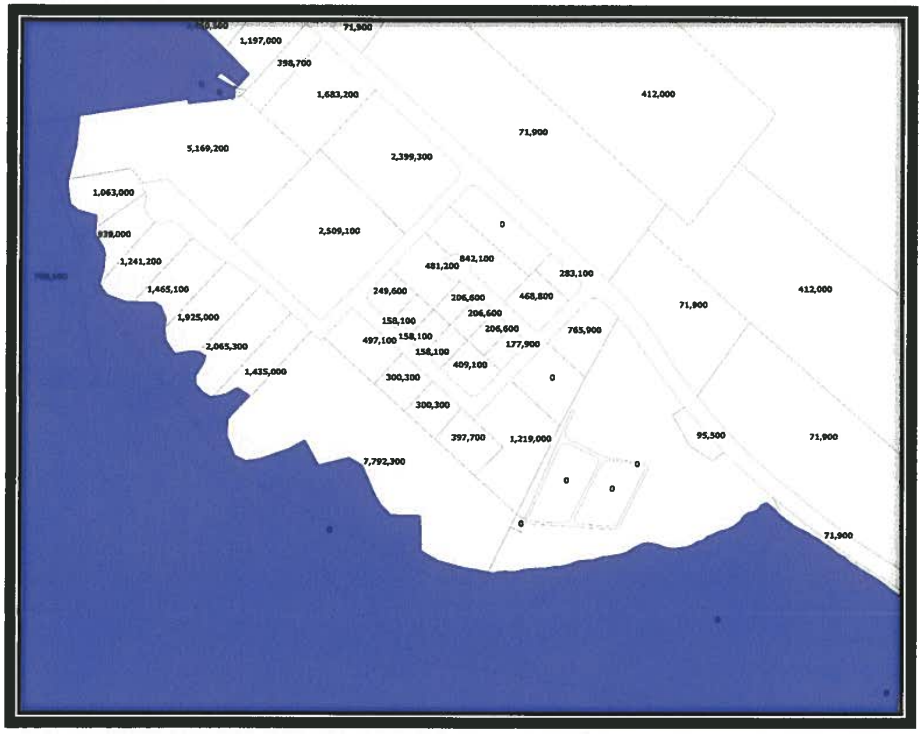
1,683,200
5,169,200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412,000
71,900
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1,063,000
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0
1,241,200
842,100
481,200
283,100
1,465,100
249,600
206,600
468,800
412,000
71,900
1,925,000
158,100
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206,600
765,900
497,100
158,100
177,900
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158,100
409,100
1,435,000
300,300
0
300,300
397,700
1,219,000
95,500
71,900
7,792,300
0
0
0
0
71,900

EXHIBIT 8
HORAN APPRAISAL
CIRCA 2010/2011

RELIANT LLC
ADVISORY SERVICES

DOCUMENT REQUESTED, NOT YET RECEIVED

EXHIBIT 9
CONSTRUCTION COSTS

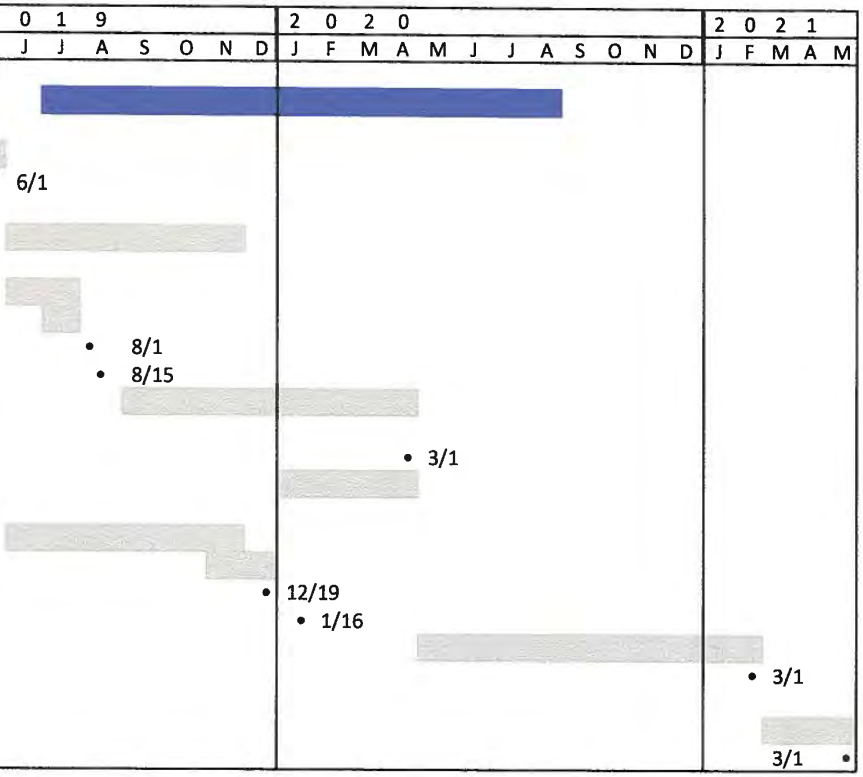
RELIANT LLC
ADVISORY SERVICES

Archipelago

Preliminary Construction Schedule

May 8, 2019

ID	Task Name	Start	Finish
	City Deck Over		
	Mobilization, On Site Constru. to Substantial Completio	5/27/19	5/1/20
	Schematic Design Complete	Ongoing	5/27/19
	Owner review and approval to proceed	5/27/19	5/31/19
	City Permit Process (to be defined)	5/13/19	11/29/19
	Construction Documents/ FND Pilings and Grade Beams	5/15/19	7/17/19
	Bidding period	7/17/19	8/1/19
	Bid Opening		8/1/19
	Notice to Proceed		8/15/19
	FND Pilings and Grade Beams		
	Material order/ delivery/ installation		
	FND Pilings and Grade Beams Completed		3/1/20
	City/ Archipelago Contractor on Site Coordination Period		TBD
	Construction Documents/ Vert. Construction		
	Bidding period	11/21/19	12/19/19
	Bid Opening		12/19/19
	Notice to Proceed		1/16/20
	Vertical Construction	5/1/20	3/1/21
	Substantial Completion		3/1/21
	Tenant Improvement/ Set up period	3/1/21	5/1/21
	Open for Business - 1st Tour Ship Arrives		5/1/21



Archipelago Budget:

Building A	1st Flr	2nd Flr	Total SF
	7,924	7,924	15,848
Building B	7,842	7,842	15,684
Total SF			31,532
Central Canopy			3,364
Total Building and Canopy			34,896
Estimated Construction Cost/ SF		$ 250.00	$ 8,724,000.00

Design Fee's		%													
			5%	$ 436,200.00		6%	$ 523,440.00		7%	$ 610,680.00		8%	$ 697,920.00
	SD	10	$ 43,620.00			$ 52,344.00			$ 61,068.00			$ 69,792.00	
	DD	20	$ 87,240.00			$104,688.00			$ 122,136.00			$ 139,584.00	
	CD	27	$ 117,774.00			$141,328.80			$ 164,883.60			$ 188,438.40	
	Bidding	5	$ 21,810.00			$ 26,172.00			$ 30,534.00			$ 34,896.00	
	CA	38	$ 165,756.00			$198,907.20			$ 232,058.40			$ 265,209.60	
		100	$ 436,200.00			$523,440.00			$ 610,680.00			$ 697,920.00	
Contingencies			5%	$ 436,200.00		5%	$ 436,200.00		5%	$ 436,200.00		5%	$ 436,200.00
Total Estimated Construction Cost				$ 9,596,400.00			$ 9,683,640.00			$ 9,770,880.00			$ 9,858,120.00
Total $/SF				$ 275.00			$ 277.50			$ 280.00			$ 282.50
Estimated Foundation Construction Value				$ 2,010,330.00			$ 2,010,330.00			$ 2,010,330.00			$ 2,010,330.00

	Total Fee		Paid	Bal.
PND Civil/ Structural	$ 297,375	43.83%	$ 17,250	$ 280,125
RSA MEP	$ 96,096	14.16%		
TS Architects	$ 270,000	39.80%	$ 78,482	$ 191,518
Landscape	$ 15,000	2.21%		
	$ 678,471	7.78%	$ 95,732	$ 471,643

Arch	60%
Civil/Structural/MEP	40%

EXHIBIT 10
2020 COMPARABLE PROPERTY ASSESSMENT DATA

RELIANT LLC
ADVISORY SERVICES

Assessor's Database

Current Owner

AK 307 LLC

7137-C LITTLE RIVER TURNPIKE, ANNANDALE VA 22003

Parcel #: 1C070H020020 (Map)

Address: 307 S FRANKLIN ST

Legal Desc. 1: PACIFIC COAST ADDITION BL 2 LT 3

Legal Desc. 2:

Prev. Owner: BOUDEWIJN ROELAND

Site Value: $708800.00

#157 p/ft

Building PV: $646600.00

Total PV: $1355400.00

Use Code: Commercial Misc

Exempt: No Data

#157 ÷ #300 = 52%

Zoning: -Mixed Use-Residential and Commercial -5,000 sq.ft. minimum lot size -60 units per acre

Tax Year: 2020

No. of Units: 002

Year Built: 1910

Gross Liv. Area: 006590 sqft

Garage: No

Garage Area: 000000

Lot Size: 4500.00

Last Trans: 20060131

City Water: Yes

City Sewer: Yes

Exempt Land: 0

Exempt Building: 0

Exempt Total: 0

Road/No Road: Roaded

Search the Database

Search the database using the search box below. The field accepts any search parameter (owner's name, address, parcel number, year built, etc.).

Assessor's Database

Current Owner

A & J BUILDING LLC
PO BOX 020870, JUNEAU AK 99802

Parcel #: 1C070I010011 (Map)

Address: 411 S FRANKLIN ST

Legal Desc. 1: 7 A ADDITION BL 1 LT 1A

Legal Desc. 2:

Prev. Owner: TRUCANO CONSTRUCTION

Site Value: $2062900.00
$ 245 p/sq

Building PV: $2018600.00

Total PV: $4081500.00

Use Code: Commercial Retail

Exempt: No Data

$ 245 ÷ $ 300
= 82%

Zoning: -Mixed Use-Residential and Commercial -5,000 sq.ft. minimum lot size -60 units per acre

Tax Year: 2020

No. of Units: 000

Year Built: 2003

Gross Liv. Area: 021850 sqft

Garage: No

Garage Area: 000000

Lot Size: 8420.00

Last Trans: 00000000

City Water: Yes

City Sewer: Yes

Exempt Land: 0

Exempt Building: 0

Exempt Total: 0

Road/No Road: Roaded

Search the Database

Search the database using the search box below. The field accepts any search parameter (owner's name, address, parcel number, year built, etc.).

Assessor's Database

Current Owner

SAMUEL SENGUL & GULAY SENGUL
PO BOX 1535, LA CANADA CA 91012

Parcel #: 1C070B0N0012 (Map)

Address: 263 S FRANKLIN ST

Legal Desc. 1: JUNEAU TOWNSITE BL N TR B

Legal Desc. 2:

Prev. Owner: JIM MICHAEL KEEN

Site Value: $932400.00

#175 P/B

Building PV: $1318700.00

Total PV: $2251100.00

Use Code: Commercial Misc

Exempt: No Data

#175 ÷ #300
= 58%

Zoning: -Mixed Use-Residential and Commercial -5,000 sq.ft. minimum lot size -60 units per acre

Tax Year: 2020

No. of Units: 003

Year Built: 2005

Gross Liv. Area: 010296 sqft

Garage: No

Garage Area: 000000

Lot Size: 5310.00

Last Trans: 00000000

City Water: Yes

City Sewer: Yes

Exempt Land: 0

Exempt Building: 0

Exempt Total: 0

Road/No Road: Roaded

Search the Database

Search the database using the search box below. The field accepts any search parameter (owner's name, address, parcel number, year built, etc.).

EXHIBIT 11
2020 PROPERTY ASSESSMENT
263 S FRANKLIN ST

RELIANT LLC
ADVISORY SERVICES

Assessor's Database

Current Owner

SAMUEL SENGUL & GULAY SENGUL
PO BOX 1535, LA CANADA CA 91012

Parcel #: 1C070B0N0012 (Map)	**Address:** 263 S FRANKLIN ST	**Legal Desc. 1:** JUNEAU TOWNSITE BL N TR B	**Legal Desc. 2:**
Prev. Owner: JIM MICHAEL KEEN	**Site Value:** $932400.00	**Building PV:** $1318700.00	**Total PV:** $2251100.00
Use Code: Commercial Misc	**Exempt:** No Data	**Zoning:** -Mixed Use-Residential and Commercial -5,000 sq.ft. minimum lot size -60 units per acre	**Tax Year:** 2020
No. of Units: 003	**Year Built:** 2005		**Gross Liv. Area:** 010296 sqft
Garage: No	**Garage Area:** 000000	**Lot Size:** 5310.00	**Last Trans:** 00000000
City Water: Yes	**City Sewer:** Yes		
Exempt Land: 0	**Exempt Building:** 0	**Exempt Total:** 0	**Road/No Road:** Roaded

Search the Database

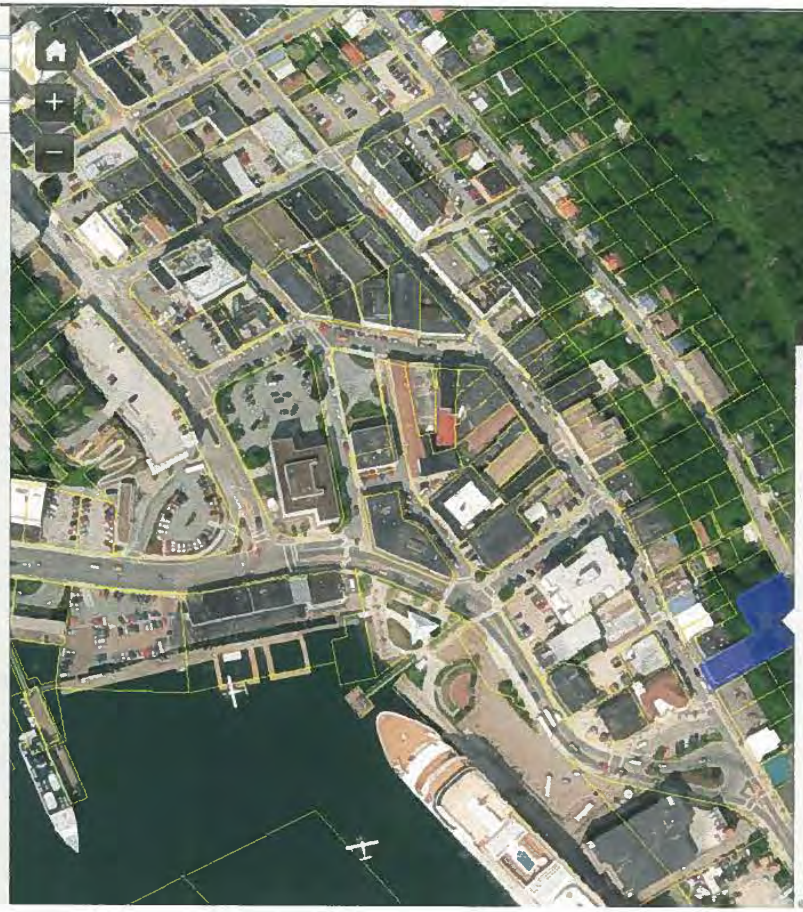
Search the database using the search box below. The field accepts any search parameter (owner's name, address, parcel number, year built, etc.).

Map Layers

Tools

Search

Output



Parcel Identify Results

<< >>

Showing result 1 of 1

PARCEL

Tax ID	1C070B0N0012 (assessor summary)
Owner(s)	Samuel Sengul; Gulay Sengul
Previous owner(s)	JIM MICHAEL KEEN
Site address(es)	263 S Franklin St; 265 S Franklin St; 300 Bulger Way
Mail address(es)	PO Box 1535 - LA Canada, CA 91012-5535
Legal description	JUNEAU TOWNSITE BL N TR B
Lot square feet	15,510
Lot acres	0.3561
Zoning	(MU) Mixed Use
Road system	yes
Fire service	yes
Water available	yes
Sewer available	yes
Year built	2005
Living area	10296
Assessment year	2020
-- assessed value	2,251,100
-- land value	932,400
-- building value	1,318,700
-- exemptions	0
GIS Date	2020/08/21

EXHIBIT 12
Plat 2011-39

RELIANT LLC
ADVISORY SERVICES

NOTES

1. THE ERROR OF CLOSURE OF THIS SURVEY DOES NOT EXCEED 1:5000.
2. ALL DISTANCES ARE MEASURED IN U.S. SURVEY FEET.
3. RECORD INFORMATION DERIVED FROM PLAT OF LOT 9A, LOT 9B, AND LOT 7A, BLOCK 83, A SUBDIVISION OF LOT 7 AND LOT 9, BLOCK 83, TIDELANDS ADDITION TO THE CITY OF JUNEAU, PLAT No. 87-10 AND ALASKA TIDELANDS SURVEY No. 3.
4. WHERE DIFFERENT FROM MEASURED OR CALCULATED, RECORDED DIMENSIONS ARE SHOWN IN PARENTHESES.
5. THE PORTION OF THE EXISTING 25' ACCESS EASEMENT WITHIN THE 125 SF AREA DEDICATED TO CBJ FOR RIGHT-OF-WAY IS EXTINGUISHED BY ACCEPTANCE OF THIS PLAT.
6. PARTS OF THIS SUBDIVISION ARE LOCATED IN A SPECIAL FLOOD HAZARD AREA, ACCORDING TO THE ADOPTED FLOOD INSURANCE RATE MAPS OF THE CITY & BOROUGH OF JUNEAU. SPECIAL REGULATIONS MAY APPLY.
7. THIS SUBDIVISION IS LOCATED IN A GEOPHYSICAL HAZARD AREA. SPECIAL REGULATIONS MAY APPLY.

DOWL HKM
&
7712-S

5/8"x36" REBAR WITH YELLOW PLASTIC CAP

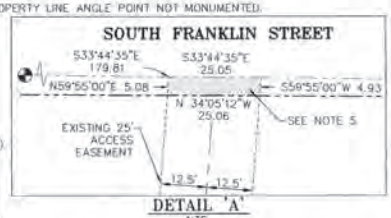
TYPICAL MONUMENT DETAIL
N.T.S.

BASIS OF BEARING

THE BASIS OF BEARING FOR THIS PLAT IS THE CALCULATED RECORD BEARING OF S35°56'28"E BETWEEN FOUND PRIMARY MONUMENTS AS NOTED.

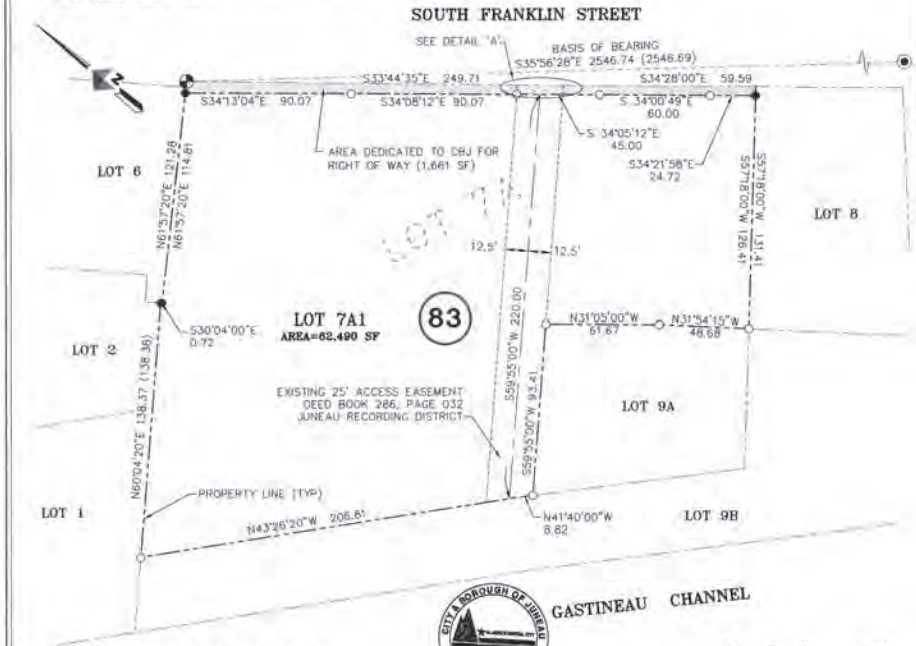
LEGEND

- FOUND 3" ALUMINUM CAP PRIMARY MONUMENT IN CONCRETE SIDEWALK, TONER-NORDLING & ASSOC. INC., 6282-S
- SECONDARY MONUMENT SET THIS SURVEY
- FOUND DOT/PF ALUMINUM PRIMARY MONUMENT RESET OF RMC No. 44, ATS No. 3, MARKED ATS 3, RM C44 RESET 2001, 7331-S.
- PROPERTY LINE ANGLE POINT NOT MONUMENTED.



DETAIL 'A'
NTS

VICINITY MAP
SCALE: N.T.S.
SOURCE: CBJ BASEMAP SERIES



OWNERSHIP CERTIFICATE

I HEREBY CERTIFY THAT ARCHIPELAGO PROPERTIES LLC IS THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT I, ~~AS PRESIDENT~~ HEREBY ADOPT THIS PLAT OF SUBDIVISION WITH MY FREE CONSENT, AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS, EASEMENTS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED:

BY: E. Budd Simpson
E. BUDD SIMPSON, PROPERTY MANAGER
ARCHIPELAGO PROPERTIES, LLC

DATE: November 30, 2011
OWNER: ARCHIPELAGO PROPERTIES LLC

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
FIRST JUDICIAL DISTRICT) ss.

THIS IS TO CERTIFY THAT ON THIS 30th DAY OF November, 2011, BEFORE ME THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED E. BUDD SIMPSON, TO ME KNOWN TO BE THE PERSON REPRESENTING ARCHIPELAGO PROPERTIES, LLC, DESCRIBED IN AND WHO EXECUTED THE ABOVE AND FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE SIGNED AND SEALED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES OF THE SAID CORPORATION THEREIN MENTIONED, BEING FULLY AUTHORIZED TO DO SO. WITNESS MY HAND AND OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

Elizabeth J. McEwen

NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES: 5/6/2014

STATE OF ALASKA
OFFICIAL SEAL
Elizabeth J. McEwen
NOTARY PUBLIC
My Commission Expires 5/6/2014

2011-38
Plat #
Juneau
Rec Dist
12-14-11
Date
1:40 PM

CERTIFICATION OF PLAT APPROVAL

I HEREBY CERTIFY THAT THE PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH TITLE 4 COMMUNITY DEVELOPMENT REGULATIONS AND TITLE 49 OF THE CODE OF THE CITY AND BOROUGH OF JUNEAU AND IS APPROVED BY THE CITY AND BOROUGH OF JUNEAU DEPARTMENT OF COMMUNITY DEVELOPMENT FOR RECORDING IN THE OFFICE OF THE JUNEAU RECORDING DISTRICT, JUNEAU, ALASKA.

DATED THIS 30th DAY OF Nov, 2011.

DIRECTOR
CITY AND BOROUGH OF JUNEAU
DEPARTMENT OF COMMUNITY DEVELOPMENT

ATTEST: Elizabeth J. McEwen, Deputy Clerk
CLERK
CITY AND BOROUGH OF JUNEAU

40 20 0 40 80 120
SCALE IN FEET

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT I AM A PROFESSIONAL LAND SURVEYOR REGISTERED IN THE STATE OF ALASKA, AND THAT THIS PLAT REPRESENTS THE SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION, THAT THE ACCURACY OF THE SURVEY IS WITHIN THE LIMITS REQUIRED BY TITLE 04 COMMUNITY DEVELOPMENT REGULATIONS AND TITLE 49 OF THE CODE OF THE CITY AND BOROUGH OF JUNEAU, THAT ALL DIMENSIONAL AND RELATIVE BEARINGS ARE CORRECT AND THAT MONUMENTS ARE SET IN PLACE AND NOTED UPON THIS PLAT AS PRESENTED.

DATED: NOVEMBER 29, 2011

STATE OF ALASKA
49th
William T. Pence
No. 7712-S
11/29/11
REGISTERED PROFESSIONAL LAND SURVEYOR

PLAT OF
LOT 7A1
DEDICATING TO RIGHT-OF-WAY
A PORTION OF LOT 7A, BLOCK 83
TIDELANDS ADDITION, ATS No. 3
CITY AND BOROUGH OF JUNEAU, ALASKA
JUNEAU RECORDING DISTRICT

DOWL HKM
CIVIL ENGINEERING-LAND SURVEYING-CONSTRUCTION MANAGEMENT
5368 COMMERCIAL BOULEVARD
JUNEAU ALASKA 99801 907-780-3533

OWNER
ARCHIPELAGO PROPERTIES LLC
ONE SEALASKA PLAZA, STE 300
JUNEAU, ALASKA 99801

SCALE:	DATE:	PROJECT NO:	FILE NO:	SHEET NO:
1"= 40'	OCT. 2011	J70469		1 OF 1

EXHIBIT 13
Plat 2013-22

RELIANT LLC
ADVISORY SERVICES

NOTES

1. THE ERROR OF CLOSURE OF THIS SURVEY DIDT NOT EXCEED 1:50000
2. ALL DISTANCES ARE MEASURED IN U.S. SURVEY FEET.
3. RECORD INFORMATION DERIVED FROM PLAT HR 107 LOT 9A, LOT 10B, AND LOT 7A, BLOCK 83 A SUBDIVISION OF LOT 7 AND LOT 9, BLOCK 83, TIDELANDS ADDITION TO THE CITY OF JUNEAU PLAT No. 87-10, PLAT OF LOT 7A1 DEDICATING TO RIGHT-OF-WAY, A PORTION OF LOT 7A, BLOCK 83, TIDELANDS ADDITION, ATS No. 3, PLAT No. 2011-38 AND ALASKA TIDELANDS SURVEY No. 1.
4. WHERE DIFFERENT FROM MEASURED OR CALCULATED, RECORDED DIMENSIONS ARE SHOWN IN PARENTHESES
5. PARTS OF THIS SUBDIVISION ARE LOCATED IN A VE/DOUTY FLOOD ZONE, ACCORDING TO THE ADOPTED FLOOD INSURANCE RATE MAPS OF THE CITY & BOROUGH OF JUNEAU (FLOOD PANEL #02090 725 B, DATED FEBRUARY 4, 1997). SPECIAL REGULATIONS MAY APPLY.
6. ACCORDING TO THE ADOPTED CITY & BOROUGH OF JUNEAU LANDSLIDE AND AVALANCHE MAPS, ADOPTED DATE 1987, THIS SUBDIVISION IS LOCATED IN A MODERATE LANDSLIDE / MASS WASTING ZONE. SPECIAL REGULATIONS MAY APPLY.
7. EXECUTION OF THIS PLAT EXTINGUISHES THE EXISTING 20' ACCESS EASEMENT, JUNEAU DEED BOOK 208, PAGE 330, FROM FRANKLIN STREET TO LOT 8B.
8. PUBLIC ACCESS EASEMENT, DEFINED AS PEDESTRIAN AND BICYCLE AND SERVICE VEHICLE ACCESS, EXISTS TO BENEFIT LOTS 1, 2 AND 3 AS ALLOWED IN THIS SURVEY.

BASIS OF BEARING

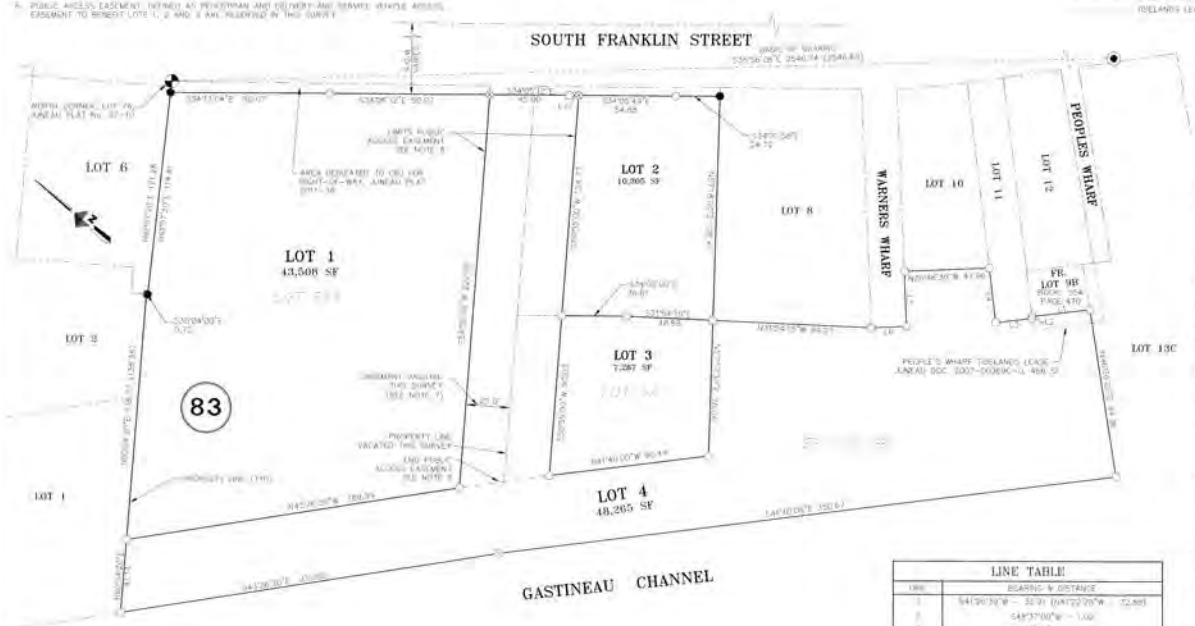
THE BASIS OF BEARING FOR THIS PLAT IS THE CALCULATED RECORD BEARING OF S35°06'25"E BETWEEN THE NORTH CORNER OF LOT 7A, BLOCK 83, TIDELANDS ADDITION TO THE CITY OF JUNEAU, PLAT No. 87-10 AND THE WEST MARKING ON C44 ATS No. 3, AS NOTED.

TYPICAL MONUMENT DETAIL
N.T.S.

LEGEND

- FOUND 5" ALUMINUM CAP PRIMARY MONUMENT IN CONCRETE SIDEWALK, TONIE HOPKINS JR KRUSE INC. 8262-S NORTH CORNER LOT 7A, JUNEAU PLAT No. 87-10
- SECONDARY MONUMENT NO. THIS SURVEY
- SECONDARY MONUMENT FOUND THIS SURVEY
- FOUND DOT/DT ALUMINUM PRIMARY MONUMENT TMC No. 44, ATS No. 3, MARKED ATS 3 AM-044 N69°1'20W 3.11'-S
- PROPERTY LINE ANGLE POINT OR CORNER NOT MONUMENTED
- EASEMENT LINE THIS SURVEY
- PROPERTY LINE THIS SURVEY
- PROPERTY LINE EXISTING
- PROPERTY LINE VACATED THIS SURVEY
- EASEMENT LINE VACATED THIS SURVEY
- TIDELANDS LEASE LINE

VICINITY MAP
SCALE: N.T.S.
SOURCE: CBJ BASEMAP SERIES



LINE TABLE	
LINE	BEARING & DISTANCE
1	S41°20'30"W – 32.91' (N41°22'28"W – 32.88')
2	S48°37'00"W – 1.08'
3	N41°13'30"W – 20.38'
4	N48°43'30"E – 16.95'
5	S5°51'30"W – 31.00'
6	N38°18'30"W – 20.90'
7	S38°00'49"E – 5.12'

SCALE IN FEET: 30 15 0 30 60 90

OWNERSHIP CERTIFICATE

I HEREBY CERTIFY THAT ARCHIPELAGO PROPERTIES LLC IS THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT I AS PROPERTY MANAGER, HEREBY ADOPT THIS PLAT OF SUBDIVISION WITH MY FREE CONSENT AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS, EASEMENTS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

BY: J. David Simpson
J. DAVID SIMPSON, PROPERTY MANAGER
ARCHIPELAGO PROPERTIES, LLC

DATE: July 25, 2013
OWNER: ARCHIPELAGO PROPERTIES LLC

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
) ss
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY THAT ON THIS 25 DAY OF July, 2013, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED F. DAVID SIMPSON, TO ME KNOWN TO BE THE PERSON REPRESENTING ARCHIPELAGO PROPERTIES, LLC, RESPONDED IN AND WHO EXECUTED THE ABOVE AND FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE SIGNED AND SEALED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES OF THE SAID CORPORATION THEREIN MENTIONED, BEING FULLY AUTHORIZED TO DO SO. WITNESS MY HAND AND OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

STATE OF ALASKA
OFFICIAL SEAL
Melissa M. Ordner
NOTARY PUBLIC
My Commission Expires 5/11/19

NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES: 5/11/19
Melissa M. Ordner

OWNERSHIP CERTIFICATE

I HEREBY CERTIFY THAT THE CITY AND BOROUGH OF JUNEAU IS THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT I AS LANDS AND RESOURCES MANAGER, HEREBY ADOPT THIS PLAT OF SUBDIVISION WITH MY FREE CONSENT, AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS, EASEMENTS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

BY: Gregory Chaney
GREGORY CHANEY, LANDS AND RESOURCES MANAGER, CITY AND BOROUGH OF JUNEAU

DATE: July 25th, 2013
OWNER: CITY AND BOROUGH OF JUNEAU

NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
) ss
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY THAT ON THIS 25th DAY OF July, 2013, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED GREGORY A. CHANEY, TO ME KNOWN, TO BE THE PERSON REPRESENTING THE CITY AND BOROUGH OF JUNEAU, RESPONDED IN AND WHO EXECUTED THE ABOVE AND FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE SIGNED AND SEALED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES OF THE SAID CORPORATION THEREIN MENTIONED, BEING FULLY AUTHORIZED TO DO SO. WITNESS MY HAND AND OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

STATE OF ALASKA
OFFICIAL SEAL
Elizabeth J. McEwen
NOTARY PUBLIC
My Commission Expires 3/14/16

NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES: 3/14/16
Elizabeth J. McEwen

2013-22
Plat #
Juneau
Rec Dist
Date 8-22-13
Time 2:21 P.M.

CERTIFICATION OF PLAT APPROVAL

I HEREBY CERTIFY THAT THE PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH TITLE 4 COMMUNITY DEVELOPMENT REGULATIONS AND TITLE 49 OF THE CODE OF THE CITY AND BOROUGH OF JUNEAU AND IS APPROVED BY THE CITY AND BOROUGH OF JUNEAU DEPARTMENT OF COMMUNITY DEVELOPMENT FOR RECORDING IN THE OFFICE OF THE JUNEAU RECORDING DISTRICT, JUNEAU, ALASKA.

DATED THIS 25 DAY OF July, 2013.

Neil G. Hart
DIRECTOR
CITY AND BOROUGH OF JUNEAU
DEPARTMENT OF COMMUNITY DEVELOPMENT

ATTEST:
Elizabeth J. McEwen, Deputy
CLERK
CITY AND BOROUGH OF JUNEAU

CITY & BOROUGH OF JUNEAU

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT I AM A PROFESSIONAL LAND SURVEYOR REGISTERED IN THE STATE OF ALASKA, AND THAT THIS PLAT REPRESENTS THE SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION, THAT THE ACCURACY OF THE SURVEY IS WITHIN THE LIMITS REQUIRED BY TITLE 49 COMMUNITY DEVELOPMENT REGULATIONS AND TITLE 49 OF THE CODE OF THE CITY AND BOROUGH OF JUNEAU, THAT ALL DIMENSIONAL AND RELATIVE BEARINGS ARE CORRECT AND THAT MONUMENTS ARE SET IN PLACE AND NOTED UPON THIS PLAT AS PRESENTED.

DATED: JULY 24, 2013

STATE OF ALASKA
49th
William T. Hanson
No. 7710-S
7/24/13
PROFESSIONAL LAND SURVEYOR

ARCHIPELAGO SUBDIVISION

A SUBDIVISION OF
LOT 7A1, LOT 9A AND FRACTION OF LOT 9B, BLOCK 83
TIDELANDS ADDITION, ATS No. 3
CITY AND BOROUGH OF JUNEAU, ALASKA
JUNEAU RECORDING DISTRICT

DOWL HKM
CIVIL ENGINEERING–LAND SURVEYING–CONSTRUCTION MANAGEMENT
5368 COMMERCIAL BOULEVARD
JUNEAU ALASKA 99801 907-780-3533

OWNERS

ARCHIPELAGO PROPERTIES LLC	CITY AND BOROUGH OF JUNEAU
ONE SEALASKA PLAZA, STE 300	155 SOUTH SEWARD STREET
JUNEAU, ALASKA 99801	JUNEAU, ALASKA 99801

SCALE:	DATE:	PROJECT NO:	FILE NO:	SHEET NO:
1" = 40'	JAN. 2013	J70567		1 OF 1

Amendment for Extension of Construction Easement

This Amendment for Extension of Construction Easement is made and entered into effective as of February 1, 2020, by and between Archipelago Properties, LLC ("Archipelago") and the City and Borough of Juneau ("CBJ"), collectively the "Parties." Archipelago and CBJ are parties to a Real Property Purchase and Sale Agreement executed April 2, 2019 and March 29, 2019, respectively, the "PSA." Section 20.c. of the PSA provides for modification of said agreement by mutual agreement in writing, and this Amendment is made and intended pursuant to such provision.

Section 10 of the PSA provides that CBJ has an easement or license for a certain term, which may be extended upon mutual agreement of the parties. CBJ has requested, and Archipelago hereby consents, to the extension of CBJ's construction period on Archipelago's upland portion of the subject property, until and through June 1, 2020. Any other date or deadline contained in the PSA that is contingent upon the construction period shall likewise be extended for a like period of time.

This Amendment is the sole and exclusive amendment to the PSA as of the date of execution. No other changes, modifications or amendments shall be effective unless in writing and executed by the Parties, and all other terms and content of the PSA are hereby ratified and affirmed by the Parties.

Archipelago Properties, LLC

By:_____
Craig Mitchell, President and CEO
Shivers Lending, LLC, Sole Member

Date: 1/16/2020, 2020

City & Borough of Juneau

By:_____
Rorie Watt, Borough Manager

Date: _____, 2020

We, the undersigned members of the CBJ Board of Equalization (BOE), would like to provide comments on proposed ordinance 2020-XX regarding disclosure of real estate values in transactions.

The principal purpose of the BOE is to consider appeals of property tax assessments as codified in Section 15.05 of the Municipal Code. Because Alaska is a "non-disclosure" state, the Assessor's office – and by extension, the BOE - is denied valuable information regarding the sales price of properties within the Borough (unless they are voluntarily submitted). This doesn't happen very often. While the Assessor's staff has done a commendable job of determining property assessments, their work would benefit from having transaction disclosure data. While sales price data is not the only factor that figures into property tax assessments, it is a valuable one.

This benefit would extend not only to the Assessor's office, but also the BOE and prospective appellants. When an assessment is appealed, the first step towards resolution is a meeting between the Assessor's office and the appellant. Having the transaction information will better equip the Assessor's to explain the rationale behind an assessment being appealed. We would expect that the number of appeals would decrease on the strength of more data-driven valuations. Should an appeal not be resolved at the first level, the BOE would be similarly better-equipped to understand and weigh important financial information when deciding which party has met the burden of proof the appeals process requires.

The BOE appreciates the sensitivity of information this ordinance seeks to make available to municipal officials. We are glad to see that there will be adequate measures to protect its confidentiality. We fully support the ordinance and urge the Assembly to approve it.

Sincerely,

(Members of the BOE)

Presented by:
Presented:
Drafted by:

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-_____

An Ordinance Regarding Disclosure of Real Estate Values in Transactions.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

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

Section 2. Amendment of Chapter. CBJ 15.05, General Assessment, is amended by adding a new section to read:

CBJC 15.05.105 Transaction Disclosures

(a) **Disclosure Requirement**. When a deed, contract or other document transferring legal or equitable title to real property is presented for recording with the State of Alaska, the grantee shall provide the assessor with a statement under signed oath by the grantee or agent that discloses (1) the names of the grantor and grantee, (2) the date of transfer, (3) the date of sale, (4) a legal description of the property transferred, (5) the actual full amount paid or to be paid for the property, (6) terms of sale, and (7) an estimate of the value of any personal property included in the sale.

(b) **Disclosure Exemptions**. The disclosure required by subsection (a) does not apply to the following:

(1) An instrument that confirms, corrects, modifies or supplements a previously recorded instrument without added consideration;

(2) A transfer pursuant to mergers, consolidations or reorganizations of business entities;

(3) A transfer by a subsidiary corporation to its parent corporation without actual consideration or in sole consideration of the cancellation or surrender of a subsidiary stock;

(4) A transfer that constitutes a gift of more than one-half (1/2) of the actual value;

(5) A transfer with only nominal consideration between spouses or between a parent and child;

(6) An instrument the effect of which is to transfer the property to the same party; or

(7) A sale for delinquent taxes or assessments or a sale or a transfer pursuant to a foreclosure.

(c) **Disclosure Confidentiality**. The disclosure required by subsection (a) is not a public record and shall be confidential except that the disclosure required by subsection (a) shall be provided to the property owner of record and authorized agents or may be published in any appeal related to the full and true value of the property. Nothing in this subsection prevents the assessor from compiling the disclosures to determine property assessments.

Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____ day of _____, 2020.

_____
Beth A. Weldon, Mayor

Attest:

_____
Elizabeth J. McEwen, Municipal Clerk