

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, November 15th, 2017

- I. Call to Order** (5:00 p.m. in City Hall Conference Room 224)
- II. Roll Call** (Don Etheridge, Tom Donek, David Lowell, Mark Ridgway, Bob Janes, David Seng, Robert Mosher, Weston Eiler, and Budd Simpson)

III. Approval of Agenda

MOTION: TO APPROVE THE AGENDA AS PRESENTED OR AMENDED

- IV. Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total)

V. Approval of Wednesday, September 20th, 2017 Operations/Planning Meetings Minutes

VI. Consent Agenda - None

VII. Unfinished Business - None

VIII. New Business –

- 1. Six-Year Department Improvement Plan
Presentation by the Port Director

Board Questions

Public Comment

Board Discussion/Action

MOTION: TBD

- 2. People's Wharf Lease Request
Presentation by the Port Director

Board Questions

Public Comment

Board Discussion/Action

MOTION: TBD

IX. Items for Information/Discussion

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING AGENDA
For Wednesday, November 15th, 2017

1. Marine Passenger Fee – Request 2018
Presentation by the Port Director

Committee Discussion/Public Comment

2. Floating Breakwater/Net Float – Vicinity of Alaska Glacier Seafoods
Presentation by the Port Director

Committee Discussion/Public Comment

3. Yankee Cove Development Lease
Presentation by the Port Director

Committee Discussion/Public Comment

4. Urban Design Plan - Update
Presentation by the Port Director

Committee Discussion/Public Comment

X. Staff & Member Reports

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting- **Wednesday, December 13th, 2017.**

XII. Adjournment

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, September 20th, 2017

I. Call to Order The meeting was called to order at 5:02 p.m. in City Hall Conference Room 224.

II. Roll Call The following members were present: Tom Donek, Mark Ridgway, Weston Eiler, Robert Mosher and Budd Simpson.

Also Present: Carl Uchytel-Port Director (by phone), Matthew Creswell-Harbor Operations Manager, Gary Gillette-Port Engineer, Mary Becker-CBJ Assembly Member, Jennifer Mannix-Risk Management.

III. Approval of Agenda

Mr. Gillette asked for the addition of an item under items for information/discussion- 7. Little Rock Dump marine services center preliminary plan.

MOTION By Mr. EILER: TO APPROVE THE AGENDA AS AMENDED AND ASK UNANIMOUS CONSENT.

Motion passed with no objections.

IV. Public Participation on Non-Agenda Items – None

V. Approval of Wednesday, August 23rd, 2017 Operations/Planning Meetings Minutes

Mr. Simpson asked for a correction to page 6 of the minutes, under Staff & Member Reports, to change “exceeded our revenues” to “exceeded our expenses” in regards to the \$734,000.

MOTION BY Mr. DONEK: TO APPROVE THE AUGUST 23rd, 2017 MEETING MINUTES AS AMENDED AND ASK UNANIMOUS CONSENT.

Motion passed with no objections.

VI. Consent Agenda - None

VII. Unfinished Business - None

VIII. New Business - None

IX. Items for Information/Discussion

1. Regulation Change – Insurance (covered under 05 CBJAC 40.010)

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, September 20th, 2017

Mr. Creswell said Carl recently sent out to the board, a YouTube video for Port of Bellingham's 2015 public meeting to discuss the State of Washington's law to require insurance to be held by boats in harbors. The fact that this is a state law is interesting meaning it is not just the ports themselves enforcing it. Right now in Juneau the only requirement we have for insurance is to either provide current proof of marine insurance or pay a non-refundable vessel disposal surcharge of \$0.25 per foot per month. This comes to approximately \$18,000 per year. If we have an incident where we are responsible for clean up or a boat sinking, that amount will not touch the amount it will actually cost us. It is our recommendation that we strengthen this language and our insurance requirements to require people to have insurance with Docks and Harbors as the additionally insured, and coverage for pollution oil spill clean-up costs. We currently have very weak language for what we require for insurance and it would be very easy for us to have a hefty clean-up bill.

Committee Discussion/Public Comment

Mr. Donek asked if a boat sinks in the harbor and the owner doesn't or can't pay for clean-up, are we stuck with that bill.

Mr. Creswell answered he is not sure but he assumes we would be the first ones responsible.

Mr. Eiler said we recently had a fire at Auke Bay, and asked if there has been an issue that has punctuated this insurance issue being brought up.

Jennifer Mannix, City & Borough of Juneau, Risk Manager

Ms. Mannix said there have been three claims in the last four years that she has been in this position of Risk Manager. Three boats have caused damage that did not have insurance. There was the Auke Bay boat fire, the Fisherman's Dock, and Aurora Harbor damage from a vessel. Our risk fund pays out the damages and then we hopefully get reimbursed from our marine liability insurance and then try to recover from the owners, but it is out of our pockets. We are still working on the Fisherman's Dock one from 2012 as there is a long statute of limitations.

Mr. Ridgeway said he read on the Port of Bellingham's website that there were additional coverage requirements for vessels over 40ft and over 40 years old. Are you recommending something like that as well?

Mr. Creswell said there are wooden boats that cannot be insured at all. He asked how we write something that does not kick them out as there are nice historical wooden boats that we want in our harbors.

Mr. Simpson said he recalls that is where the idea of the \$0.25 per foot per month came from originally. It was intended for boats that were unable to be insured at all. Now it is being used by people who can get insurance but are choosing not to.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, September 20th, 2017

Mr. Eiler said this issue of not being able to get insurance came up with the boat shelters as well. He asked how many vessels in the harbor currently have insurance and what are other southeast harbors requiring.

Mr. Simpson said he believes most of the boats in the harbor will have insurance as a financed boat is required to have it and responsible boat owners will get insurance on their own.

Mr. Creswell said his current estimate is 60% have insurance and 40% do not.

Mr. Ridgeway asked of the three vessels is there a total cost the city paid and who did we have to pay. He asked was harbor staff time kept track of to deal with these incidents.

Ms. Mannix said she does not know the exact numbers for the two repairs but she can send them. For the recent Auke Bay fire it was just over \$11,000. Insurance will pay \$6,000 and Docks and Harbors has a \$5,000 deductible. The other two projects were about \$100,000 each.

Mr. Gillette said we keep track of our staff time, consultant time, and contractor time. We include everything in the account code to be paid and keep good records of them.

Ms. Mannix said that is correct. Pollution can be a big deal and sometimes we have coverage for it and sometimes not.

Mr. Simpson said Bellingham's policy is very interesting, it is a similarly sized harbor and it is working for them. Also that it is a State Law which will probably not happen here.

Mr. Uchytel said he believes other than Seward, in the State of Alaska most municipalities do not have insurance requirements. In Washington, the State Law required Bellingham to come up with these rules. The committee should realize this is the first volley in discussing where we would like to go regarding insurance, such as how detailed we want to be if we decide to make changes to our existing regulation. Part of this would include the boat shelters.

Mr. Simpson asked Mr. Uchytel if he agreed with Mr. Creswell on the estimate of 60% people who have insurance.

Mr. Uchytel said we will need to look that up but he believes the rate may be even higher than that estimate. There would be a benefit to having some sort of insurance requirement.

Mr. Ridgeway asked Mr. Uchytel if he knows whether or not most insurance policies will include what Bellingham is asking for.

Mr. Uchytel answered he was not certain at this time.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, September 20th, 2017

Mr. Donek said in the videos he got the impression that the State of Washington was hoping for a higher limit than the \$300,000 but they compromised to that. We should take a look at this and see what amount we want to ask for.

Mr. Simpson said we should find out what is available from insurance companies to the average boat user. He asked what the Board would like staff to do to follow up on this.

Mr. Donek answered staff should come back with a draft regulation that we can discuss and investigate.

Mr. Ridgeway agrees with that idea and also we should figure out what the potential liability is by not having insurance.

Mr. Creswell said we can provide an estimate for what the worst case scenario might be for a 35 ft. vessel.

Mr. Simpson said we should also look at the Seward requirements that they have in place.

Mr. Donek said Seward was asking for a \$1 million policy and there is a statement that coverage afforded will be determined by the insurance agency.

Mr. Simpson said he noticed things in Bellingham's that weren't very clear as well. This is our opportunity to clean it up and make it clear.

Mr. Eiler asked staff to provide actual numbers on how many vessels have insurance.

Mr. Donek said we should look at the average policy cost and raise our vessel disposal fee to entice more people to get insurance.

Mr. Uchtyl said we will also need to think about the challenge of transient vs. permanent moorage as well.

2. Ordinance Change – Safe Condition of Vessels (85.02.020)

Mr. Creswell said our current regulation addressing safe condition of vessel is not very specific about requirements for sufficient means of transportation. A lot of owners are trying to put a kicker on a vessel and that is not enough power for safe operation of the vessel in and out of the harbor. It is required three times per year to leave the harbor which is difficult to enforce. Right now it is up to the Harbormaster's discretion for what is acceptable. We would like to see it strengthened in writing in regulation. We do not want to get so specific where we are asking for a minimum horsepower per length of vessel. We discussed with Ketchikan Harbor as well and came up with the draft regulation in the agenda. A vessel needs to be capable of getting in and out under its own power, operating from the original helm station, and a kicker/auxiliary motor is not sufficient to safely operate vessel.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, September 20th, 2017

Committee Discussion/Public Comment

Mr. Simpson said an exception should be made for small sailboats and houseboats that we allow in the harbor. He doesn't believe a houseboat should require a motor and should be treated differently.

Mr. Creswell said houseboats are designated as non-moving vessels and are put in designated non-moving vessel areas.

Mr. Ridgeway asked if there is a process for someone to convert a vessel into a houseboat.

Mr. Creswell said first we would need space in our designated non-moving vessel area, which we have none as of right now.

Mr. Moser said these people with no working engine may be the same people who do not have insurance. If we will have an exception for non-moving boats then they should all be in one separate area.

Mr. Simpson said there are designated areas behind the gangways that are hard to get in and out of that has been set aside for these non-moving vessels or houseboats.

Mr. Eiler said the proposed language should define a kicker or auxiliary motor more specifically.

Mr. Simpson said by using the words "vessel's own primary power" that helps define it.

Mr. Creswell said this proposed version is very similar to what Ketchikan is using and it is working for them. He does agree with spelling out that this does not apply to non-moving vessels.

Mr. Moser asked to move the vessels not in compliance to a derelict area.

Mr. Ridgeway said we should discuss people who want to convert their vessels to a houseboat.

Mr. Creswell said general practice is people are selling the boats that don't run for \$1 and then we have to start the process over again with a new owner. The vast majority of people do not have the means to correctly dispose of a vessel so they sell them to make them not their problem anymore.

Mr. Simpson said these regulations should apply to the vessel not to the owner. So if it is sold the vessel should be immediately due.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, September 20th, 2017

Mr. Eiler asked how many boats are quickly selling like this to avoid the seaworthy requirement.

Mr. Creswell answered that during construction we have been moving boats around and come up with a list of around 38 boats that have not moved in a long time. We sent out 72 hour notices and are working through them in batches at a time.

Mr. Ridgeway said the City had a program in the past for getting rid of junk vehicles. He asked if Docks and Harbors would consider some sort of program to work with and assist owners to get rid of a vessel.

Mr. Creswell said we have not discussed that as an option yet.

Mr. Moser said we could pull them out and store them on land.

Mr. Simpson said there is a legal process but it may be less complicated to declare them as unsafe and pull them from the water. Then give the owner a set amount of time to fix it.

Mr. Ridgeway asked if the Coast Guard has been brought into this.

Mr. Creswell answered that the Coast Guard is not primarily concerned with what is tied up in our harbors.

Mr. Ridgeway said any new way staff can think of to incentivize patrons to do the right thing should be discussed.

Mr. Simpson said staff should proceed with this draft of this regulation.

3. Update to Vessels Anchored on Docks & Harbors Submerged Lands

Mr. Creswell said the new owner of the Lumberman has been issued a letter which is in the packet. The vessel is not anchored, it is moored by four points attached to large concrete blocks that are placed on the bottom. There is no engine or shaft in the vessel and it is not intended to be a working vessel again. Before he passed away this summer, the previous owner traded boats with Mr. Brenden Mattson, giving him the Lumberman. The old owner had been given notice that the vessel has to be removed by the fall. The new owner was told about a court case that was in process. Mr. Mattson has been spoken to in regard to the vessel needing to vacate. Other vessels are now tying up to the Lumberman that had been issued seaworthy notices causing constant skiff traffic. Mr. Mattson has no means to move the Lumberman and nowhere to put it. The Challenger, a similar sized tug, sank and was a \$2 million clean up. The Lumberman, being on our tidelands, would be our responsibility if it does sink where it is. We would like to begin the discussion and write a regulation regarding anchoring and not mooring, on our tidelands.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, September 20th, 2017

Committee Discussion/Public Comment

Mr. Eiler asked how long those mooring blocks have been there.

Mr. Creswell said Trucano placed the moorings around two years ago.

Mr. Simpson said at the time they insisted they had GPS coordinates and it was outside of our tidelands. They were incorrect. Mr. Simpson said Mr. Uchtyl told him to vacate but it never happened. We could generate some revenue if we wrote a regulation about mooring.

Mr. Moser asked if we could give the Harbormaster the authority to make decisions to remove people from the harbor.

Mr. Simpson said this boat is essentially trespassing.

Mr. Gillette said it takes time with a vessel like this that cannot just move.

Mr. Moser suggested moving them by force.

Mr. Uchtyl said if we are very proactive to evict them then we will end up owning this vessel and be responsible for clean-up and disposal costs. It will cost upwards of \$100,000 to remove it. As of right now it is not a threat of pollution or navigation so the Coast Guard will not engage. We do suspect nefarious activities are happening on board.

Mr. Ridgeway asked who paid to clean up the Challenger.

Mr. Creswell answered the Oil Spill Trust Fund.

Mr. Ridgeway asked if there was another group to incentivize to clean this up. He asked does that fund have any proactive measures. Next time the city might not get so lucky and may be responsible to pay the clean-up costs.

Mr. Creswell said it is not easy to open and is difficult to access. It is only used for large scale events.

Mr. Uchtyl said the Coast Guard was able to open the fund because there was no responsible party. In the Lumberman case that will not happen as there is a known responsible party.

Mr. Donek said it needs to be removed and it is cheaper to do so while it's floating rather than sunk.

Mr. Eiler asked what the rest of the process is.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, September 20th, 2017

Mr. Uchtyl said this is uncharted waters as we have not done this before. We probably would go down the path to trespass them and he assumes the owner will walk away. The Coast Guard may be involved to inspect it to check if it poses a danger. So far they have not shown any interest.

Mr. Becker said marijuana is legal in town but not on a vessel.

4. TIGER Grant Application

Mr. Gillette said there is another round of Grant applications due mid-October and we are contracting with PND to put together 3 grant applications. Mr. Uchtyl has met with Department of Transportation and Senators Sullivan and Murkowski recently to show them some of our plans. They were impressed with our master plan for downtown and long term plans for Statter Harbor. The first application is a new marine services center, we are asking for \$25 million. Another project we are applying for is the Fisherman's Terminal area that was discussed during the master plan, including a new office building, again asking for \$25 Million. The last application is a bay walk to connect the Auke Bay Marine Station to Auke Bay Harbor. We qualify under the rural category meaning we can apply for between 1\$ million and 25\$ million per project. These are nationwide grants and very competitive. It is a long process to decide, starting from a panel of staff on up to the top of DOT to make the final decision. Each project has to be a separate application.

Committee Discussion/Public Comment - None

5. Auke Bay Marine Station – Leasing Opportunities

Mr. Gillette said we will be getting the deed for the Auke Bay Marine Station on November 1st. We have been discussing leasing opportunities for three of the buildings that we have no immediate need for. We talked about putting out a request for letter of interest to find out who may want a lease here. The intent is to capture enough revenue in leases that we have no maintenance expenses.

Committee Discussion/Public Comment

Mr. Simpson said it is better to have it occupied then empty.

6. Harris Harbor Bathroom - Update

Mr. Gillette said Joann Lott of Jensen Yorba Architects did a quick sketch to see if we can fit two restrooms with showers in the old Harris Harbor Bathroom. They will fit but we will probably have unisex, one ADA and one non ADA compliant. A design will be worked on and bid documents prepared for this plan.

Committee Discussion/Public Comment

Mr. Simpson asked if we will keep the original building and location and strip the interior as the plumbing is already installed.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, September 20th, 2017

Mr. Gillette said the existing plumbing under the floor will need to be converted as right now it goes to a lift station. Another lift station is expensive so we are looking at maybe doing it as a big holding tank that will be pumped out. We will get a cost estimate on the plan when it is decided.

Mr. Simpson said he recalls that building not being built to high quality is there any merit to tearing it down and rebuilding.

Mr. Gillette said the building is not in bad shape and it has a new roof on it. It will be much less expensive to re-use it. It was originally downtown then was eventually moved to Harris, there were management issues as the bathrooms were being camped in. It was decided to do away with it and make it storage only. The long range master plan incorporates bathrooms in that area as well.

Mr. Simpson said most public boat harbors have some sort of restroom facility.

Mr. Gillette said the plan is to operate it similar to Auke Bay, where it is only open during the day and locked at night with the ability to be opened by key fobs purchased at the office.

7. Little Rock Dump Marine Service

Mr. Gillette passed out drawings saying they were just received today. He said when we did the master plan for the uplands one of the ideas was to put an improved marine services area where the existing Yacht Club is. We received a letter from the Yacht Club that they were not enamored with the idea of being moved to Bridge Park. It was suggested to look at the little rock dump area as an alternative for the marine services center. We hired PND to look at it and it is a possibility. Cost estimates have not been created yet as first we were going to decide if we were interested in pursuing this idea. Page two shows a close up of the Little Rock Dump, the brown spots mark the old sewage cells that are capped. Page three is a preliminary concept drawing showing the haul out pier and a dock where vessels could queue up. There could be an upland staging area and upper boatyard included in the first phase. In multiple phases we could add an access corridor and more upland expansions. This comes close to the same size as the Yacht Club area would be. There was more sheet pile construction in the Yacht Club plan which is very expensive. The Little Rock Dump drawings would keep sheet pile at a minimum. There are other issues to be considered including the distance from the harbors and there may be more wind there.

Mr. Simpson asked Mr. Gillette what his personal opinion was on this.

Mr. Gillette answered this is a different plan from the Yacht Club idea but it is definitely doable.

Mr. Simpson asked does this overlap with the existing lease there.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, September 20th, 2017

Mr. Gillette answered there is no current lease as it has expired and has not been renewed.

Mr. Eiler asked is this included in the TIGER Grant Application.

Mr. Gillette said we will submit the application based on our master plan. If we are successful and decide by then that we would like to move it to the Little Rock Dump, then we will approach the change at that time.

Mr. Eiler said maybe we should consider removing the sludge and remediation now rather than later.

Mr. Gillette said he spoke with Dick Somerville and by putting a few feet of rock on top of this then it could hold the weight of buildings and shops that we are discussing.

Mrs. Becker asked what size travel lift we are discussing.

Mr. Gillette answered 150 ton. The sealift at ABLF is a 45 ton.

Mr. Ridgeway said he is encouraged by the land use plan. Placing rock is acceptable as remediating it. You would be buying future cost by capping that sewage area and creating more land. He hopes this prices out well.

Mr. Gillette said he doesn't know the specifics of these cells but they are capped right now. They will need to be dealt with if we wish to develop further and adding the rock on top would work most likely. We will run this idea by Jeff with Harri's Plumbing and Heating to get their opinion also.

X. Staff & Member Reports - None

XI. Committee Administrative Matters

1. Next Operations/Planning Committee Meeting- **Wednesday, November 8th, 2017.**

XII. Executive Session

1. Personnel matters pertaining to the Port Director's Evaluation – Moved to Regular Board meeting on October 26th, 2017.

XIII. Adjournment – Meeting was adjourned at 6:47p.m.

SIX-YEAR DEPARTMENT IMPROVEMENT PLANS

Division	Project	Priority	FY18	FY19	FY20	FY21	FY22	FY23	Future
	Replace Snow Removal Equipment	21		\$ 5,000,000			\$ 5,000,000		
	SREF Building Ph II Sand & Chemical Storage	22			\$ 10,000,000				
	Design Terminal Renovation, Ph III (Knuckle)	23				\$ 1,000,000			
	Design & Reconstruct Alex Holden Way & Utilities	24				\$ 2,200,000			
	Terminal Area (121) Apron Rehabilitation	25				\$ 3,500,000			
	Terminal Area (135) Apron Rehabilitation	26				\$ 6,000,000			
	Multi-Modal Feasibility Planning	27				\$ 10,000			
	Acquire Wetlands Access Vehicle (w/CCFR)	28				\$ 250,000			
	Construct Terminal Renovation Ph III (Knuckle)	29					\$ 23,000,000		
	Civil Air Patrol Hangar Relocation	30						TBD	
	Fish & Wildlife Service Hangar Relocation	31						TBD	
	Replace ARFF Truck	32						\$ 1,000,000	
	Parking Garage	33						\$ 20,000,000	
	Relocate FAA ATCT	34						\$ 50,000,000	
Airport Total:			\$ 19,495,000	\$ 34,800,000	\$ 10,000,000	\$ 12,960,000	\$ 28,000,000	\$ 71,000,000	\$ -
BRH									
	Municipal Road Replacement (North)	1	\$ 200,000						
	Parking Ramp (200 places)	2	\$ 1,000,000						\$ 4,000,000
	Remodel Emergency Department	3	\$ 600,000						
	Detox Bay at Rainforest Recovery Center	4	\$ 600,000						
	Operating Room Renovation	5	\$ 3,500,000						\$ 16,500,000
	Information Services Facility with Generator	6	\$ 1,000,000						\$ 2,000,000
	RRC and BOPS Replacement	7	\$ 1,000,000						\$ 9,000,000
	Remodel Laboratory (5000 sq. ft.)	8	\$ 250,000						\$ 3,750,000
	Child & Adolescent Mental Health Unit	9							\$ 23,125,000
	Maintenance Building for Equipment	10							\$ 750,000
	Oxygen Tank (Bulk) Storage	11							\$ 500,000
	Relocate & Remodel Biomed, Dietary, Laundry, Materials Management Bldg	12							\$ 2,500,000
	Pharmacy Remodel to Comply with UPC 500	13							\$ 400,000
	Roof for Medical Arts Building	14							\$ 250,000
BRH Total:			\$ 8,150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,775,000
Docks & Harbors									
Docks	Steamship Wharf Cathodic Protection - Phase II	1		\$ 600,000					
	Visitor Information Kiosk Replacement - Design	2		\$ 25,000					
	Downtown Restrooms	3		\$ 500,000					
	Visitor Information Kiosk Replacement - Construction	4		\$ 120,000					
	Archipelago Property (Acquisition/Development)	5		\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000		
	Shore Power at Cruise Ship Berths	6							\$ 25,800,000
Docks Total:			\$ -	\$ 6,245,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 25,800,000
Harbors	Visitor Information Kiosk Replacement - Design	1	\$ 25,000						

SIX-YEAR DEPARTMENT IMPROVEMENT PLANS

Division	Project	Priority	FY18	FY19	FY20	FY21	FY22	FY23	Future
HARBORS	Cruise Ship Uplands Staging Area	2	\$ 100,000						
	Downtown Restrooms - Partial Funding to Locate/Design	3	\$ 75,000						
	Statter Breakwater Safety Improvements	4	\$ 333,000	\$ 333,000					
	Taku Harbor Deferred Maintenance	5	\$ 200,000						
	ADFG Grant - Amaiga Harbor Fish Cleaning Float	6	\$ 300,000						
	Auke Bay Passenger for Hire Facility	7	\$ 4,600,000						
	Aurora Harbor Rebuild-Phase III	8		\$ 7,000,000					
	Area Wide Anode Installation	9		\$ 400,000	\$ 400,000	\$ 400,000			
	Auke Bay Net Repair Float	10		\$ 300,000					
	Aurora Harbor Dredging	11		\$ 350,000					
	Wayside Float Maintenance Dredging	12		\$ 350,000					
	Aurora Harbormaster Building and Shop	13							\$ 3,000,000
	Douglas Harbor Uplands Improvements	14							\$ 2,000,000
	North Douglas Boat Ramp Improvements	15							\$ 1,000,000
	Juneau Fisheries Terminal Development	16							\$ 10,000,000
	Fish Sales Facility/Seaplane Float	17							\$ 1,000,000
	Harris Harbor Public Restrooms/Shower	18							\$ 250,000
Harbors Total:			\$ 5,633,000	\$ 8,733,000	\$ 400,000	\$ 400,000	\$ -	\$ -	\$ 17,250,000
Docks & Harbors Total:			\$ 5,633,000	\$ 14,978,000	\$ 5,400,000	\$ 5,400,000	\$ 5,000,000	\$ -	\$ 43,050,000
Eaglecrest Ski Area									
	Deferred Maintenance - Lift/Mountain Operations Improvements	1	\$ 210,000						
	Lodge Maintenance/Improvements	2		\$ 100,000	\$ 100,000	\$ 75,000	\$ 50,000	\$ 75,000	
	Lift Operations - Misc Lift Parts	3		\$ 15,000		\$ 10,000		\$ 10,000	
	Mountain Operations - Trail Conditioning	4		\$ 15,000		\$ 10,000			
	Mountain Operations - Hiking Trails	5		\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	
	Mountain Operations - Trail Maintenance	6		\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	
	Mountain Operations - Snowmaking & Water Line Replacement/Improvement	7		\$ 40,000	\$ 40,000				
	Mountain Operations - Night Lighting	8				\$ 75,000	\$ 75,000		
	Mountain Operations - Caretaker Shack	9		\$ 30,000			\$ 30,000		
	Lift Operations- Ptarmigan Ramp	10							
	Mountain Operations - Nordic Improvements	11			\$ 40,000	\$ 40,000			
	Mountain Operations - Septic System Upgrades	12			\$ 40,000				
	Lift Operations - Black Bear Motor	13		\$ 75,000	\$ 75,000		\$ 60,000	\$ 95,000	
	Lift Operations - Magic Carpet	14					\$ 25,000		
	Generator Building Repairs	15				\$ 100,000			
	Lift Operations - Remove Mid Hooter Fuel Tank	16			\$ -				
Eaglecrest Ski Area Total:			\$ 210,000	\$ 320,000	\$ 340,000	\$ 355,000	\$ 285,000	\$ 225,000	\$ -
Fire									
	Downtown Fire Station Roof Replacement	1	\$ 300,000						

CBJ Docks and Harbors Board
Strategic Retreat Minutes
Saturday May 13th 2017

I. Call to Order – Mr. Donek called the meeting to order at 9:10am in the CBJ Assembly Chambers.

II. Roll Call -

The following members were present: John Bush, Weston Eiler, Bob Janes, David Lowell, David Seng, David Summers, Budd Simpson, and Tom Donek)

Absent – Robert Mosher

Also Present were the following: Carl Uchtyl – Port Director, Gary Gillette – Port Engineer, David Borg – Harbormaster, Teena Larson – Administrative Officer, and Mila Cosgrove – Deputy City Manager.

III. Approval of Agenda

MOTION By MR. SENG: TO APPROVE THE AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

IV. Public Participation on Non-Agenda Items (not to exceed five minutes per person, or twenty minutes total time) - None

V. Prioritization of Future Docks & Harbors Projects

Mr. Uchtyl said the list in the packet is just a list and not prioritized.

Mr. Gillette talked about all the items on the list. Ms. Cosgrove helped the Board determine what projects are needed and what projects are wanted. The Board had much discussion on all the items on the list. The priority was decided as follows:

Short Term Project Wants

- 1 –Harris/Aurora/Douglas Security (\$100K)
- 1 – Dredge Aurora Slip A6/A8 (\$400K)
- 3 – Lighting N. Douglas (\$60K)
- 4 – Harris Harbor Bathrooms (\$175K)
- 5 – Auke Bay Net Float (\$200K)

Short Term Project Needs

- 1 – Statter Harbor Breakwater Deck Over (\$100K)
- 2 – Taku Harbor Pile Jacking (\$200K)
- 3 – Waterfront & Underwater Inspections (\$100K)
- 4 – Archipelago/waterfront planning (\$150K)

Projects currently in process

Archipelago/Waterfront/Design Planning
Statter Harbor Breakwater Feasability
Statter Harbor Phase III
Miscellaneous 16B Improvements
Little Rock Dump Study

Other Projects

Seawalk MOA
Scheduling of ships @ City Docks
Maximize Funds - Tideland leases
Develop land use & marketing plan
Subport/Mayflower Island
Title 85 Review & Clean up
Harbor Sanitation

Future Projects priority wants

- 1 – Douglas Harbor Paving/Landscaping (5 votes)
- 2 – Statter Harbor Phase IV (4 votes)
- 2 – Port Office Relocation (4 votes)
- 3 – Downtown Marine Services Expansion (3 votes)
- 3 – ABMS/Hagmier Procurement (3 votes)
- 4 – Statter/ABMS Seawalk(2 votes)

Future Projects priority needs

- 1 – Downtown Harbors Zinc Anodes (10 votes)
- 2 – Aurora Phase III (8 votes)
- 3 – Harbor Office Replacement (6)
- 3 – ABMS Design (6)
- 5 – Taku Harbor Stockade point & Walkway (2)

The Dredging Wayside float received 0 votes

Beneficial Use Aurora/Harris Maintenance dredging received 1 vote

Marine Passenger Funds project priority list

- 1-Cathodic Protection Phase II
- 2-Archeipelago Lot Procurement
- 3-Small Cruise Ship Berths
- 4-Seawalk Guard Rails
- 5-Electrification Cruise Ship Berths

The committee asked Mr. Gillette to bring a plan for N. Douglas to the next OPS meeting.

Mr. Eiler recommended to have a Committee of the Whole review title 85.

Mr. Simpson recommended to split the Douglas paving/landscaping into two phases.

The Committee requested to bring the 1% sales tax recommendations to a future OPS/Planning meeting.

VI. Board Members recruitment/appointment procedures to meet Docks & Harbors specific/unique needs.

Mr. Uchytel said this is being brought forward from Assemblyman Loren Jones. This project will help the Assembly better identify the skills needed to meet each Boards specific/unique needs. The Board is asked to discuss this topic over the next few months and respond to Mr. Jones Enterprise Board appointment process document. The goal for this work would be to implement these new recruitment/appointment procedures sometime after the June/July 2017 enterprise board appointment process.

VII. Adjournment – The Strategic Retreat meeting adjourned at 2:45pm.

Mr. Carl Uchytel
Port Director
Docks and Harbors
City and Borough of Juneau
155 Seward Street
Juneau, Alaska 99801

November 2, 2017

RE: People's Wharf Tidelands Lease Application

Dear Mr. Uchytel,

I am requesting a lease of 360 square feet from Docks and Harbors for a duration of five years.; 320 square feet along the South side of People's Wharf Building and 40 square feet on the West end of the building. The area where I was granted a license by Docks and Harbors for the 2017 tourist season for the placement of crab pots would remain the same. I am requesting more space at the South side of the building.

Tracy's Crab Shack operated her business during the 2017 season, essentially on a trial basis. With that experience, we know a lot more about the requirements of the business for it to be successful. We are confident that our request will meet the needs of the business for the next five years.

I have applied for a License from the Manager's office for a Right of Way Permit for the use of 400 square feet for the use of outside seating for the 2018 tourist season and it has been approved.

The business was operated during the 2017 season with minimal disruption. The neighboring retailers are excited about having Tracy's Crab Shack next door.

I am prepared to pay the \$500 application fee upon your request.

Thank you for your consideration.

Sincerely,

William Heumann

a

NARRATIVE

In April, 2017, the Dock, and Harbors Board granted me a License with a duration of five months to make use of a small area contiguous to my building People's Wharf to facilitate the operation of Tracy's Crab Shack restaurant., in conjunction with the License by the City Manager to place outside seating in the CBJ Right of Way alongside People's Wharf facing the tram. Tracy's Crab Shack operated there during the 2017 tourism season. The business realized a successful season. I requested the License from Docks and Harbors instead of a lease because at that time Docks and Harbors intended to develop a plan for the waterfront from Taku Smokeries to Merchants Wharf. There was a concern about entering a lease because of the possibility that a lease might be in conflict with the plan.

Now the plan is in the final stages. I spoke with the consultants producing the plan and do not believe a lease property alongside People's Wharf and a very small piece jutting into the seawalk will be in conflict with the plan.

Tracy's Crab Shack is an international phenomenon! Tourists line up to visit the restaurant daily. It is frequented by locals and is a favorite venue for locals to bring their out-of- town visitors. Tracy's Crab Shack has many employees and is a significant contributor to Juneau's economy at a time when the Alaska and local economies are challenged. Tracy's Crab Shack focuses on King Crab, an Alaskan product. The surveys conducted for the waterfront plan rate restaurants as one of the top business types to complement the waterfront development. Tracy's Crab Shack's presence is appreciated by her neighbors. One of the adjacent businesses promotes Tracy's Crab Shack onboard the cruise ships at no cost. I have spoken to the three on-board promotion companies and they all state the importance of locally-owned business to the tourists. They seek them out.

I had to do a lot of work to obtain approval to make use of the right- of way alongside People's Wharf. I approached the City Manager to request approval for an outside seating area. He determined that CBJ ordinances did not allow for that. A public meeting was advertised soliciting comments from local businesses. There was a lot of lively discussion. Subsequently, the Manager developed a draft ordinance and presented it to the Lands Committee along with a memo. The memo specifically stated that the proposed ordinance was in response to a request from a local business. By then it was common knowledge that the subject was People's Wharf and Tracy's Crab Shack

To obtain the license for use of a small portion of Docks and Harbors land, my proposal was discussed at several Operations Committee Meetings, it was tentatively approved by the Board. It was taken to the Planning Commission and a costly appraisal was obtained, as required by ordinance. Finally, it came back to the Docks and Harbors Board for final consideration and approved.

In my 35 years as a developer, nothing has required such consideration: being voted upon by 27 Assembly, Docks and Harbor, and Planning Commission members. The votes were overwhelmingly in favor of my proposals.

The question has been raised as to whether it is appropriate to lease CBJ land with developments upon it. This is a common practice. The CBJ leases office space to the Alaska Brewery and Docks and Harbors leases developed property in Auke Bay to Harri's Plumbing. In Thane, Docks and Harbors leases property to Tlingit and Haida Central Council. The building in Thane will be demolished, but other portions of the development will remain: the driveway, electrical service and such. There are other instances where CBJ property, other than raw land, has been leased to private parties. There is nothing new about this.

It has been asked if it is appropriate for CBJ/Docks and Harbors to negotiate with one party. In fact, a CBJ ordinance was adopted to specifically address this question. See Attachment. I know of four Docks and Harbors leases within 200 feet of my site which were negotiated with one party.

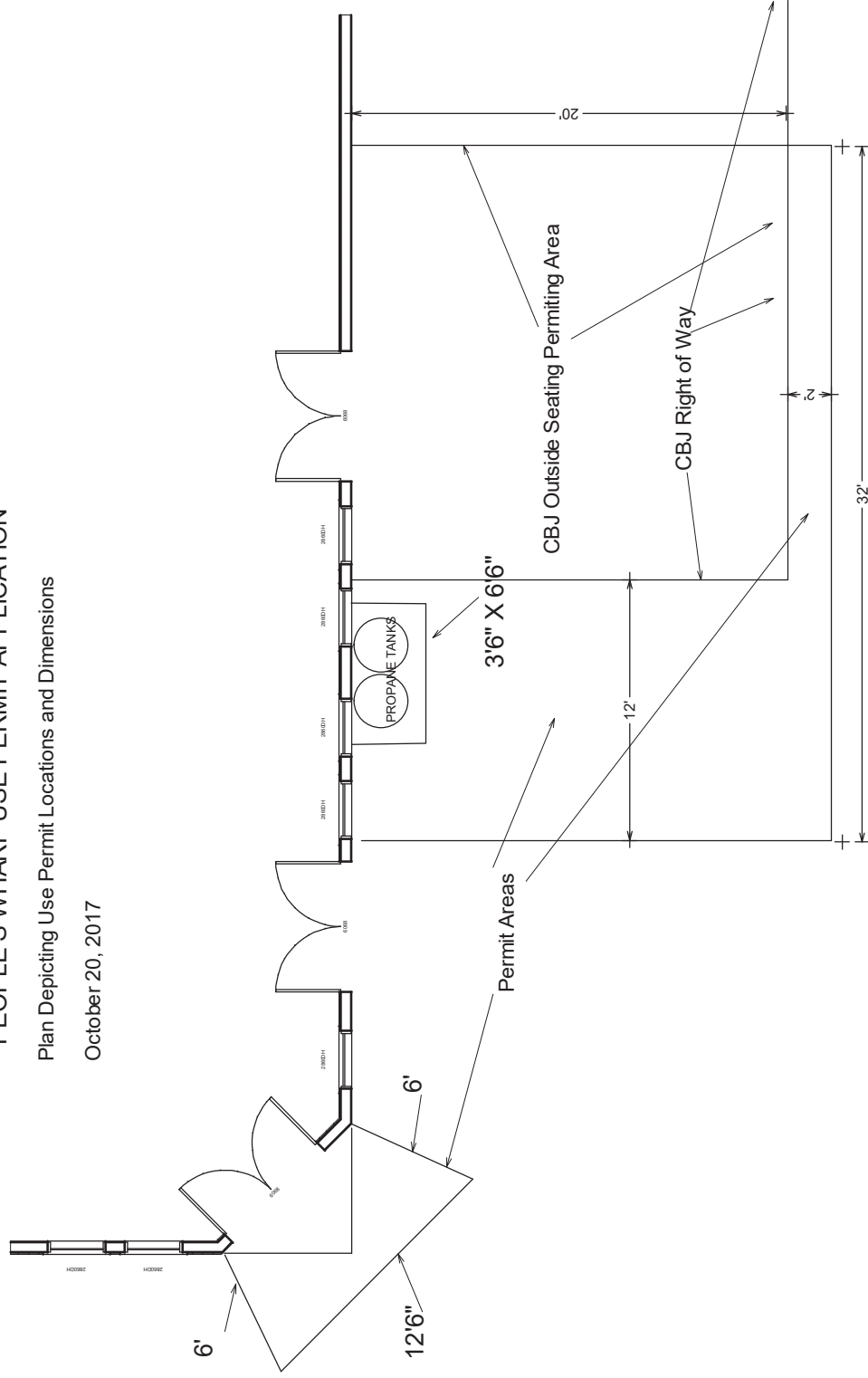
The question of transparency has been raised. These leases are transparent as the application must be presented to and approved by the Docks and Harbors Board, the Planning Commission and the Assembly. All meetings are public and advertised. The public has many opportunities to speak to the subject.

We are all aware of the significant expected growth of cruise ship passengers in the short term. The cruise ship industry has stated a concern that Juneau might not be able to meet the need for significant new attractions for these tourists. This presents a unique opportunity for local entrepreneurs. Tracy's Crab Shack has demonstrated that they are able to rise to the challenge.

PEOPLE'S WHARF USE PERMIT APPLICATION

Plan Depicting Use Permit Locations and Dimensions

October 20, 2017



From: David Molina [<mailto:dmolina@shopdi.com>]
Sent: Monday, November 6, 2017 9:46 AM
To: William Heumann <wheumann@msn.com>
Subject: Tracy's Crab Shack

Dear William

I write to you in reference to Tracy's Crab Shack's business we had this 2017 season in your building, we believe is a great business ally to have operating there as it attracts a good amount of traffic to the seaside and into our shops.

As a reference, we recommend many of our clients to go to Tracy's and try an iconic restaurant in Juneau, we even buy for some of our VIP clients and they are delighted with the quality of the food there.

We believe that having a restaurant in your building is very good for all of the shops that are around and we strongly encourage them to keep them as your tenants.

Best regards

Operations Manager
Diamonds International
Cozumel, Mexico
Mobile: (52) 987-8785170
Office: (52) -9878695367 Ext 8002
Fax : (52) - 9878695361
www.diamondsinternational.com

2017 Heumann Use Permit

THIS USE PERMIT is entered into this 27th day of April, 2017, by and between the City and Borough of Juneau, Alaska (hereafter "CBJ"), a municipal corporation whose address is 155 S. Seward Street, Juneau, Alaska 99801, and William Heumann ("Permitee") 6000 Thane Road, Juneau AK 99801.

WHEREAS, William Heumann, owner of People's Wharf, requested the use of 62 square feet of City property for a small addition and siting of propane tanks for Tracy's Crab Shack;

WHEREAS, the CBJ owns certain real property, parcel code number 1-C10-0-K83-001-2 also known 470 South Franklin Street or Lot 13C, Block 83, Tidelands Addition;

WHEREAS, Capital City Fire & Rescue has indicated that no propane tanks shall be located within three feet of any opening, such as windows or doors;

WHEREAS, the Planning Commission approved CSP2017-0005: Seasonal Use of a Portion of People's Wharf for Temporary Food Services at its April 25, 2017, meeting as required by CBJ 53.09.310;

WHEREAS, CBJ conducted an appraisal which determined, based on the analysis of the market, that the annual permit fee shall be \$1,364/year;

WHEREAS, the CBJ Docks & Harbors Board approved William Heumann's request under the conditions stated herein;

NOW THEREFORE, the Docks & Harbors hereby grants William Heumann a Use Permit subject to the following terms and conditions:

1. **Authority.** This Use Permit is entered into pursuant to the authority of the City and Borough of Juneau Code, Chapters 85.02.260 and 53.09.310.
2. **Term.** This Use Permit is valid for the 2017 tourist season, commencing on April 27, 2017 and terminating November 1, 2017.
3. **Fee.** The fee for this use permit shall be \$114.00 per month. (53.09.310 (d)) and the appraisal cost.

4. **Authorized Use.** Permittee is authorized to use the property solely for a small addition onto the People's Wharf Building and siting propane tanks as described in CSP2017-0005.

5. **Repairs and Corrections.** Permittee agrees to return the property to its original pre-permitted condition and shall post a cash bond (\$5,000) for removal of the propane tanks and screening, and the small additional onto the People's Wharf Building.

6. **Indemnification.** The Permittee agrees to defend, indemnify, and hold harmless CBJ, its employees, volunteers, consultants, and insurers, with respect to any action, claim, or lawsuit arising out of or related to the Permittee's performance related to this permit, without limitation as to the amount of fees, and without limitation as to any damages, cost or expense resulting from settlement, judgment, or verdict, and includes the award of any attorneys' fees even if in excess of Alaska Civil Rule 82. This indemnification agreement applies to the fullest extent permitted by law and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against CBJ relating to this contract. The obligations of Permittee arise immediately upon actual or constructive notice of any action, claim, or lawsuit. CBJ shall notify Permittee in a timely manner of the need for indemnification, but such notice is not a condition precedent to Permittee's obligations and is waived where the Permittee has actual notice.

7. **Insurance.** Permittee has secured and agrees to keep and maintain in full force and effect, at its own expense, the insurance approved by CBJ Risk Management as outlined in Paragraph a. below. At least 30 days prior to the cancellation, non-renewal or reduction in the amount of coverage, Permittee shall provide written notice to CBJ Risk Management. The Permittee's insurance shall be primary and any insurance maintained by the CBJ shall be non-contributory. If the Permittee maintains higher limits than shown below, the CBJ shall be entitled to coverage for the higher limits maintained by the Permittee.

a. **Commercial General Liability Insurance.** The Permittee must maintain Commercial General Liability Insurance in an amount it deems reasonably sufficient to cover any suit that may be brought against the Permittee. This amount must be at least \$1,000,000 per occurrence, and \$2,000,000 aggregate. **This insurance policy is to contain, or be endorsed to contain, additional insured status for the CBJ, its officers, officials, employees, and volunteers.** If Additional insured status is provided in the form of an endorsement to the Permittee's insurance, the endorsement shall be at least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

b. **Deductibles and Self-Insured Retentions.** Any deductibles and self-insured retentions must be declared to and approved by the CBJ. The CBJ may require the Permittee to provide proof of ability to pay losses and related investigations, claim administration and defense expenses within the retention.

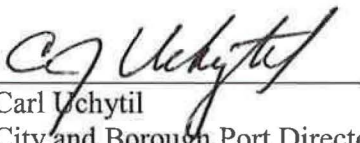
7. **Improvements and changes.** No improvements or changes to improvements may be made on the permitted area unless first approved by the Port Director.

8. **Revocability.** This Use Permit is revocable at the sole discretion of the Port Director. The CBJ shall not be liable to the Permittee or any other person for any costs, losses, or damages arising out of the revocation.

IN WITNESS WHEREOF, the parties have executed this instrument as of the date and year set forth below.

City and Borough of Juneau

William Heumann

By: 
Name: Carl Uchytel
Title: City and Borough Port Director

By: 
Name: William C. Heumann
Title: Owner

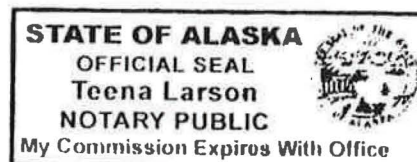
CITY AND BOROUGH OF JUNEAU ACKNOWLEDGMENT

STATE OF ALASKA)
FIRST JUDICIAL DISTRICT) ss:

THIS IS TO CERTIFY that on the 12th day of May, 2017, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **CARL J. UCHYTIL** to me known to be the identical individual described in and who executed the foregoing instrument as the CITY and BOROUGH PORT DIRECTOR of the CITY AND BOROUGH OF JUNEAU, ALASKA, a municipal corporation which executed the above and foregoing instrument; who on oath stated that she was duly authorized to execute said instrument on behalf of said corporation; who acknowledged to me that she signed the same freely and voluntarily on behalf of said corporation for the uses and purposes therein mentioned.

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


Notary Public for the State of Alaska
My Commission Expires: with office



WILLIAM HEUMANN ACKNOWLEDGMENT

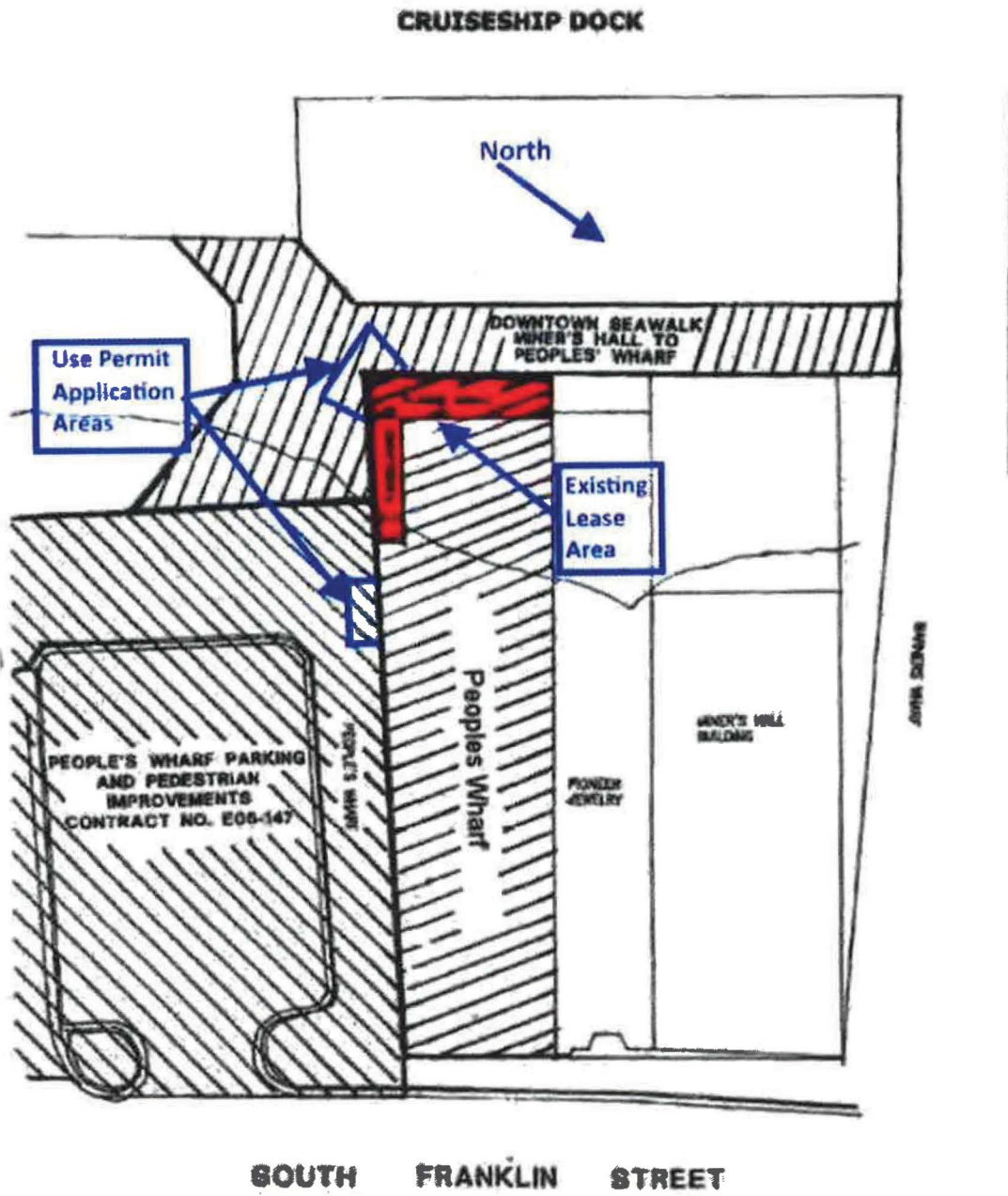
STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the 10 day of May, 2017, before me the undersigned, a Notary Public, in and for the State of Alaska, duly commissioned and sworn, personally appeared **William C Heumann**, known to me to be the identical individual described in and who executed the foregoing instrument, and acknowledged that he/she executed the same freely and voluntarily for the uses and purposes therein mentioned.

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

Natalia B. Clay
Notary Public for the State of Alaska
My Commission Expires: July 8, 2020

Attachment A:



**APPRAISAL REPORT
ANNUAL PERMIT FEE
62 SF ADJACENT TO PEOPLE'S WHARF BUILDING
108 PEOPLE'S WHARF -
432 SOUTH FRANKLIN STREET
JUNEAU, ALASKA**



(033017_0369 - PHOTO BY CHARLES HORAN)

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

PREPARED BY: Charles Horan, MAI
Horan & Company, LLC
403 Lincoln Street, Suite 210
Sitka, AK 99835

EFFECTIVE DATE: March 30, 2017

REPORT DATE: March 31, 2017

OUR FILE NUMBER: 17-033

HORAN & COMPANY

REAL ESTATE APPRAISERS/CONSULTANTS

CHARLES E. HORAN MAI / WILLIAM G. FERGUSON,
JOSHUA C. HORAN, AND SLATER FERGUSON

403 LINCOLN STREET, SUITE 210, SITKA, ALASKA 99835

PHONE NUMBER: (907)747-6666 FAX NUMBER: (907)747-7417 commercial@horanappraisals.com

March 31, 2017

Carl J. Uchytel, PE, Port Director
City and Borough of Juneau Docks and Harbors
155 S. Seward Street
Juneau, Alaska 99801

via Email: teena.larson@juneau.org

Re: Annual Permit Fee 62 SF Adjacent to People's Wharf Building, 108 Peoples' Wharf, 432 South Franklin Street, Juneau, Alaska; Our File # 17-033

Dear Mr. Uchytel,

At your request I made an annual market rent estimate for the annual permit fee associated with the 62 SF of land adjacent to People's Wharf. This includes about 22.75 SF of land to house two propane tanks on the south side of the building and an additional 29.25 SF of land at the southerly corner. This latter permit area will house crab cooking pots for the 2017 tourist season. The permit area is at grade and finished with wood planking or concrete. We have developed comparable Square Foot Rental Values, adjusting them to reflect finished at grade condition.

The annual permit fee is estimated effective at the date of inspection March 30, 2017. Based on our analysis of the market, the indicated permit fee is calculated as follows:

62 SF at \$22.00/SF = \$1,364/year.

Please see the attached report in addenda material which include the Assumptions and Limiting Conditions, Certification of Appraisal, and the most pertinent data considered and analysis made in estimating the market value of the subject rent. If you have any questions or comments, please feel free to contact me at your convenience.

Respectfully Submitted,



Charles Horan, MAI; APRG41
HORAN & COMPANY

TABLE OF CONTENTS

TABLE OF CONTENTS	2
1 Introduction	3
1.1 Identification of Property	3
1.2 Purpose of Appraisal, Intended Use and Users	4
1.3 Scope of Appraisal	5
2 Area Analysis	6
2.1 Subject Market Area	6
3 Property Description	8
3.1 Site Description.....	8
3.2 Zoning	9
3.3 Assessed Valuation and Taxes.....	9
4 Valuation.....	10
4.1 Highest and Best Use	10
Addenda	I
Certification of Appraisal	
Assumptions and Limiting Conditions	
Terminology	
Use Permit Application	
Subject Photographs	
Comparable Rents/Sale	
Qualifications of Charles Horan	

1 INTRODUCTION

1.1 IDENTIFICATION OF PROPERTY

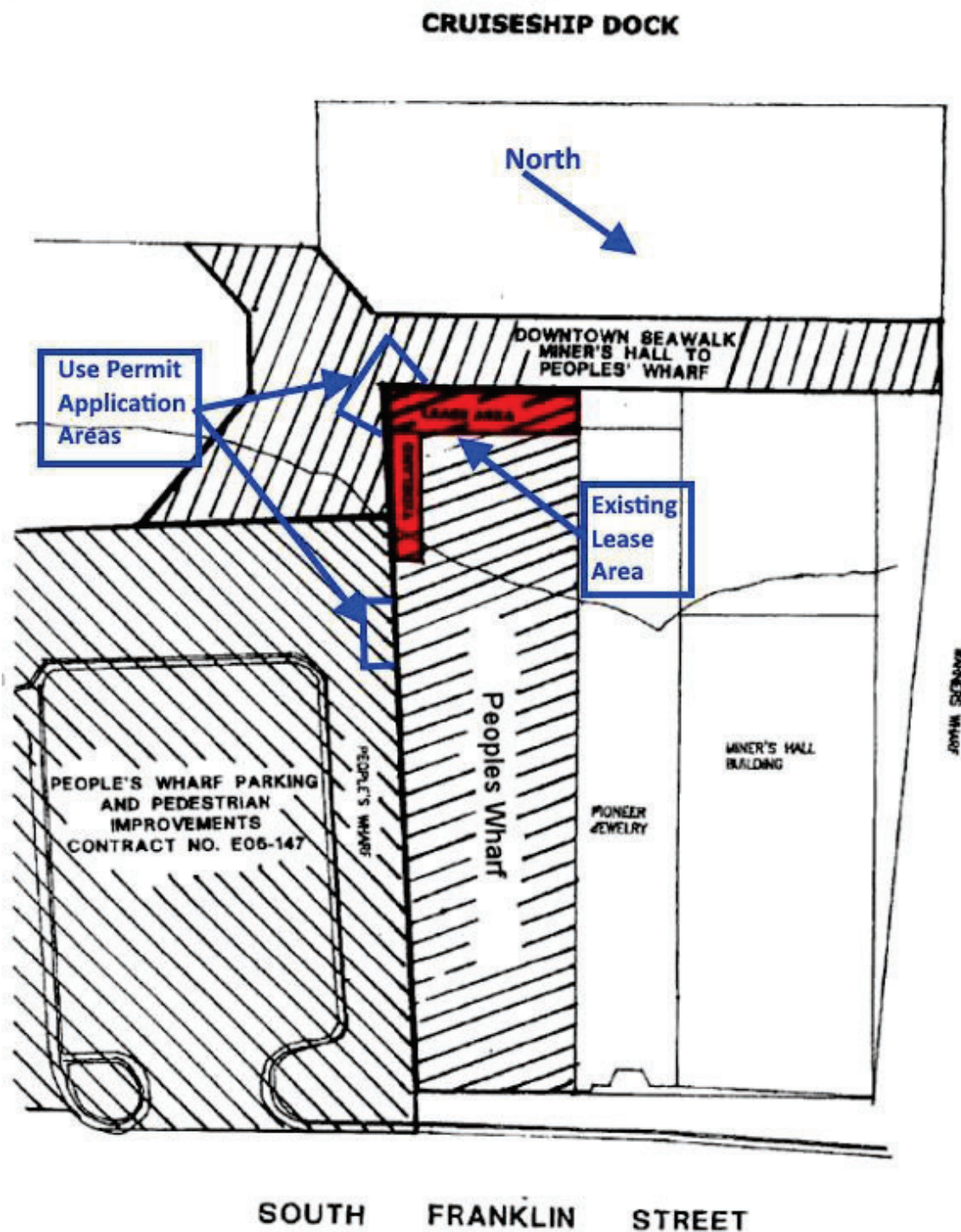


FIGURE 1.1 –SITE PLAN SHOWING PEOPLE’S WHARF AND LANDS ALREADY UNDER LEASE. NOTE ADDITIONAL PERMIT LANDS IN BLUE. ALSO NOTE THE PEDESTRIAN IMPROVEMENT AREA LOWER LEFT HAS BEEN RECONFIGURED. DRAWING NOT TO SCALE.

The CBJ Docks and Harbors Board has jurisdiction over lands adjacent to the People's Wharf building located at 108 People's Wharf. It is negotiating with Tracy's Crab Shack for a permit to use approximately 62 SF of its land to provide for two 30 inch diameter propane tanks enclosed by a shelter and to accommodate crab boiling pots at the southwest corner of the building. See Figure 1.2 below. These lands would be used together with the adjacent building lease area and outdoor seating areas to comprise the Crab Shack restaurant business area.

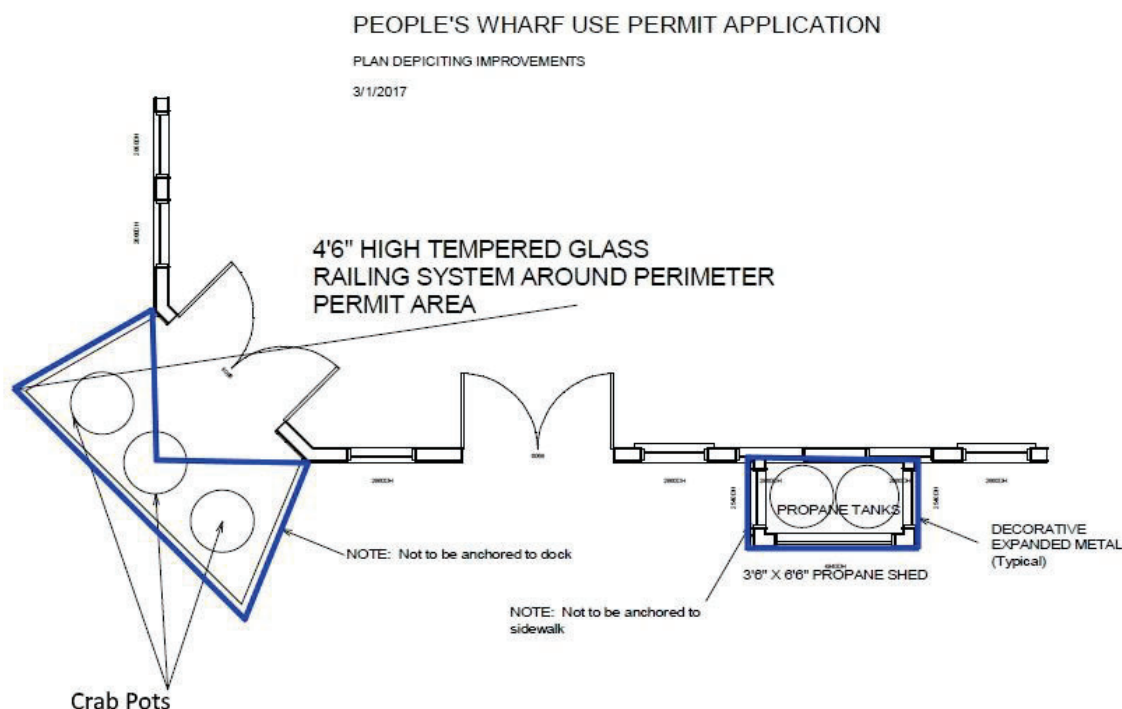


FIGURE 1.2 - SHOWING REQUESTED PERMIT AREAS OUTLINED IN BLUE. (SOURCE PEOPLE'S WHARF USE PERMIT APPLICATION WITH MODIFICATIONS BY HORAN & Co.)

The use permit and project description is more fully outlined in the permit application, a copy of which is in the addenda. This document also further identifies the property with its legal description and tax assessors ID number.

The site is near the center of the tourist district off South Franklin Street near the Mount Roberts Tram and tour bus drop off and pickup area adjacent to the city operated cruise ship docks.

1.2 PURPOSE OF APPRAISAL, INTENDED USE AND USERS

The purpose of this appraisal is to determine the annual market permit fee (rent) based on the market rental rate for the land area at its highest and best use.

Intended use: This valuation is to be used to set the permit fee for one year based on the appraisal requirements set forth by the City and Borough of Juneau.

Intended users are the City and Borough of Juneau and the permittee.

This appraisal is not intended for any other use or any other user for any other purpose.

1.3 SCOPE OF APPRAISAL

This brief narrative summary report covers a small area of land, 62 SF, and reflects the highest and best use value of that land for its annual rent. Section (d) of the permit application indicates “the permit fee shall be the appraised value of the permit.” There are some directly comparable annual rents which are compared on a rent per square foot basis. This data is supplemented by sales or allocations of sales which present square foot values which are capitalized into an indication of annual rent. This summary appraisal is supplemented by analysis and other background information contained in the appraisers files.

2 AREA ANALYSIS

2.1 SUBJECT MARKET AREA

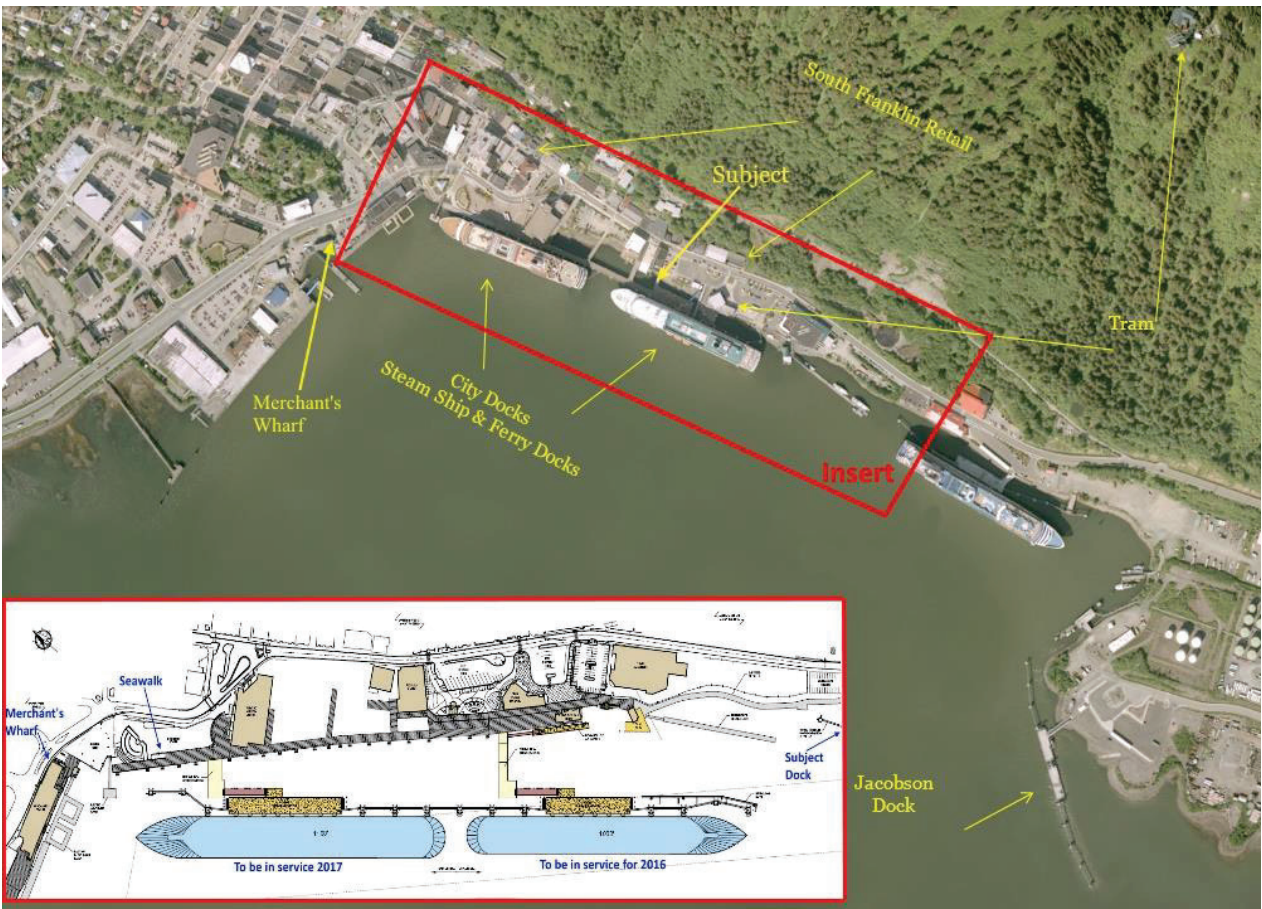


FIGURE 2.1 - JUNEAU WATERFRONT AND CRUISE SHIP DOCK LOCATIONS

Please see the addenda for a broader market area analysis describing the underpinnings of the Juneau market in the resurgence of the cruise ship market in particular.

The subject is well situated in the prime downtown pedestrian cruise ship tourism traffic area. The CBJ Docks and Harbors are constructing two new cruise ship docks. The south one was constructed in 2016 and the north one should be in service for the 2017 season. Please see Figure 2.1.

The retail core area along South Franklin Street is noted on Figure 2.1, stretching from the 100 block to the end of the 400 block some distance north of the subject. The primary retail activity is closer to the city docks where more passengers are concentrated in drop off and pickup areas, the tram and other local tourist activities. The demand for shore side retail land in this area is highest and tends to trail off to the north in the 100 and 200 block of Franklin Street. Demand for retail space appears to be strong in the 300 and 400 block of South Franklin. It stops at the Taku Smokery building at the 500 block. Over the past 10 years rents have been highest in this area. They have peaked at over \$10.00/SF for prime first level retail

space. These rents have generally contracted back to \$6.00/SF or slightly higher for the best spaces. The rents trail downward depending on pedestrian tourism traffic patterns.

The Subject Immediate Area



FIGURE 2.2 THE SUBJECT’S IMMEDIATE AREA. THIS FIGURE SHOWS THE LOCATION OF THE SUBJECT AND COMPARABLE RENTS/SALES. SOURCE MAP CBJ GIS PHOTO TAKEN IN 2013. NOTE CRUISE SHIP DOCK WAS EXTENDED IN 2016.

The subject property is in the prime 400 block of South Franklin. The building extends to the narrow sea walk behind. This gives the rear of the property visibility from the ships and a pedestrian traffic flow around the sea walk promenade as it passes in front of the subject and along its side.

3 PROPERTY DESCRIPTION

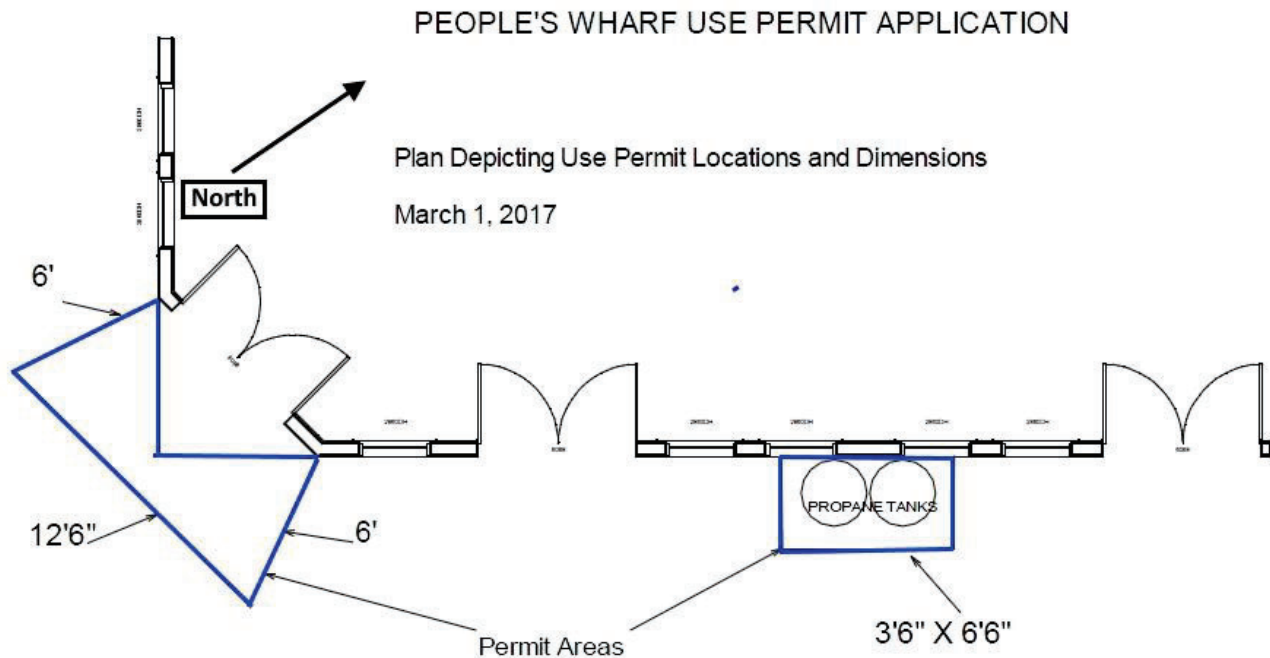


FIGURE 3.1 SHOWING SUBJECT PERMIT AREAS ADJACENT TO PEOPLE’S WHARF BUILDING SITE. (SOURCE: PEOPLE’S WHARF USE PERMIT APPLICATION WITH MODIFICATIONS BY HORAN & CO.)

3.1 SITE DESCRIPTION

The subject includes two small permit areas. There’s about 39.25 SF at the southwest corner of the People’s Wharf building site as depicted in Figure 3.1 above and there is a 22.75 SF rectangular area for the propane tanks just east of it. The total permit area is rounded to 62 SF.

The westerly irregular area is decked over dock adjacent to the building entry which has a decked triangular area protruding into the permit area. The easterly piece is on a concrete walkway. Essentially these areas are considered the level at grade on fill or piling structure available for highest and best use development with the adjacent People’s Wharf building site.

Access

The permit areas have access along the city sidewalk and pedestrian pathways off the People’s Wharf parking area, tram site bus drop-off area and cruise ship pedestrian passenger ways.

Utilities

City sewer, water and private utilities including power, trash collection, phone, cable, internet and fuel are available.

3.2 ZONING

The subject lot is zoned WC - Waterfront Commercial. This zoning district is designed for the area of downtown Juneau directly on the waterfront, while the area across the street is zoned MU for mixed commercial uses. The following narrative from the Juneau Zoning Code details the applicable differences between the two zones:

“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.

The MU, Mixed Use district, reflects the existing downtown development pattern and is intended to maintain the stability of the downtown area.”

3.3 ASSESSED VALUATION AND TAXES

The adjacent People’s Wharf building site 2016 assessed value is summarized as follows;

Parcel #1Co70K830070	
Land	\$1,708,900
Improvements	<u>\$1,361,100</u>
Total	\$3,070,000

The assessment records indicate the site is 4,747 SF which suggests a nominal assessed value of the land at \$360/SF.

4 VALUATION

4.1 HIGHEST AND BEST USE

Highest and best use of the permit areas would be to use in conjunction with the existing building similar to what is anticipated by the applied for use.

Market Rent Valuation

The permit fee would equal the annual market rent estimated based on a square foot rent found in the market for other similar spaces. We have inventoried over a dozen transactions in the immediate area over the past several years. The following three transactions were most helpful in establishing a square foot rent range. The table below summarizes those transactions and our adjustments. Details of these transactions are in the addenda.

Our analysis is based on the prevailing market rental rate of 8% of the fee value. Where a rental rate has been set on a different percentage rate we've made quantitative adjustments under Conditions of Rent.

Qualitative adjustments are made based on a percentage to guide the appraiser's judgment in narrowing the range of SF differences based on location of Comp 1 and 3, and the tideland characteristics of Comp 2 as compared to the level usable site characteristics of the subject site. Comps 1 and 3 are slightly superior in location immediately on South Franklin Street and is adjusted downward -10%. Comp 2, is inferior to the subject lease areas under the People's Wharf Building. It is unfilled tidelands as leased wherein the lessee had to construct the decking and the building above. The permitted area on the other hand is either decked or concrete slab immediately ready for use and is superior. Therefore, an adjustment upward by 150% is made to Comp 2. This suggests that the unfilled tidelands have a ratio of about 40% of the unit value of the uplands. Although the sites vary in size for this commercial type use there's no adjustment for size difference.

The indicated rental values of the subject space by the three Comps are summarized in the table on the next page.

TABLE 4.1 - ANNUAL SQUARE FOOT RENTAL VALUE - ADJUSTMENT GRID				
Record #	Subject	Comparable 1	Comparable 2	Comparable 3
		#7238	#7659	#7341
Address	108 People's Wharf	356 S. Franklin	432 S Franklin	490 S. Franklin
Name	Juneau	Archipelago Site	Peoples' Wharf	Mt Roberts Tram
Annual rent/Price		\$498,300	\$5,950	\$270,000
If Sale indicated rent		\$39,864	NA	NA
Indicated Rent per SF		\$24.16	\$12.50	\$27.00
Property Rights	Use Highest & Best	Similar	Similar	Similar
% Adjustment		0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00
Conditions of Rent	Normal-Negotiated	Similar	10% rent vs 8%	9% rent vs 8%
% Adjustment		0%	-20%	-12.5%
\$ Adjustment		\$0.00	(\$2.50)	(\$3.38)
Market Conditions/Sale Date	3/30/2017	12/16/2011	7/1/2012	7/1/2015
% Adjustment		0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00
Adjusted Rent/ SF		\$24.16	\$10.00	\$23.63
Qualitative Adjustments/Weighting				
Location	Very Good	Superior	Similar	Superior
% Adjustment		-10.00%	0.00%	-10.00%
\$ Adjustment		(\$2.42)	\$0.00	(\$2.36)
Land Size (SF)	62SF	1,650	476SF	10,000
% Adjustment		0.00%	0.00%	0.00%
\$ Adjustment		\$0.00	\$0.00	\$0.00
At Site Grade	Good	Similar	Unfilled TL	Inferior
% Adjustment		0.00%	150.00%	0.00%
\$ Adjustment		\$0.00	\$15.00	\$0.00
Net Adjustments:		(\$2.42)	\$15.00	(\$2.36)
Indicated SF Value of Subject		\$21.74	\$25.00	\$21.26

Comps 1 and 3 are most similar as level land along South Franklin Street. Comp 2 although adjacent to the subject is considered a high indicator due to the large adjustment for its tidelands character.

Based on the above, the indicated annual permit rental fee is estimated at \$22.00/SF. As of the effective date of the appraisal March 30, 2017 the indicated annual permit fee is calculated as follows.

$$62 \text{ SF at } \$22.00/\text{SF} = \$1,364 \text{ per year}$$

ADDENDA

CERTIFICATION OF APPRAISAL

I certify that, to the best of my 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.
- I 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.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My 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.
- I 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.
- I estimated the market rental value for adjacent unimproved least tidelands area in June of 2013. I 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, I have completed the continuing education program for Designated Members of the Appraisal Institute.



Charles Horan, MAI
APRG 41

March 30, 2017
Inspection and Effective Date of Appraisal

March 31, 2017
Date of Report

ASSUMPTIONS AND LIMITING CONDITIONS

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

1. It is assumed that 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 valuation is 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. This appraisal assumes (unless otherwise specifically stated) that the subject is structurally sound and all components are in working condition.
5. This appraisal report may 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, I have 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 have assumed that there are no such conditions and make no guarantees or warranties, express or implied. I 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 I am not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable public and/or private sources that I 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.

6. 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.
7. A true and complete copy of this report includes exhibits and addendum. 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.
8. If this valuation conclusion is subject to satisfactory completion, repairs, or alterations, it is assumed that the improvements will be completed competently and without significant deviation.
9. 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.
10. 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.

TERMINOLOGY

Market Value:

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

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

The Dictionary of Real Estate Appraisal, 5th Edition, Appraisal Institute, Pages 123

The exposure time is estimated at 12 months on the subject property.

Market Rent: The most probable rent that a property should bring in a competitive and open market.

Juneau, Alaska - Code of Ordinances PART IV - ADMINISTRATIVE CODE OF REGULATIONS TITLE 05 - DOCKS AND HARBORS Chapter 50 - LEASE ADMINISTRATION, 05 CBJAC 50.050 - Appraisal standards. (g)(1).

Rental Rate: The percentage of market value that a comparable class of private property would bring in the open market with the same conditions of lease as offered by the City and Borough of Juneau.

05 CBJAC 50.050 - Appraisal standards. (g)(2).



USE PERMIT APPLICATION FOR PROPERTY OWNED AND MANAGED BY THE CITY AND BOROUGH OF JUNEAU

Application No.
Staff only

Assessor's No.

Assessor's number available using the CBJ Assessor's Database: <http://www.juneau.org/assessordata/sqlassessor.php>

Legal name of applicant(s)

Mailing address

1. Legal description of property where the use permit is to be located (attach map)

PEOPLE'S WHARF - 108
TIDELANDS ADDITION BL 83 LTS 9 FR & 12

2. Existing parcel size

Square feet: Acres:

Parcel (lot) size available using the CBJ Assessor's Database: <http://www.juneau.org/assessordata/sqlassessor.php>

3. Existing utilities

Water: On Site ☒ Public ☐ None ☐

Sewer: On Site ☒ Public ☐ None ☐

Utilities information available using the CBJ Assessor's Database: <http://www.juneau.org/assessordata/sqlassessor.php>

4. Access

5. Provide a brief description of your proposal:

SEE ATTACHED. PROPOSED USE IS FOR TWO
30' DIAMETER PROPANE TANKS AND "CRAB
SHACK" AT SW CORNER OF Bldg.

5. Continued

6. Comprehensive plan designation for property *(Staff only)*

7. Zoning designation

WATERFRONT COMMERCIAL

Zoning designation available using the CBJ Assessor's Database: <http://www.juneau.org/assessordata/sqlassessor.php>

I HEREBY CERTIFY THAT all of the statements made in this application and its incorporated attachments are true and correct.

WILLIAM HEUMANN

Name and Title (Please Print)

Name and Title (Please Print)

William Heumann for W. Heumann

Signature

Signature

Return application to the ~~Lands and Resources Office, 105 Municipal Way, Third Floor or Lands Office@juneau.org~~ ✓

Staff only

RECEIPT of the above application and attachments together with filing fee (non-refundable) in the amount of \$15.00 is hereby acknowledged.

FULL APPLICATION RECEIVED by ~~Lands~~ ^{Docks & Harbors} staff on

03/06/2017

 by:
MM/DD/YYYY

Teena Larson Admin officer

Name and Title (Please Print)

Teena Larson

Signature



Application for a Use Permit on City and Borough of Juneau Property – Land & Resources Code

- **53.09.310 - Use permits.**

(a) *Purposes.* Permits for less than one year for the use of City and Borough owned land may be granted by the manager after review and an opportunity to comment by the planning commission for nonconsumptive uses which do not cause or require significant damage to the property when it is certain that the use can be completed within one year or when an application is pending for an easement, sale or lease of the parcel to the permit applicant. Permits shall be nonexclusive unless otherwise provided in the permit.

(b) *Application and fee.* An application for a use permit shall be filed with the manager and shall be accompanied by plans, reports, a narrative and other material sufficient to permit evaluation of the proposed activities of the applicant in the permit area. The application shall be accompanied by a base fee of \$15.00 plus an amount determined by the manager to be sufficient to cover the cost of an appraisal of the permit right requested.

(c) *Departmental and commission comment.* The completed application shall immediately be referred to the planning commission, the engineering department, the planning department and such other departments as the manager determines may have an interest in the land or proposed activities. Unless the manager determines that the issuance of the permit would be contrary to the public interest, the manager, upon full consideration of the departmental and commission comments, may issue a permit to the applicant with such restrictions and conditions as appropriate. If any department or the commission has submitted a written objection to the issuance of the permit, or has submitted a requested restriction which the manager's designee does not propose to include in the permit, the manager's designee shall deliver written notice of the decision to the director of that department or the planning commission, as appropriate, at least three working days before the permit is issued. The commission or the director of such department may appeal the matter to the manager.

(d) *Permit fee.* The permit fee shall be the appraised value of the permit. Prior to issuance of the permit, the applicant shall pay to the City and Borough an amount equal to the value of any materials, timber, or other resources which will be damaged cut, or removed from the permit area. The manager shall determine the value of resources of any marketable materials, timber or other resources within the easement area which will be destroyed, cut or removed. If the manager determines that a survey of the permit area should be made, the permittee shall provide such a survey prior to making any use of the permit.

(e) *Improvements and changes.* No improvements or changes to improvements may be made in a permit area unless first approved by the manager.

(f) *As-built plans.* Upon the construction of any improvements in the permit area, the permittee shall immediately provide the manager with complete, accurate, and legible as-built drawings of the improvement. Upon making any changes or additions to such improvements, the permittee shall provide the manager with as-built drawings showing such changes or additions.

(g) *Revocability.* Use permits issued under this section are revocable at the sole discretion of the manager. Upon issuing a notice of revocation to the permit holder, the manager may also require the permit holder to remove any improvements placed within the permit area and to restore the permit area to its original condition or such lesser condition as the manager may authorize. The City and Borough shall not be liable to the permit holder or any other person for any costs, losses or damage arising out of the revocation or order to remove improvements and restore the permit area.

(h) *Security for restoration.* The manager may require such security for restoration as appropriate.

Parcel #	Street Address	Legal Description 1
1C070K830070	PEOPLE'S WHARF 108	TIDELANDS ADDITION BL 83 LTS 9 FR & 12

Owner's Name and Address

WILLIAM C HEUMANN
6000 THANE RD
JUNEAU AK
99801

Previous Owner	Site Value	Building PV	Total PV
	\$ 1708900.00	\$ 1361100.00	\$ 3070000.00
Use Code	Exempt	Zoning	Tax Year
Commercial Misc	No Data	Waterfront - Commercial	2016
Number of Units	Year Built		Gross Living Area
003	2006		N/A
Garage	Garage Area	Lot Size	Last Trans
No	N/A	4747.00 sq. ft.	0000
City Water Available	City Sewer Available		
Yes	Yes		
Exempt Land	Exempt Building	Exempt Total	Road/No Road
N/A	N/A	N/A	Roaded

[Back](#)

PEOPLE'S WHARF PERMIT APPLICATION

Narrative

March 3, 2017

On February, 23, 2017 the Docks and Harbors Board agreed to initiate the process of a Use Permit for lands under their jurisdiction adjoining People's Wharf located at 108 People's Wharf. The applicant is applying for this Permit on behalf of its' tenant, Tracy's Crabshack. The proposed use is to provide for two 30" diameter propane tanks enclosed by a shelter and to accommodate a "crabshack" at the southwest corner of the building. The total area of the use permit is .

The applicant has consulted with the Fire Marshall who agreed that the proposed location propane tanks is in accordance with the Fire Code. Amerigas was consulted and it was determined that it is possible to fill the tanks while parking the propane truck in the loading zone located alongside People's Wharf. The tanks will be enclosed by a shed-like structure. Signage will be placed there to identify the propane tanks.

The "crab shack" will be developed in the "crab shack style" for which Tracy's Crabshack is so well known. Inside the crabshack will be three propane-fired cauldrons for cooking king crab. It is worth noting that the crab is precooked and flash frozen in the winter during king crab season. Therefore, the cooking is essentially reheating. Most of the odor of cooking crab is associated with the precooking done elsewhere during crab season.

The window at the location of the crabshack will be replaced with a door. The crab will be brought to the crabshack area from the interior of the building and cooked. The cooked crab will then be taken back into the restaurant through the door. Food will not be served from the crabshack. It will be possible patrons to observe the cooking process.

A condition of approval by the Docks and Harbors Board is that there be no attachments to the concrete under the propane tanks or the wood under the crabshack. The Use Permit will be for the 2017 tourist season and is temporary. The condition of the permit areas is to be the same after the removal of the improvements as it was before.

Changes to CBJ Ordinance to authorize the City Manager to approve a permit to allow this applicant to make use of a 20' x 20' area in the right-of-way known as People's Wharf will have been acted upon by the CBJ Assembly prior to the Planning Commission meeting. This concept has been reviewed by the Lands Committee, the City Manager's Office, Lands and Resources, Engineering, and Streets. Applicant anticipates the changes to the ordinances will have been approved and that the Manager's Office will issue a permit. The 20' x20' area adjoining the People's Wharf Building will be used as outside seating for the restaurant.

3/2/17

1/2" = 1'

TRACY'S CRAB SHACK
FRONT VIEW

KING
CRAB

TRACY'S CRAB SHACK

EXISTING
WALL

EXISTING
CANOPY

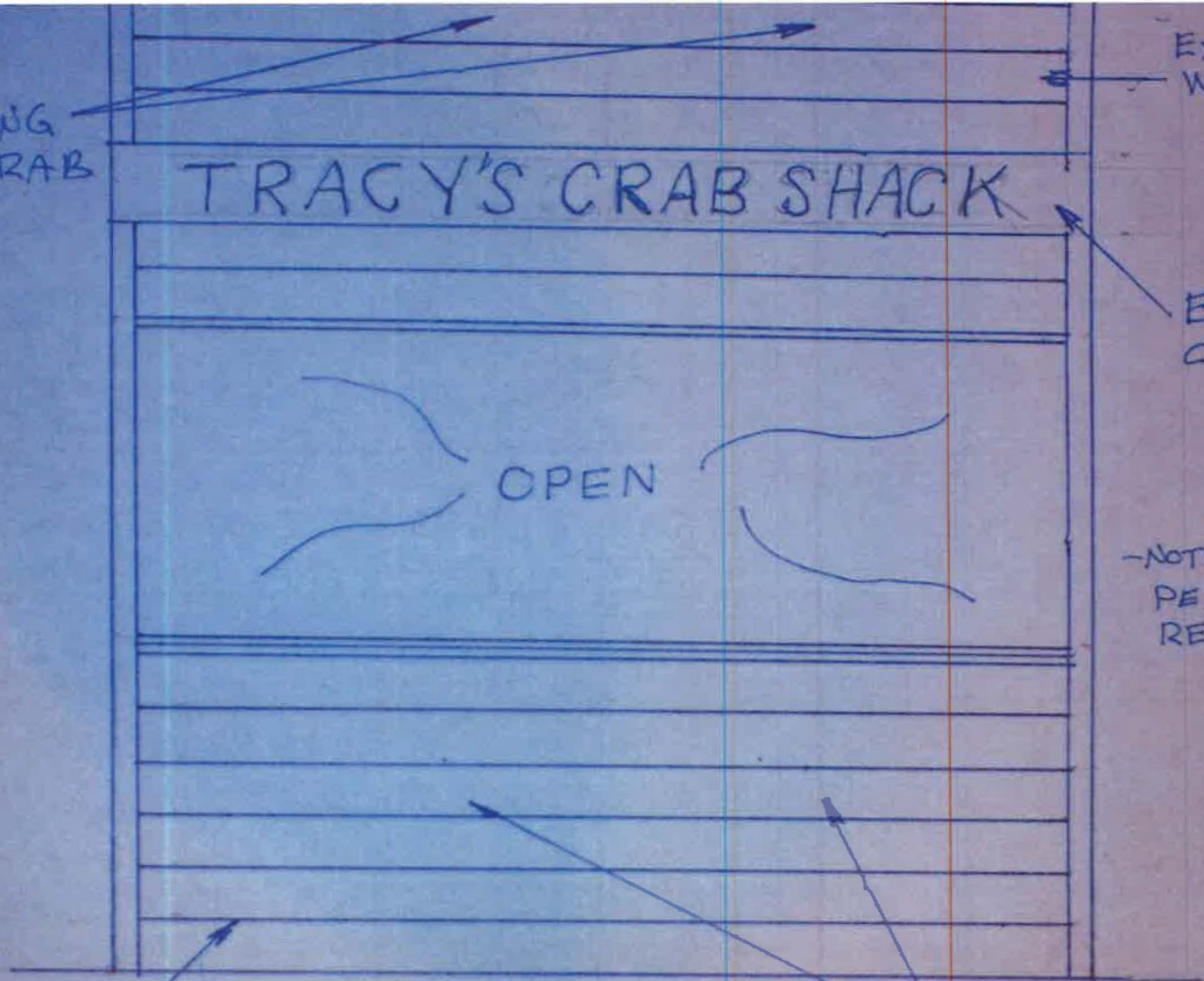
OPEN

-NOTE: SIGN
PERMIT
REQUIRED

SIDING TO MATCH
ABOVE CANOPY

SEAWALK IN FRONT

KING CRAB



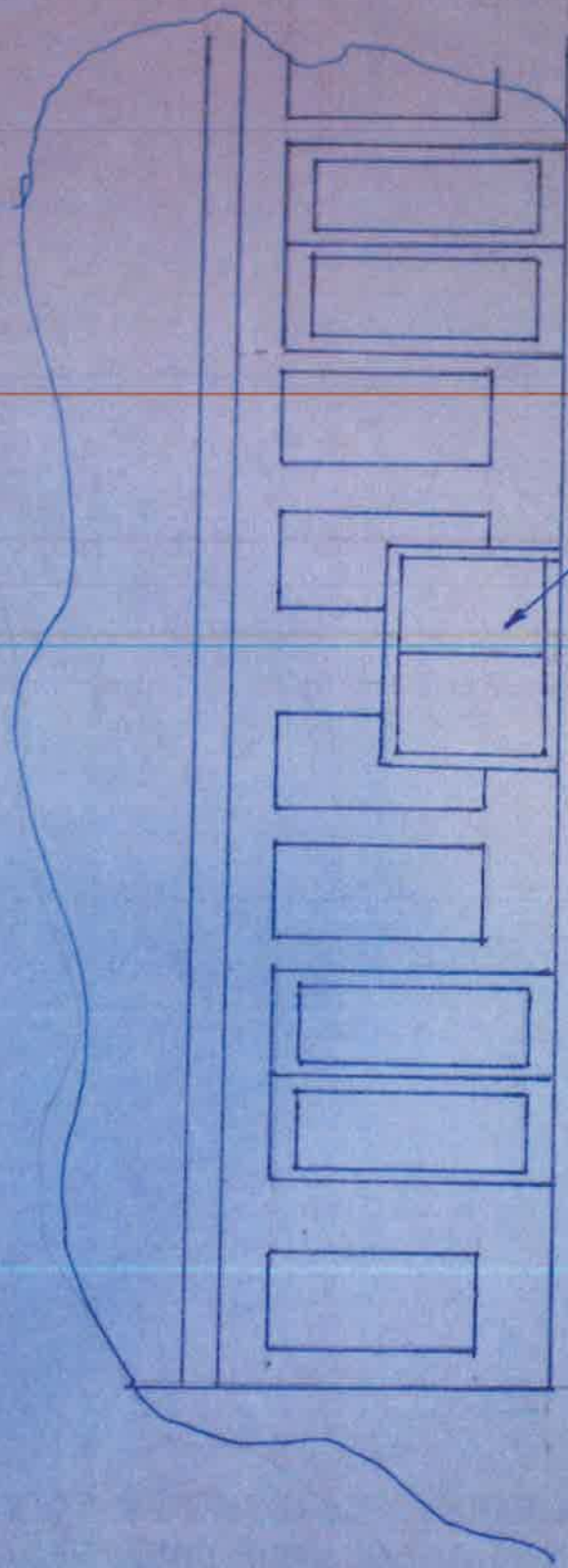
3/16 = 1"

FRONT ELEVATION

DEPICTING PROPANE SHELTER

"PEOPLE'S WHARF"

PEOPLE'S WHARF
USE PERMIT
APPLICATION



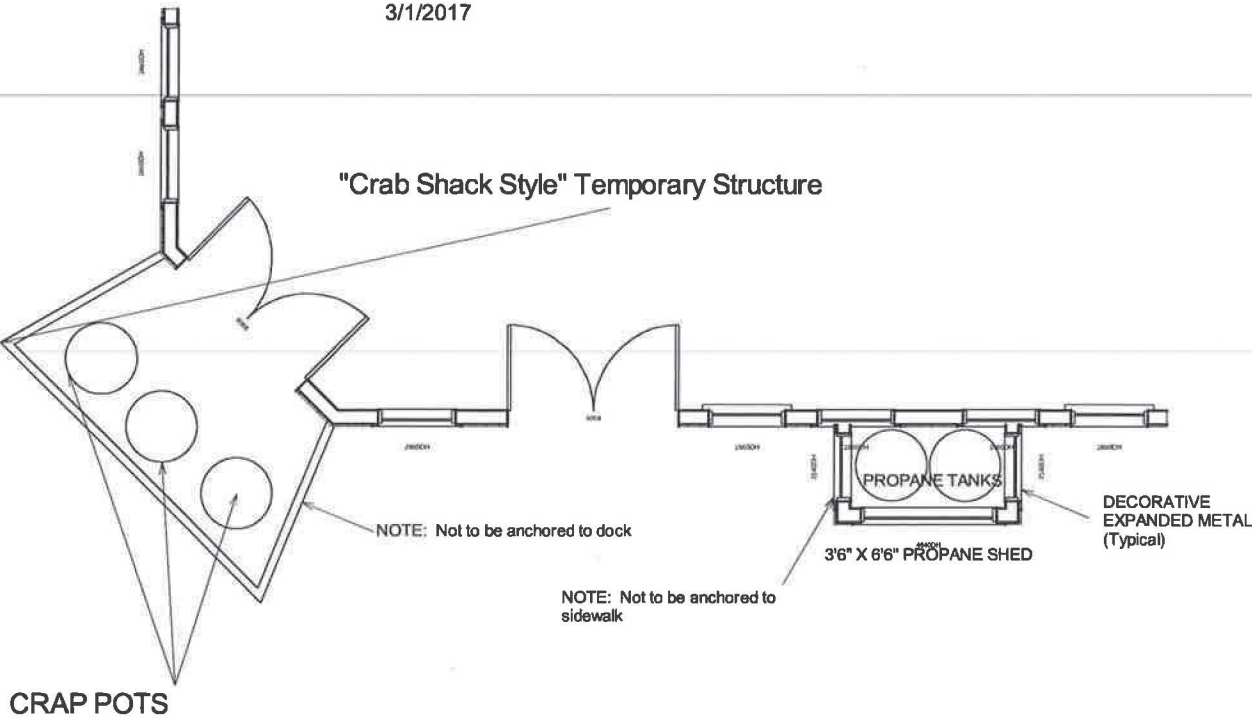
PROPANE SHELTER
CONTAINING 2-30"X54"
124 GAL VERTICAL TANKS

NOTES: SHELTER TO BE WOOD
FRAME CONSTRUCTION WITH
SIDING & PAINT TO MATCH
EXISTING BUILDING.
SHELTER TO BE TEMPORARY
AND ANCHORED TO BUILDING.

PROHIBITION:
NO IMPROVEMENTS ALLOWED
BY THIS USE PERMIT TO BE
CONNECTED TO THE DOCK OR
SIDEWALK (NO ANCHOR BOLTS).

3/1/2017

PEOPLE'S WHARF USE PERMIT APPLICATION
PLAN DEPICITING IMPROVEMENTS
3/1/2017



Plan Depicting Use Permit Locations and Dimensions

March 1, 2017

6'

12'6"

6'

PROANE TANKS

3'6" X 6'6"

Permit Areas

SUBJECT PHOTOGRAPHS



PHOTO 1 – CLOSE-UP VIEW OF SUBJECT USE AREAS, PHOTO CENTER AND PHOTO RIGHT BETWEEN BLUE AND RED PANELS. (1033017_0370)



PHOTO 2 – SOUTH SIDE OF PEOPLE'S WHARF BUILDING SHOWING MORE DISTANT VIEW OF SUBJECT USE AREAS. (2033017_0369)



PHOTO 3 – LOOKING TOWARDS PEOPLE'S WHARF ACROSS PEDESTRIAN TRAVEL AREAS TO THE SOUTH. (3033017_0368)



PHOTO 4 – PEOPLE'S WHARF BUILDING AS IT FACES SOUTH FRANKLIN STREET PHOTO RIGHT AND PUBLIC AREAS PHOTO CENTER AND LEFT. (4033017_0375)

Record Number: 7238

HORAN & COMPANY, LLC**LAND COMPARABLE NUMBER 1****Community:** 17 CBJ - Town - CBD - Retail**Address:** 356 South Franklin St**Location:** 356 South Franklin St.**Legal:** Ptn Lot 7A1, Plat 2011-38;**Recording District:** Juneau**City:** Juneau**State:****Zip:****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.

Analysis:

$$\$498,300/1651 \text{ SF} = \$300/\text{SF}$$

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: 3/30/2017

Record Number: 7238



041012_1394



1

use plat.

Record Number: 7659

HORAN & COMPANY, LLC**LAND COMPARABLE NUMBER 2****Community:** 17 CBJ - Town - CBD - Retail**Address:** 432 South Franklin St**Recording District:** Juneau
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**Utilities:** All**Access:** Road, paved**Improvements:** transitional - see notes**Land Class:** Commercial, Waterfront**Topography:** Level**Vegetation:** None**Soil:****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? Appraised (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: 3/30/2017

Record Number: 7659



041012_1400



HORAN & COMPANY, LLC**LAND COMPARABLE NUMBER 3****Community:** 17 CBJ - Town - CBD - Retail**Recording District:** Juneau**Address:** 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**Annual Rent:** \$270,000**Rights:** Lease Fee, Air Rights**Trans. Date:** March 2, 2015**Terms:** Typical Juneau lease; 5 year renewal**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:

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 referred to in lease amendment $\$22,222.22 = \$1.02/\text{SF}$ value (21,815SF)

Marketing Info: Revised rent effective 3/2/15 (30 days after effective date of CBJ Ordinance 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

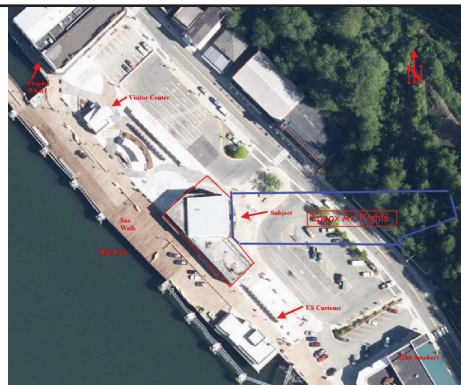
Confirmed with: Teena, lease docs Teena, Ports

Confirmed date: 3/31/2017 8/21/2011

Confirmed by: C.Horan T.Riley

Revision Date: 3/31/2017

Record Number: 7341



QUALIFICATIONS OF CHARLES E. HORAN, MAI

Professional Designation	MAI, Member Appraisal Institute, No. 6534
State Certification	State of Alaska General Appraiser Certification, No. AA41
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:

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/digial 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:

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

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

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

Companies

AK Electric Light & Power
AK Lumber & Pulp Co.
AK Power & Telephone
Allen Marine
Arrowhead Transfer
AT&T Alscm
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

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
City of Pelican
City of Petersburg
City of Thorne Bay
City of Wrangell
Ketchikan Gateway Borg.
Municipality of Skagway

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
SE AK Land Trust (SEAL)
SEARHC
Sitka Tribe of Alaska
The Nature Conservancy

State of Alaska Agencies

Alaska State Building Authority (formerly ASHA)
Attorney General
Dept. of Fish & Game
Dept. of Natural Service, Div. of Lands
Dept. of Public Safety
DOT&PF
Mental Health Land Trust
Superior Court
University of Alaska

Education

7-Hour National USPAP Update Course, Mount Vernon, WA, April 2013
Fall Real Estate Conference 2012, Seattle, WA November, 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
Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA), Rockville, MD, Oct 2010
Business Practices and Ethics, Seattle, WA, Apr 2010
Fall Real Estate Conference, Seattle, WA, Dec 2009
7-hour National USPAP Update Course, Seattle, WA, May 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
7-hour National USPAP Update Course, Seattle, WA, Jun 2007
Residential Market Analysis and Highest and Best Use, Seattle, WA, Apr 2007
Basic Appraisal Procedures, Seattle, WA, Feb 2007
USPAP Update Course, Anchorage, AK, Feb 2005
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
UASFLA: Practical Applications for Fee Appraisers, Jim Eaton, Washington, D.C., May 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, Instructor 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

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

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2017-02

An Ordinance Amending the City and Borough of Juneau Code Relating to Licenses to Use Certain Rights of Way for the Selling Food and Beverages and Related Uses.

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 Section. CBJ 29.25.080 Public possession and consumption of intoxicating liquor, is amended to read:

20.25.080 Public possession and consumption of intoxicating liquor.

(a) Except in the area and for the period authorized by the manager in conjunction with a valid license issued under CBJ 53.09.350 or special event street closures, no person may consume intoxicating liquor on any public street, alley, sidewalk, easement, trail or other way dedicated or held for public vehicular or pedestrian use, including parking lots owned and operated by the municipality.

...

1
2
3 **Section 2. Amendment of Article.** Article V Easements, Use Permits, Resource
4 Removal Permits, and Camping, is amended to read:

5 Article V Easements, Licenses, Use Permits, Resource Removal Permits, and Camping.
6

7
8 **Section 3. Amendment of Article.** Article V of Chapter 53.09 is amended by
9 adding a new section to read:

10
11 **53.09.350 License to use pedestrian ways for the sale of food and beverages and**
12 **related uses.**

13 (a) An annual license authorizing the non-exclusive use of up to five hundred square feet of
14 City and Borough owned pedestrian way for the purpose of engaging in the business of the
15 selling of food and beverages, or for purposes related to the selling of food and beverages such
16 as the provision of tables and chairs, may be granted by the manager in accordance with this
17 section. Vending from food trucks and vending carts are not authorized by this section but are
18 governed by CBJ 62.10.050 and CBJ 62.10.070, respectively.

19 (b) Applications for a pedestrian way license are exempt from the requirements of CBJ
20 53.20. Applications shall be filed with the manager on a form designated by the manager and
21 accompanied by a non-refundable application fee of \$250.00. The application must include a
22 description of the proposed use, a site plan delineating the proposed placement and number of
23 any tables and chairs to be used within the license area, the hours of operation, the requested
24 location, and such other information as the manager may request. Prior to issuance, the
25 applicant shall submit to the manager a certification by the finance department that the
applicant has met the requirements of the sales tax code. A license application will not be

1
2
3 approved unless the licensee has a current state business license, has all necessary permits in
4 order to operate in the manner proposed, and the operation meets applicable state and local
5 health and sanitation requirements.

6 (c) Licenses are valid for the calendar year and shall expire on December 31st of each year.
7 License applications will be accepted between September 1 and December 1 each year for the
8 following calendar year, except that license applications for calendar year 2017 shall be
9 accepted between the effective date of this ordinance and May 1. Licenses shall be issued on a
10 first-come, first-served basis except that priority shall be given to those applicants who
11 operated for at least three months during the previous year under a license issued for the same
12 location as the one applied for.
13

14 (d) Prior to October 1 of each year, the manager shall evaluate possible license locations
15 and shall designate those available during the following calendar year. Upon the request of an
16 applicant, the manager may consider additional locations after October 1.

17 (e) The license fee, payable in advance, shall be the fair market value of the property as
18 determined by the manager.

19 (f) Each licensee must obtain at least \$1,000,000.00 of public liability insurance naming
20 the City and Borough as an additional insured. Prior to beginning operation, a licensee must
21 provide the City and Borough with a broker's certificate of insurance and copy of the
22 amendatory policy endorsement, which must include a provision for notification to the City and
23 Borough if the policy is modified, canceled, or terminated.
24

25 (g) Permanent improvements may not be installed in the licensed area. Movable fixtures,
such as tables and chairs, must be placed in the licensed area in such a manner as to leave not
less than five feet of unobstructed sidewalk space between the fixture and the face of the curb

1
2
3 or edge of the sidewalk if there is no curb. Movable fixtures may not be placed in any manner
4 that blocks the view by pedestrians of advertising on a building or of goods displayed in the
5 window of a business unless the licensee has obtained the permission of the affected business.

6 Licensees shall use the licensed area in such a manner as to create the least amount of
7 interference with pedestrian traffic.

8 (h) Licenses must be placed in the window of the licensee's primary place of business in
9 such a way as to be viewable from the pedestrian way.

10 (i) The manager may adopt standards for the use and appearance of any allowable movable
11 fixtures and the issuance and renewal of licenses, and may impose the time, place, method of
12 operation, and such other restrictions on the license as may be necessary to ensure the safe and
13 convenient use of pedestrian ways.

14 (i) Licenses may not be assigned or transferred without manager approval.

15 (j) Licenses may be revoked by the manager for violation of this section, upon a
16 determination that the operation of the permittee is causing a hazard or a significant
17 disruption of pedestrian or vehicular traffic, that the area affected by the permit is required for
18 a public purpose, or for other good cause as determined by the manager. The licensee shall be
19 given an opportunity to be heard by the manager before any revocation. The decision of the
20 manager may be appealed to the assembly in accordance with CBJ 01.50.

21 //

22 //

23 //

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Section 4. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____ day of _____, 2017.

Kendell D. Koelsch, Mayor\

Attest:

Laurie J. Sica, Municipal Clerk

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Wednesday, September 21st, 2016

I. ~~Call to Order~~

~~The meeting was called to order at 5:00 p.m. in City Hall Conference Room 224.~~

II. ~~Roll Call~~

~~The following members were present: Tom Donek, David Lowell, Bob Janes, and Budd Simpson.~~

~~Also present: Carl Uchytel Port Director and Dave Borg Harbormaster.~~

III. ~~Approval of Agenda~~

~~**MOTION by Mr. Donek TO APPROVE THE AGENDA AS PRESENTED AND ASKED UNANIMOUS CONSENT.**~~

~~Motion passed with no objections.~~

IV. ~~Public Participation on Non-Agenda Items~~

William Heumann of Juneau, AK

Mr. Heumann said I am interested in leasing the property behind my building on South Franklin Street. It is surrounded by The Seawalk. The area I am interested in is approximately 2,000 square feet. I understand there was discussion about putting bathrooms in that area. There were kiosks in the area, but those have since been moved. Tourists are drawn to areas that are away from my building. I am trying to find a way to adapt to the new circumstances. Part of that is to find a way to draw people to that underutilized area.

Mr. Janes asked is that your leased property on the dock.

Mr. Heumann said the area I am talking about is Docks and Harbors property. I am currently leasing the land, but this is the water area.

Mr. Simpson asked is this area designated for any other purpose.

Mr. Uchytel said I will check to make sure we do not have the area designated for other projects. We have conceptualized using the area for bathrooms.

Mr. Simpson said we're not in a position to take action on this item. Mr. Heumann can make an appointment to talk about specifics with Mr. Uchytel.

V. ~~Approval of Wednesday, July 20th, 2016 Operations Planning Meeting Minutes~~

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, September 22nd, 2016

~~would be a waste of time to reason with you outside the court of law. You people live in the past. You don't desire to make changes that will bring about prosperity for everybody. All you are interested in is receiving your pay check on Friday. You people are worthless. The only thing you are good for is destroying everybody else's life. You act this way because you think that you are securing your job position. Your arrogance has brought destruction on everybody connected to the Harbors. You love to oppress, therefore, I shall oppress you in court. You hate to show mercy when it was in your power to do good, therefore, I shall not show mercy upon you when I bring you to a court of law. I'm instructing my lawyer to get the ACLU involved in this court case. Because of your wickedness toward myself, you have caused me to lose a boat that is valued at \$100,000. Pain and suffering I have endured shall be rewarded in court. If you want to settle this outside the court of law, than have your lawyer contact me. If not, then continue to boast with your wickedness and almighty god shall pass judgement on you. I had to go to prayer, I am a man of god, I prayed to the lord god Jesus everyday. I had to go to prayer because I was so stinking upset at the way I was treated. Disrespectful, arrogance, laughing at me. I came before you trying to solve a problem and you laugh at me. There ain't nothing funny, why are these people here. If you don't have competence to do your job, why are you here? A lot of you really are here just to get a paycheck. You really don't care. But you know what, the lord god Jesus listened to my complaint and guess what guys, he didn't laugh at me. He told me to try to reason with you. You have the boats in three different categories, and it's not according to the law the statutes you have written down because I have studied it. It is according to how you feel about a certain individual. Them boats over there, well they have to go do a figure eight three times a year, these house boat's over here, we don't really care. There is a man named Jack Adams that has a regular boat with no engines and you told him he doesn't have to have engines, and he doesn't have to go do a figure eight. Why, because he has a little boy? So what. The Statues in these laws was set down for everybody to be fair. But you don't want to apply them. You act like a bunch of dictator bullies. I'm not talking to you guys (the Board), I'm talking to these two I've already dealt with (pointed to the Port Director and Harbormaster). Shame on you. You are grown men. You need to act like it. God expects better of us. He put you in leadership to lead the community.~~

~~Mr. Donck said Mr. Covington's 5 minutes are up.~~

William Heumann, Juneau, AK

He said he owns the building called the People's Wharf at 432 S. Franklin St. on the waterside next to the visitor center and behind the Cruise Ship Terminal. He said he is interested in leasing the water land behind his building. It is an area encompassed by the Docks, but undeveloped. The portion he is interest in is directly behind his building and approximately 2,000 sq/ft. He said he would like to develop it to work in conjunction with his building. One thought was for restaurant seating in conjunction with the space behind his building. One of the reasons for doing this is for more activity at the end of his building but also on the seawalk between his building and the library. The reason for that is there is very little foot traffic based on his observations on that portion of the seawalk. The portion of the seawalk that goes from the Princess dock to the tram is very well used but not the portion between his building and the library. One of the primary purpose of constructing the seawalk was to reduce congestion on Franklin Street because it was thought of as a dangerous situation. If it hasn't been successful up to this point, he said he is taking steps on his

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, September 22nd, 2016

part to develop that portion so it would draw more interest in that area of the dock and would be the first of development between his building and the Library. He said he just wanted to introduce this concept to give some thought to it and he said he will continue to work with staff to applying for this area.

VI. Special Order of Business

~~Mr. Uchytel said he received a nice letter from the Territorial Sportsmen's Golden North Salmon Derby Committee commending Docks & Harbors staff during the Salmon Derby and for allowing the Statter Harbor launch ramp to be opened. The letter is in the packet.~~

VII. Consent Agenda

- ~~A. Public Requests for Consent Agenda Changes—None~~
- ~~B. Board Members Requests for Consent Agenda Changes—None~~
- ~~C. Items for Action—None~~

~~1. Shayne Thompson (Angoon Trading Co) Lease~~

~~**RECOMMENDATION: TO APPROVE A NEW TIDELAND LEASE ARRANGEMENT WITH ANGOON TRADING COMPANY, INC. FOR ADL 2852 AND DIRECT THE DRAFTING OF THE LEASE LANGUAGE FOR DOCKS & HARBORS BOARD APPROVAL.**~~

~~2. Cruise Ship Berth Contract Administration and Inspection Services Proposal PND Engineers~~

~~**RECOMMENDATION: TO APPROVE A TIME & EXPENSE CONTRACT WITH PND ENGINEERS FOR CONTRACT ADMINISTRATION & INSPECTION SERVICES IN THE AMOUNT OF \$995,496 FOR THE FINAL PHASE OF THE NEW CRUISE SHIP DOCKS PROJECT.**~~

~~3. Special Moorage Rate Consideration—Non Motorized AGS Barge at Statter Harbor~~

~~**RECOMMENDATION: TO APPROVE A SPECIAL FEE THROUGH MAY 1, 2017 FOR ALASKA GLACIER SEAFOODS TO MOOR A NON-MOTORIZED BARGE ON THE STATTER HARBOR BREAKWATER IN ACCORDANCE 05-CBJAC-15.095 AND DIRECT THE PORT DIRECTOR TO ENSURE PROPER LIABILITY COVERAGE IS MET.**~~

~~**MOTION By MR. SIMPSON: MOVE TO APPROVE THE CONSENT AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.**~~

~~**Motion passed with no objection.**~~

VIII. Unfinished Business—None

IX. New Business

~~1. Aurora Harbor Phase II 35% Review~~

~~Mr. Uchytel said Docks & Harbors received a \$2M State Municipal Harbor Grant, and we have \$2M in our fund balance that has been set aside for this phase of Aurora Harbor. The \$4M will buy us three main floats, E, F, and G, which are the floats that have the boat shelters in Aurora. The project itself will mimic what phase one replaced, electrical, water lines, and fire protection in a~~



Port of Juneau

155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

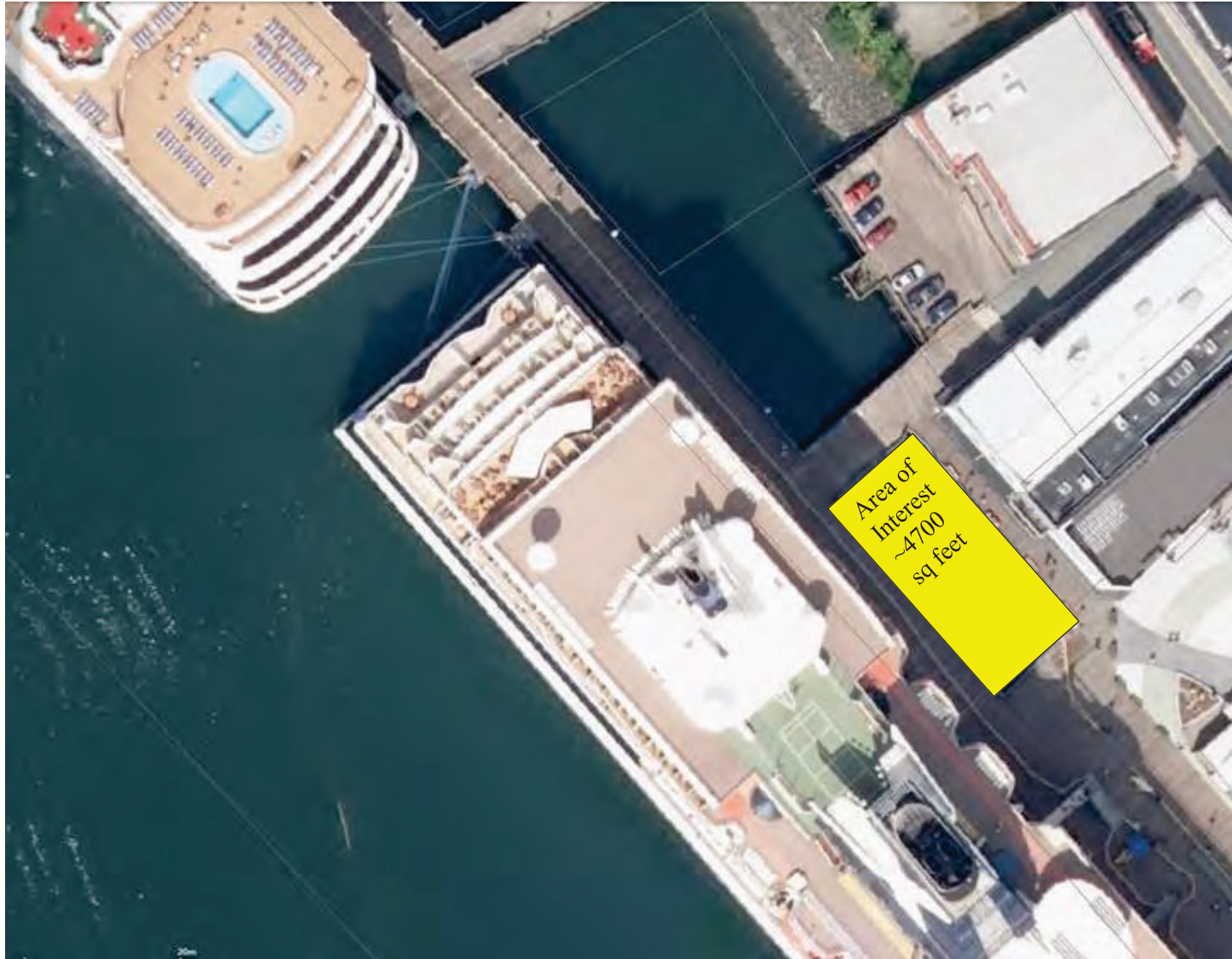
From: Carl Uchytel, Port Director
To: Docks & Harbors Board
Date: October 18th, 2016
Re: Lease Opportunity - Seawalk

1. At the September Operations-Planning Committee and regular Board meetings, Mr. Bill Heumann asked consideration to open additional Docks & Harbors managed property to be leased. The specific property referenced is approximately 4700 sf and is seaward of the People's Wharf building. The tideland property is along the Seawalk and is currently exposed to daylight (i.e. is not decked over).
2. The question for the Board is whether to make this property available in a competitive lease process or leave it as part of an open space along the Seawalk. A third option would be for the Board to take a comprehensive review of all Docks & Harbors managed downtown properties and develop a land use master plan to leverage amenities and efficiencies. It is not clear whether commercial development in this open area is consistent with the 2004 Long Range Waterfront Plan. Docks & Harbors had previously planned to build and maintain restrooms in this locale.
3. Should the Board elect to open the said property to a competitive offering, Docks & Harbors would work with CBJ Law to identify the process to advertise and select consistent with Title 53.

53.20.020 - Lands available for leasing.

All lands and interests in land owned by the City and Borough, including tide and submerged lands, may be leased as hereinafter provided for surface use only unless the assembly has given specific approval to the lease of land in connection with the disposal of materials, timber or other resources under sections 53.09.320 and 53.09.330; however, lands devoted to or reserved for public use may not be leased, nor may any existing lease on such lands be renewed unless such lease is for or will not interfere with the public use or purpose to which the land is devoted or reserved. Except as provided in CBJ 53.09.260, no lands may be leased which have not, at least 30 days before award or execution of a lease, been declared by the assembly by resolution to be available for leasing or identified in the approved land management plan for disposal by competitive bid leasing in the current year. The call for bids for leases shall be advertised in the same manner as provided for auction sales. A lease of land authorized specifically by ordinance may be made to such person or entity and under such procedures and minimum terms and conditions as are set forth in the ordinance.

#



CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Wednesday, October 19th, 2016

~~**CONCURRENTLY WITH THE MAIN LEASE AND PRESENT TO FULL BOARD AND ASKED UNANIMOUS CONSENT.**~~

~~The motion passed with no objections.~~

5. Potential Tideland Lease – Opportunity

Mr. Uchytel said Mr. Heumann is asking for consideration in leasing the area shown on page 27 of your packets. It is a portion of the Seawalk that is not currently being used. This is Docks and Harbors managed tidelands. Do we want to open it up for private development on the Seawalk? Do we want to look at the entire Seawalk plan before opening any area for private development? What would this look like if we open it for private development? CBJ Regulation 53.09.260 states, “No lands may be leased which have not, at least 30 days before award or execution of a lease, been declared by the assembly by resolution to be available for leasing or identified in the approved land management plan for disposal by competitive bid leasing in the current year. The call for bids for leases shall be advertised in the same manner as provided for auction sales...” I have understood this to mean all City & Borough of Juneau lands need to be competitively bid. However, Mr. Heumann referenced another section of CBJ Regulation 53 that allows for leases to be negotiated directly with the Assembly by the private entity. The Law Department said both interpretations are correct. How would the committee like to proceed?

William Heumann said in the past the City & Borough of Juneau approached me and asked me to relocate my business for construction of the Seawalk. The purpose of the Seawalk was to reduce congestion on South Franklin Street. A portion of the Seawalk accomplishes that task. However, the area between the Library and cruise ships only receives 10% of the traffic from the cruise ships. So, the Seawalk is not functioning as intended. I am trying to find ways to manage these changes, which is why I thought we could develop this area. I would only need a third of the area proposed on page 27. I do not know specifically what I want to do with the area and I am waiting to see what offers I am given. I challenge you to have that area developed. I am willing to take the step forward to develop the area.

Committee Questions

Mr. Summers asked are any of the businesses in your area open year-round.

Mr. Heumann replied no.

Mr. Summers said at one time the plan included public restrooms in that area. Is it possible for your plan to include public restrooms?

Mr. Heumann replied yes. Restrooms would increase traffic around my building.

Public Discussion

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Wednesday, October 19th, 2016

Mr. Heumann said there are Transportation Security Administration (TSA) barriers around my building and they are impeding foot traffic. Now that we have more docks is there a way to have those moved?

Mr. Uchytel said TSA and the United States Coast Guard still require the barriers to be there.

Mr. Borg said there will most likely be an increase in the security plan that will require more changes.

Mr. Heumann said property owners of the uplands historically have a right to negotiate for the tidelands so other people cannot build in front of their property.

Mr. Uchytel said what I received from the Law Department states that section of the code Mr. Heumann brought up, "could be used if you and your board want to entertain the idea of leasing that land. I will note that just because Mr. Heumann may own the adjacent uplands he does not have a preference right to lease the abutting tidelands. Ultimately if the Assembly wants to consider leasing that land to Mr. Heumann, or whomever, CBJ 53.09.260 enables the Assembly early on to make that decision. It can authorize you to negotiate with Mr. Heumann, it can say it wants a broader public request for proposal, or it can simply say 'no' to any leasing for now."

Mr. Seng said if we do make that property available for lease we would not be excluding Mr. Heumann from bidding and competing on equal footing with anyone else.

Mr. Heumann said there's an assumption that I have unlimited funds. I have the right to go to the Assembly and ask them to lease the property to me. I probably made a mistake by coming here first. However, if the Harbor Board does not want to make that property available for private use then it is unlikely I will be able to lease the property. I hope something will happen. Thank you.

Committee Discussion/Action

Mr. Simpson asked Mr. Uchytel, what is your recommendation?

Mr. Uchytel said time is of the essence for Mr. Heumann, but this process is not quick. If his expectations were to have an answer so he can build something for next year, I'm not sure that will be possible. We have it in our plans to use that property for restrooms. The Visitor's Center has been plumbed so we can easily install restrooms. I recommend we look at all the plans and see if there are other sites we want to lease or other sites to build the restrooms.

Mr. Donek said the Long Range Water Plan has not been updated since 2004. What was on the original plan?

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Wednesday, October 19th, 2016

Mr. Uchytel said that property is greenspace on the Long Range Water Plan.

Mr. Donek said I recommend we take a look at the Long Range Water Plan before we make a decision.

Mr. Summers said we recently had a patron interested in developing on Harbor property on Douglas Island. We informed that patron the public process had to take place. Public restrooms are a huge necessity.

Mr. Lowell asked in lieu of looking at the Long Range Water Plan which will take time, what is the process for moving forward with Mr. Heumann's request. Could we do a Request for Proposal (RFP) and have public restrooms be a requirement?

Mr. Uchytel said the Board can determine how they want to proceed and what the requirements will be. Using the Thane Ore House as an example, we came up with a set of criteria and used it to determine who we wanted to lease to. Do we want to open this to the public, and what criteria do we want to require?

Mr. Seng said there is competing interest in this property. There is value in open space. I recommend looking at the Long Range Water Plan so we can see what the original intent was for the property.

Mr. Simpson said Mr. Uchytel, be sure to bring the Long Range Water Plan to the next Operations/Planning Committee Meeting. We can verify this request is not inconsistent with what is in the Long Range Water Plan. I have a feeling the Long Range Water Plan is general and vague enough for us to decide what to do with the property. We created more greenspace when we moved the docks seaward. There are other locations we can consider developing or preserving. Goldbelt came to us with a proposal and negotiated a bid. It did not go through the same public process. As a matter of policy, we should not be building in front of another person's waterfront property unless it is part of a negotiated deal.

Mr. Donek said there have been many changes that are not in the Long Range Water Plan, which is why I recommend we look at the plan. I also recommend Mr. Heumann present something specific like Goldbelt did with the Tram.

Mr. Uchytel said the Tram proposal from Goldbelt took a lot of time and did go through a public process.

Mr. Simpson said the problem with the Douglas Island proposal was that the patron wanted to encroach on a significant amount of public parking for their staging area. We have a specific use for that area and he wanted to convert the use. We were not willing to give up trailer parking for a restaurant. The property we are currently discussing is not currently being used for a designated purpose. I recommend we entertain the idea of leasing the property. We can discuss leasing the property at the

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
Wednesday, October 19th, 2016

next Operations/Planning Committee Meeting. We can also look at the Long Range Water Plan and the other tideland properties at the next Operations/Planning Committee meeting.

X. ~~Items for Information~~

~~1. Archipelago Property~~

~~Mr. Simpson said I recuse myself from the Archipelago Property item.~~

~~Mr. Uchytel said I am looking for direction from this committee. I recommend we acquire the Archipelago property. What is the best way to move forward? I drafted a white paper and I can bring it to the next Board meeting or executive session.~~

Committee Discussion/Public Comment

~~Mr. Donek asked what would be the purpose of the executive session.~~

~~Mr. Uchytel replied there will be a discussion of financial interests when acquiring a property.~~

~~Mr. Donek asked why can't we have a public discussion to figure out if we want the property. If we decide we want the property then we can have an executive session to determine how much we're willing to spend on the Archipelago property.~~

~~Mr. Uchytel said the Board has previously discussed an interest in purchasing the Archipelago property. It's not a new idea. The question is how do you want to move forward?~~

~~Mr. Bush said I recommend Docks and Harbors acquire the Archipelago property. I request that Mr. Uchytel bring what he has to the next Board meeting. Then we can discuss if there is a need for an executive session.~~

~~Mr. Donek said we can schedule an executive session and cancel the session last minute if need be.~~

~~Mr. Uchytel said the Assembly went into executive session when they were discussing acquiring the Archipelago property. I will check with the Law Department to see if an executive session is necessary.~~

~~2. Resolutions~~

~~Mr. Uchytel said there are four resolutions. The first resolution is asking for full support of funding (\$18,160,055) for the State of Alaska matching grant. We have benefited greatly from this program.~~

~~The second resolution is in support of adding harbor employees to the list of protected workers in a State statute. The statue allows for an additional penalty for assaulting a~~

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, October 27th, 2016

~~there is a better way to deal with it rather than more regulations and registrations. Taking responsibility for your pet is vital. The dogs she has seen pooping on the docks are people that don't live in the Harbor and are patrons checking on their boats. This is penalizing the live-aboards by placing all these extra restrictions on them and that is not necessarily where the problem is.~~

~~Mr. Uchytel said he wanted to address the comment about Docks & Harbors not having the right to tell an owner to move their vessel, he read the Assembly policy on intent and use of the Harbor. "It is hereby declared to be the intent of this title to favor the use of facilities of the boat harbor by commercial fisherman, government vessels, commercial vessels in trade and commerce, and pleasure craft used by the general public at large. It is further the intent of this title to prevent and discourage the use of the facilities of the boat harbor by boats which have been abandoned by their owner to a point of becoming derelicts as defined in chapter 85.05, or becoming a charge and nuisance to the City and Borough, The Port Director, and the general public which are unsafe or which are not used or are not fit to be used regularly for transportation on the water".~~

~~The charge to this body is that the Harbors primary client is for vessels to be regularly used for transportation on the water. He said he agrees having the right number of live-aboards is a good thing for the Harbor. It does add an extra set of eyes, but Docks & Harbors also has to protect the interest of their harbor patrons and make sure the Harbor isn't falling into disrepair because of people flopping on potentially derelict vessels. He said Docks & Harbors could probably go find some samples in the Harbor that is less contaminated, but that is not the point. The point is there is a factual basis there is a high level of fecal coliform in the Harbor.~~

~~Mr. Borg said he agrees the human waste issue is not just a live-aboard issue. The regulation will be for all vessels in the Harbor. If a patron is going to use their boat for a house, they need to provide the proper facilities similar to what is required in a house in the uplands. Comparing houses to boats, he has to have a working toilet in his house.~~

~~Mr. Donek said the next time this will be in a public meeting is November 9th at the OPS/Planning Committee meeting.~~

2. 2004 Long Range Waterfront Plan Review

Mr. Gillette said this plan was a community wide process in 2003/2004 and adopted on October 25th, 2004 approved by the Assembly. If you would like more information on this plan you can go to www.juneau.org/plancomm/Final_LRWP_112204.php. The plan looks at the waterfront from the Bridge to the Little Rock Dump, and broken up into different sections by types of development, different themes for future development, and looking at how the waterfront plan would be carried out in the future. Docks & Harbors manages property along this waterfront area and this plan is a key document for our planning purposes. Docks & Harbors managed property in this area consists of, a piece of property by the bridge, the gold creek tideland, the cruise ship berths and the uplands, the national guard dock, and the Little Rock Dump. At the bridge property, in section (A) of the plan there was discussion of mixed use development. Staff did propose a joint venture plan with Marine Exchange for this location with a museum on the first floor with the second floor having office space. The funding options fell through and Marine Exchange has moved on to another site. However, there still is a desire to see some sort of development at this location and that will be addressed in the master planning process from

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, October 27th, 2016

Norway Point to the bridge. The idea for the area by the bridge is a community space to add life to the park area. The Gold Creek location has had talk about having a Gold Creek Marina. The most recent talk of the Marina is in the Juneau Ocean Center plan. Section's (C) and (D) of the plan pertain to the cruise ship berth project which is currently under construction and is within the waterfront plan goals. Section (F) is the Little Rock Dump location, this area also suggests a Marina. Docks & Harbors has had a proposal for a marina through a lease process in the past. The 2004 waterfront plan recommends the Little Rock Dump area to be a working waterfront for boat haul out and boat moorage. These are long range plans, coming to fruition is just a matter of time. The completed projects in this area include;

- In 2004, the area in front of the Steamship Wharf was decked over and created about 12 coach spaces and a well used area for Cruise Ships. The intent was when the cruise ships weren't using this location, it could be used as a community space and is currently being used for community functions.
- In 2012 the Port Field Office/Customs office building was built. The Visitor Center was also built and completed the plaza in that area.
- In 2013 Phase I of the cruise ship terminal staging area was completed. This included taking out the floating ramp that was there previously for the Alaska Marine Highway and decked over that area.
- In 2014 we did the reorganization of the uplands staging and parking and also modification to the Taku dock.
- In 2016 the South Berth cruise ship dock project was completed.
- We are currently under construction with the North Berth cruise ship dock.

In this downtown area there is the undeveloped Archipelago property, as well as the tideland in front of the People Wharf and Warner's Wharf. These are areas of potential future development that staff would like to see some planning for. Staff has received lease requests for this area. This area should have more detailed planning to make sure to take full advantage/use of the area. The other element of this 2004 plan was the seawalk to tie this all together. The seawalk would go from the Bridge to the AJ Dock tying the entire waterfront together. This document is Docks & Harbors guide to how to develop the downtown waterfront.

Board Discussion/Public Comments-

Mr. Eiler asked when this plan was first put in place, was the timing of how these things were to be constructed thought out or was the market to determine the timing? Was there a succession intended?

Mr. Gillette said he is not aware of any scheduling. This plan was to help guide development as proposals came forward. Docks & Harbors development to date has been close to what was originally envisioned.

Mr. Eiler asked when will CDD revisit/redesign this plan?

Mr. Gillette said on a special plan like this he is unsure. The plan prior to this 2004 plan was in 1986. It states in regulation the comprehensive plan needs to be looked at every three to five years, but this is a special plan.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, November 9th, 2016

~~Mr. Lowell asked what are the sources of the funds.~~

~~Mr. Uchytel answered we have dock funds and marine passenger fees.~~

~~Public Comment - None~~

~~Committee Discussion/Action~~

~~Mr. Janes stated he had a question about more traffic issues if we decide to create another staging or bus area. It is also a high traffic area for pedestrians so more buses would create even more of traffic back up. We need to have a land use plan and a traffic plan.~~

~~Mr. Uchytel stated he thinks this is an option for moving and staging the tourists that are going to come anyway. The assembly is already working on pedestrian transportation plan. We have been engaged with CBJ engineering to do a traffic study. Our goal is to get people off the ship efficiently and safely.~~

~~**MOTION: BY MR. JOHN BUSH TO ADOPT A STRATEGY TO ACQUIRE THE ARCHIPELGO PROPERTY AND EXPEND RESOURCES TO DEVELOP A LAND USE PLAN FOR THE VICINITY AND ASKED FOR UNANIMOUS CONSENT.**~~

~~Motion passed with no objections.~~

4. Potential Tideland Lease - Opportunity

Presentation by the Port Director

Mr. Uchytel stated Mr. Heumann came in last month because he is interested in obtaining a lease for a 2000 square foot area downtown to develop retail or restaurant. We are still working on our master plan for the whole area along the sea walk. My recommendation to hold off until we have that area designed before we parcel off areas for sale or lease. We could have a crazy zoning area if we do not tie everything together.

Mr. Gillette stated we have received a public notice that Mr. Heumann has applied for an encroachment permit on the south side of the people's wharf building. There is a 20 foot right of way area along the peoples wharf building but the rest of the area is Docks & Harbors managed land. Recently we re-did that whole area for the staging area parking lot. It is a right of way area not a parcel. He is asking for a permit to use 400 square foot area for a vendor area or restaurant. It makes sense for us as land managers to make use of the whole area rather than carve out pieces and not have it cohesive.

Committee Questions

Mr. Bush asked if we postpone any lease of a small area are we also going to protest his encroachment permit he has requested which is adjacent to our property.

Mr. Gillette answered he does not think we need to protest it. If he did get it the CBJ Engineering measured it and we feel there is still enough room for pedestrian traffic.

CBJ DOCKS & HARBORS BOARD
OPERATIONS/PLANNING COMMITTEE MEETING MINUTES
For Wednesday, November 9th, 2016

Mr. Janes asked if someone can bypass the Harbor Board and acquire our managed land.

Mr. Gillette answered someone researched this area and it is a right of way area so it is not managed by the harbor. Although we rebuilt the area when we did the new parking lot and we do maintain it anyone can go through the city manager since it is a right of way and request an encroachment permit. It just happens to be adjacent to our property.

Mr. Bush asked who owns right of way areas.

Mr. Gillette answered the people own it but if it is unused the owners of any adjacent property can request to acquire it.

Mr. Janes stated we want to make sure we do not have any issues once the second 16B project is done and that the planning commission does not approve anything that may cause issues.

Mr. Uchytel stated he thinks Mr. Huemann may be going this route for the 400 square foot encroachment permit rather than pursuing our area.

Public Comment - None

Committee Discussion/Action

MOTION: BY MR. JOHN BUSH TO POSTPONE ANY DISCUSSION TO LEASE SMALL PARCELS OF DOCKS & HARBORS PROPERTIES ALONG THE SEAWALK UNTIL AFTER A COMPREHENSIVE LAND USE PLAN IS DEVELOPED AND ASKED UNANIMOUS CONSENT.

Motion passed with no objections.

~~5. Shore power for new Cruise Ship Berths—Report~~

~~Presentation by the Port Engineer~~

~~Mr. Gillette stated we have spent close to \$1M for the infrastructure to install a conduit underneath the parking lot to allow for future shore power for the ships at the new Cruise Ship Berth areas. It is not available yet but AEL&P has indicated there is some power in the area but it would be interruptible and it would be significant to build the rest to get the power to the ships. AEL&P said it doesn't make sense for them investment wise. The investment estimate is \$12.9M per ship. We do need to install some new infrastructure and add on to what we have in place. There are still a lot of questions such as the costs and where do we install the large transformers.~~

~~Committee Questions~~

~~Mr. Donek asked that he recalls one of the cruise ships asked for the power.~~

~~Mr. Gillette answered even if all the cruise ships asked for power the return on investment for AEL&P would not be worth it. The last one at Franklin Dock, the passenger fees paid for everything. The likely funding source for these might be passenger fees over a period of time.~~

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, November 17th, 2016

~~Mr. Lowell asked if the values shown on page 89 is the assessed value? What is this property listed for?~~

~~Mr. Gillette said this has been for sale for several years. The asking price is reflected on Page 89. CBJ negotiated the price for the two pieces already purchased, and Docks & Harbors was involved in the purchase, but not the final negotiations?~~

~~Public Comment — None~~

~~Board Discussion/Action~~

~~**MOTION By MR. JAMES: TO ADOPT A STRATEGY TO ACQUIRE THE
ARCHIPELAGO PROPERTY AND EXPEND RESOURCES TO DEVELOP A LAND USE
PLAN FOR THE VICINITY AND ASK UNANIMOUS CONSENT.**~~

~~Motion Passed with no objection~~

~~Mr. Simpson abstained from the discussion on this property.~~

3. Potential Tideland Lease - Opportunity

Mr. Gillette said on page 96 in the packet is a request from Mr. Bill Heumann to lease approximately 4,700 sq/ft on the water side of his building. Since this is in the same area we just were discussing to develop a land use plan, staff recommends to defer a decision until a plan is put forward.

Board Questions -

Mr. Simpson asked if the area Mr. Heumann wants to lease is only the portion in front of his building and is only about 2,000 sq ft for his purposes?

Mr. Gillette said that is correct.

Mr. Gillette said Mr. Uchytel talked to Mr. Heumann and he knows staff is recommending to the Board to not move forward with his request. Mr. Heumann is working with the City Manager to get a 20' Right of Way (ROW) by the People's Wharf. The ROW area is where the parking used to be outside his building. He is still interested in the future to lease the requested area, but he is supportive of Docks & Harbors larger planning level for this area.

Mr. Lowell asked if there has been further development on the encroachment permit?

Mr. Gillette said on November 29th there will be a public neighborhood meeting with the Planning Department to discuss the ROW encroachment permit. The City Manager will make a decision based off the comments heard at that meeting.

Public Comment - None

Board Discussion/Action

Mr. Eiler said he is supporting of the proposed motion, but wanted to voice caution not to put this off and discourage a person willing to put up private capital

Mr. Gillette said staff intends to move forward with the plan immediately.

Mr. James asked Mr. Gillette to define the area for the land use plan. For this purpose is it Marine Park to Cruise Ship Terminal, or all the way to the Franklin Dock?

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, November 17th, 2016

Mr. Gillette said staff's intent was to look at Docks & Harbors managed land from Marine Park to Taku Fisheries.

Mr. Janes asked if the area definition should be included in the motion so we know the specific area that is being looked at?

Mr. Gillette said the definition would have needed to be included in the last motion, but the intent is from Marine Park to Taku Fisheries and staff will work with the Committees.

Mr. Uchytel said Mr. Heumann is only asking for 2,000 sq ft on the seaward portion of the seawalk which is the undecked area. The 4,700 sq/ft in the packet is the entire area. Once Docks & Harbors starts offering small space for lease, there will be more small space lease requests to be able to sell items. He wants a comprehensive view on how to manage all Docks & Harbors managed lands and a good policy in place. Mr. Uchytel said Mr. Heumann is trying to get a 20' x 20' ROW and he understands Docks & Harbors position is to have a good policy in place before the area gets carved up for small leases.

Public Comment - None

Board Discussion/Action

MOTION By MR. LOWELL: TO POSTPONE ANY DISCUSSION TO LEASE SMALL PARCELS OF DOCKS & HARBORS PROPERTIES ALONG THE SEAWALK UNTIL AFTER A COMPREHENSIVE LAND USE PLAN IS DEVELOPED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

4. Master Plan Concepts for Norway Point to Whale Park

Mr. Gillette said Chris Mertl, Land Scape Architect from Corvus Design and James Bibb from Northwind Architects is here to go over the concepts in the packet, and the process moving forward.

Mr. Mertl said he is the project manager for this project. The project planning and feasibility team includes James Bibb with Northwind Architects, Dick Sommerville with PND, and Milani Shivers with Raineoast Data for the downtown Harbors uplands master plan. Since the last meeting with the Board, the team walked the site and PND identified area of potential fill to expand the uplands to provide all the needed and desired priorities from the Board and public. The orange areas on the map on page 98 shows the areas of potential fill. This is the first step in looking at opportunities. There are three conceptual bubble diagrams in the packet. Mr. Mertl said he is giving the Board the first opportunity to review these diagrams. He has worked with staff to come up with the diagrams. He knows it is important that the plan provide the services and meets the needs of current harbor users. He said he realizes the importance the Harbors and waterfront play in providing economic and livability opportunities for our community and neighborhood. The team looked at the big picture on how to connect the Harbors to the surrounding neighborhood. He went over the thought process and changes that went into all three concepts. The concepts are randomly numbered and not numbered by preference.

Board Questions—

Mr. Eiler asked what he meant by maximum amount of fill at Norway Point? Is this what the Corps will allow or budget? What determines the five acre expansion?

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, December 15th, 2016

~~MOTION By MR. EILER: TO APPROVE THE CONSENT AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.~~

~~Motion passed with no objection.~~

VII. Unfinished Business -

1. Waterfront Planning Contractual Services (Marine Park to Taku Smokeries)

Mr. Gillette said the contractual services pertains to looking at a specific in depth plan for our managed properties and private properties from Marine Park to Taku Smokeries. Staff has been working on a scope of work to enter into a term contract with one of the CBJ Engineering term contract holder. They have an architect, landscape architect, Planners, and Engineers on term contract. This will be a less than \$50,000 project.

Board Questions

Mr. Lowell asked if this motion is approved as written, does it put a moratorium on future permitted uses until the planning efforts are complete?

Mr. Gillette said the Board has already decided to hold off on any requests until the planning is complete.

~~Mr. Uchytel said staff is meeting with CBJ Engineering and CDD tomorrow to make sure everyone in CBJ is aware of this planning effort and united moving forward. We are aware there will be egress issues with Franklin Street and contentious land uses in this area.~~

~~Mr. Eiler asked how this planning compares to the Bridge Park to Norway Point planning? What kind of contrast do the two planning efforts have?~~

~~Mr. Gillette said the planning effort at Norway Point is more of a land use planning and specific areas are identified for specific land uses. The Marine Park to Taku Smokeries is more of an urban design plan. We have a lot of land uses identified in the waterfront plan, but this would specify where the specific uses would go and how they are connected. This plan is on a different scale with a more detailed level and the Norway Point planning is more general. We want to make sure to coordinate with the CBJ Engineering department because of the seawalk and to use one of their term contract holders.~~

~~Mr. Uchytel said we already have the waterfront plan, but the Bridge Park to Norway Point doesn't have that level of planning. This is just refining the long range waterfront plan with more detail.~~

~~Mr. Mosher asked how long will this take?~~

~~Mr. Gillette estimated about six months. There will be public meetings and different stake holders we want to contact as well as Board workshops and communication. Staff wants to get this moving as quickly as possible.~~

~~Mr. Donck said at a previous meeting there were some old concepts for the Archipelago property. He asked if this new effort will also consider uses for the Archipelago property.~~

~~CBJ Docks and Harbors Board~~
~~REGULAR BOARD MEETING MINUTES~~
~~For Thursday, December 15th, 2016~~

~~Mr. Gillette said yes, staff intends to include all properties between south Franklin Street and Taku Dock. Everything will be looked at and the different uses considered.~~

~~Public Comment—None~~

~~Board Discussion/Action~~

~~MOTION By MR. EILER: TO APPROVE THE DIRECTION OF STAFF AND ADVANCE THE SCOPE OF WORK TO A CBJ ENGINEERING TERM CONTRACTOR FOR NEGOTIATIONS AND ASK UNANIMOUS CONSENT~~

~~Motion passed with no objection~~

~~VIII. New Business~~

~~1. Bid Award—Auke Bay Loading Facility Boatyard Infrastructure~~

~~Mr. Gillette said in the packet is the bid results that were opened on December 8th, and the bids came in higher than originally anticipated. The bid range was from \$373,000 to \$480,000 and one was from out of town. Looking at the two lowest bidders, there is less than \$7,000 difference. Staff believes this is a good bid, and will result in a significant facility. We do have funding in the account to cover this bid. If the bid is approved tonight, it will go to the Assembly on Monday.~~

~~Board Questions—~~

~~Mr. Eiler asked if one bid was from out of town?~~

~~Mr. Gillette said yes, it was Kuchar from Eagle River and they were the high bidder.~~

~~Public Comment—None~~

~~Board Discussion/Action~~

~~Mr. Lowell asked if the lease with Harri's Marine included this infrastructure in the evaluation of the lease price.~~

~~Mr. Uchytel said no, and technically we are under no obligation to do anything. This is more of what we want to do with our facility, and if we don't do it now it won't be done. There is about \$1M left from the Statter Harbor master plan received from the Legislature. If the Board approves this, it will come out of that money and the rest of the money will be used in other Statter Harbor projects.~~

~~MOTION By MR. LOWELL: TO APPROVE A \$373,766 BID AWARD TO ALASKA COMMERCIAL CONTRACTORS TO CONSTRUCT BUILDINGS IN SUPPORT OF THE AUKE BAY LOADING FACILITY LEASED BOAT YARD FACILITY AND ASK FOR UNANIMOUS CONSENT.~~

~~Motion Passed with no objection~~

~~IX. Items for Information/Discussion—~~

~~1. Harbor Bond Debt—Update~~

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, January 26th, 2017

I. Call to Order:

~~Mr. Donek called the Regular Board Meeting to order at 5:05 p.m. in the CBJ Assembly Chambers.~~

II. Roll Call:

~~The following members were present: John Bush, Weston Eiler(arrived at 5:09), Bob Janes(arrived at 5:06), David Lowell, Robert Mosher (via phone), David Seng, David Summers, and Tom Donek.~~

~~Absent: Budd Simpson~~

~~Also present were the following: Carl Uchytel—Port Director(via phone), Gary Gillette—Port Engineer, Dave Borg—Harbormaster, and Matthew Creswell—Senior Harbor Officer,~~

III. Approval of Agenda

~~**MOTION By MR. BUSH: TO APPROVE THE AGENDA AS PRESENTED AND ASK FOR UNANIMOUS CONSENT.**~~

~~**Motion passed with no objection**~~

IV. Approval of December 15th, 2016 Regular Board Meeting Minutes:

~~Hearing no objection, the December 15th, 2016 Regular Board Meeting Minutes were approved as presented.~~

V. Public Participation on Non-Agenda Items -

Tracy LaBarge, Juneau, AK

She is here to ask to be put on the OPS/Planning Committee agenda to ask for a 8'x10' cook shack on CBJ Tidelands in front of Bill Heumann's building. She said originally she thought the tidelands were for lease, but then there were questions about the parameters and nothing was going to be leased until after the bigger waterfront plan was decided. The success of the crab shack has been because of the type of venue it is. It has become a destination and a landmark over the last 12 years because it wasn't a restaurant or a café'. It's become successful because it is an Alaskan experience in a shack. All of her advertisement, publications, videos on the cruise ships, and word of mouth show that and that is what people expect. She said a cook shack will help her facilitate and accommodate the customer base already established. She said her customer base has grown every year for the past 12 years. She will be in a much smaller space from 6,000 sq/ft to 2,000 sq/ft. Financially, in the short amount of time I have to get ready for the 2017 season, this will help me accommodate my customers. Along with the expense to have a full kitchen with cook pots inside she said she is also having issues with propane use and garbage. She just wants a little cook shack with three cook pots and a freezer that could be removed at the end of the season. She said she realizes this is a tough position for the Board and there is going to be opposition but the positive impact far outweighs the negative with jobs, customers, cruise ships, her landlord, surrounding

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, January 26th, 2017

shops, and CBJ. She said she doesn't have a lot of time to get this up and running for this season. She is asking to allow her to preserve her historic identity by allowing the cook shack on the dock for this one year. She said she is working on a longer range plan for the crab shack but she was unable to finalize the plan for this year. She provided a drawing for the Board to see the location she is asking for.

Mr. Summers wanted to clarify that this would not be a permanent structure for three pots and a freezer and would be removed at the end of the season.

Ms. LaBarge said yes.

Mr. Summers asked if this is a commercially licensed kitchen?

Ms. LaBarge said for her to be inside the store, it would require a hood and a full licensed kitchen. She is not totally sure how all the kitchen requirements will be installed to make this work, but the three pots will help her facilitate that until she can get her other venue going. She said she will still keep this spot but it will be an express and not do as much out of it until she gets the larger spot going.

Mr. Janes asked if the crab shack didn't operate for one year if it would be a big disruption to her business.

Ms. LaBarge said yes, she wouldn't survive that. She said she is known worldwide.

Mr. Eiler asked what the process is to get this going after today's non-agenda item?

Ms. LaBarge said she tried to finalize all the paperwork before tonight's meeting, but that didn't happen. It should all be submitted to CBJ by next week.

Mr. Summers asked Ms. LaBarge if she is asking to start the process for this request.

Ms. LaBarge said that is correct.

Mr. Donek suggested to work with Mr. Uchtyl and be put on the OPS/Planning meeting agenda. That Committee will either shut you down or send you back to the Board for action.

Ms. LaBarge said she did meet with Mr. Uchtyl and Mr. Watt and there was a misunderstanding on her wanting to put the entire shack on the tidelands. She said that is not what she is asking. She hopes the waterfront plan being talking about includes other businesses along the whole waterfront because that will look amazing. She came to the meeting tonight because she felt the Board needed to hear her plan in a public testimony. She said she has been around for a long time and has a lot of businesses in town. She employ's a lot of people and lost 29 jobs because of this as well as a lot of sales tax. For this year, she needs to get this up and running and then work on her bigger plan.

Mr. Donek said to go back and talk to Mr. Uchtyl.

Mr. Uchtyl said the Board took action in October or November giving direction to staff not to consider any encroachments along the waterfront until the next phase of the long range waterfront plan was executed. He said essentially Ms. LaBarge is asking for reconsideration of that motion

CBJ Docks and Harbors Board
REGULAR BOARD MEETING MINUTES
For Thursday, January 26th, 2017

made in the fall. If the Board would like to reconsider that motion bringing it back to the OPS/Planning meeting is the appropriate way forward.

VI. Consent Agenda

- ~~A. Public Requests for Consent Agenda Changes—None~~
- ~~B. Board Members Requests for Consent Agenda Changes—None~~
- ~~C. Items for Action—~~

~~1. Other Fees (05 CBJAC 20.180)~~

~~RECOMMENDATION: To make no changes to 05 CBJAC 20.180, allowing the Docks & Harbors Board to establish fees for use of CBJ Docks & Harbors Department facilities that are not specifically identified in CBJ Administrative Code Title 05 on a case-by-case basis.~~

~~MOTION By MR. EILER: TO APPROVE THE CONSENT AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.~~

~~Motion passed with no objection.~~

VII. Unfinished Business—None

VIII. New Business

~~1. Loading Permit Fees (05 CBJAC 15.080)~~

~~Mr. Borg said this has been discussed in several meetings. He said at the last OPS/Planning meeting it was decided to move forward with the current fee structure and do CPI adjustments. The separate handout was the meeting minutes where this regulation was discussed.~~

~~Board Questions—None~~

~~Public Comment—~~

~~William Quayle, Juneau, Alaska.~~

~~He is asking the Board to amend the Loading Zone Permit fees for pedi-cabs. He said pedi-cabs are not registered vehicles and they can only carry three people at a time. A typical trip is to go from A dock to Marine Park. He said he provides a service when there are no buses to be able to take the not so ambulatory people to where they need to go. This is a very important service and he is asking this permit fee only be \$250.00. My typical fee structure is \$5.00 to \$20.00. He is also trying to get the other CBJ fee amended down to \$400.00 instead of the \$1500.00. There is another pedi-cab company in town and this would benefit them also. He is also trying to get the insurance requirements changed because he is not a taxi and he is asking to not be treated like a taxi. There should be a C-class in this regulation or a P-class for pedi-cab.~~

~~Mr. Summers asked if he would like the Board to create a permit/class for pedi-cabs to the overall fee structure?~~

~~Mr. Quayle said it would be a lot easier that way.~~

~~Board Discussion/Action~~

~~Mr. Summers asked if Docks & Harbors allows the pedi-cabs to operate on the docks?~~



City and Borough of Juneau
City & Borough Manager's Office
155 South Seward Street
Juneau, Alaska 99801
Telephone: 586-5240 Facsimile: 586-5385

TO: Debbie White, Chair of Assembly Lands Committee

DATE: December 5, 2016

FROM: Rorie Watt, P.E., City Manager 

RE: Right Of Way Use

We have a current request by a business to use a piece of right-of-way for outside tables and chair seating associated with a restaurant in the adjacent building. As written, existing code sections do not explicitly anticipate this type of use.

Generally speaking, I am in favor of the ability to consider commercial use of unneeded sections of ROW, provided that the following general conditions are met:

1. Manager must determine that excess ROW is available.
2. Manager must make some determination about not impeding pedestrian flow to other properties.
3. To ensure fair competition amongst competitors, the ROW must be leased for FMV which may be based on assessed values
4. Alcohol may be served consistent with applicable regulation.
5. A series of clauses that ensure proper cleaning, maintenance and operation of the area, with authority to revoke.

Use of these relatively small portions of land could enhance commercial activity, enliven our public spaces and generate revenue for CBJ.

Recommendation:

Decide whether to request an Ordinance as described above for Assembly consideration.

CBJ Docks and Harbors Board FY2018 Marine Passenger Fee Request

Area Wide Port Operations

Descriptions: CBJ's cruise ship docks and associated infrastructure are run as an enterprise fund established by local ordinance. All expenses and revenues associated with operating and maintaining CBJ's cruise ship docks and associated infrastructure are accounted within this fund. The CBJ Assembly has placed these assets under the responsibility of the Docks and Harbors Board. CBJ Ordinance Title 85 requires the Board to be self-supporting, generating revenues sufficient to meet the operating costs of the docks enterprise.

The Board has established a number of fees to generate revenues from users of the assets. The Board has calibrated these fees to assure the overall revenue generated by the enterprise equals the overall cost of running the enterprise.

Many of the uplands assets are used by entities which it is not possible, feasible, or acceptable to charge fees. As a result, users paying fees are subsidizing users that do not pay fees. The services provided to these users are area wide in nature benefiting the general public and cruise ship passengers of private docks. As part of this fee request, the Board identified services that are area wide in nature.

Board identified the following services:

1. Year round maintenance and monitoring of Marine Park.
2. Maintenance and operation of public parking at the Columbia Lot and seasonal public parking at the Steamship Wharf Plaza and the Visitor's Center Lot.
3. Maintenance and operation of unrestricted pedestrian access along the waterfront at the public docks.
4. Maintenance of tour operators Vendor Booths.
5. Maintenance and operation of shuttle drop-offs and pick-ups in the CBJ loading zone that are used by all cruise ship terminals in Juneau.
6. Providing area wide port security.
7. Billing and collecting CBJ area wide fees for all docks.

The Board reviewed its FY17 budget and apportioned expenses associated with these services. Based on its review, it estimates that about 9% of the annual docks budget is attributable to area wide services.

Marine Passenger Fee Funds Requested (FY18): \$154,100

Benefits: This approach is supported by the cruise ship industry since it is more equitable than raising dockage fees. This approach meets the intent of the marine passenger fee since the services benefit all cruise ship passengers, not just the passengers at the public docks. This approach allows the Docks and Harbors Board to direct part of the dock lease revenues to the much needed rebuild effort of the small boat harbors reducing the need for fee increases at the harbors.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will use local Docks enterprise funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request

Port-Customs and Visitor Center Buildings Maintenance Support

Project Descriptions: These two buildings are located on the downtown Juneau waterfront, an area that serves over one million cruise ship passengers each year. Docks and Harbors, an enterprise fund, is responsible for costs associated with operating the Port-Customs and Visitor Center Buildings. Expenses include all utilities (water, sewage, electrical, alarm monitoring) and facility support (parking lot, plaza, snow removal, janitorial and general maintenance).

Marine Passenger Fee Funds Requested (FY18): \$133,500

Approximately 4450 sq feet (building area) @ \$2.50/sq feet/month = \$133,500

Project Review: The Port-Customs Building was completed in May 2011 with the Visitor Center completion in June 2012. The project which included the buildings, infill dock construction, covered shelters, landscaping and plaza cost approximately \$9M and was funded with Marine Passenger Fees. The Port-Customs Building is occupied by the US Customs and Border Protection (CBP) year-round and Docks and Harbors staff from April to October. CBP claims to be exempt from any costs associated with their operations within a port. The Visitor Center Building is occupied from April to October by the Juneau Convention and Visitor Bureau (JCVB), a non-profit organization for the purpose of supporting cruise passenger inquiries. The JCVB budget does not support maintenance of the building. This leaves the Docks enterprise funds fully exposed to the costs of maintaining and servicing these buildings.

Benefits: By establishing a Port-Customs and Visitor Center Buildings maintenance fund Docks & Harbors can better manage and maintain the properties entrusted under their responsibilities. Passenger fees were granted for this purpose in FY2013 through FY2017.

Maintenance and Operation Responsibility: CBJ Docks and Harbors is responsible for all ongoing maintenance and operating expenses of these two buildings and associated upland support facilities.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request

CBJ Parks & Recreation Landscape Maintenance Services

Project Descriptions: Docks & Harbors managed property includes the downtown waterfront from the Taku Dock to Merchant's Wharf. The landscaping has been maintained by CBJ Parks & Recreation seasonal staff for several years out of the CBJ general fund. Flowers, flower pots, trees, shrubs and grass along Marine Park, Cruise Ship Terminal and Alaska Steamship waterfront are meticulously planted and groomed in an admirable fashion. Beginning in FY15, Docks & Harbors was directed to fund this maintenance out of the Docks Enterprise budget.

Cost: \$45,000

Marine Passenger Fee Funds Requested (FY18): \$45,000

Project Review: The requested amount has been developed by a CBJ Parks & Recreation algorithm based on requirements to propagate plant and maintain the vegetative cover, new seedlings, plants and flowers.

Project Time-Line: This project would be an interdepartmental transfer from Docks & Harbors to CBJ Parks & Recreation.

Maintenance and Operation Responsibility: Commencing in FY15, Docks & Harbors has been assigned sole responsibility for maintaining the greenery along the CBJ owned waterfront, including parking lot facilities.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

**CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request**

Weather/Current Monitoring System Operations & Maintenance

Project Descriptions: This funding would provide annual operations and maintenance for valuable real time weather and water current information to mariners that access the downtown Juneau waterfront including the four cruise berths (private and public) and the Taku Dock (serving Taku Fisheries). The system provides wind and current monitoring sensors at various locations to offer real time information for navigation purposes. The system disseminates via a phone app, internet, or other public media commonly available to mariners in the immediate area.

Construction of the system was phased beginning in 2014 with final completion in 2016 for full use by the 2017 cruise season. The requested funding would provide annual operations and maintenance of the system for continued assistance to mariners in the Juneau harbor.

Marine Passenger Fee Funds Requested (FY18): \$20,920

Project Review: The requested amount has been developed by Marine Exchange of Alaska based on projected annual and periodic operational expenses and anticipated maintenance of the system.

Project Time-Line: The system will be fully functional by the 2017 cruise ship season.

Maintenance and Operation Responsibility: Maintenance for operational costs (electricity, equipment calibration, etc.) would be the responsibility of Docks and Harbors through a contract with Marine Exchange of Alaska.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request

Corrosion Protection for Marine Park Sheet Pile Wall

Project Descriptions: The existing metal sheet pile wall is in need of new coating and impressed current cathodic protection. The work protects the steel components of the wall from corrosion by salt water and would extend the life of the facility.

Cost Estimate: \$600,000

Marine Passenger Fee Funds Requested (FY18): \$600,000

Project Review: An inspection of the wall was performed by Tinnea and Associates, experts in cathodic protection. It was determined that the existing sheet pile wall had lost significant material of its protective coating and that the impressed current system no longer functions. The project is designed and ready for bidding as soon as funds are available.

Project Time-Line: Procurement would begin upon receipt of funding.

Maintenance and Operation Responsibility: CBJ Docks and Harbors is responsible for ongoing general maintenance expenses. The work of this project is beyond normal wear and tear and needs dedicated funding to complete this work.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request

Visitor Information Kiosk Replacement - Design

Project Descriptions: The Visitor Information Kiosk serves cruise ship passengers needing information about Juneau. It is located in a strategic location near one of the two city owned docks that support the cruise industry. The current kiosk has exceeded its design life. The facility does not meet ADA standards, has inadequate heating, and does not provide adequate shelter for patrons. This request would provide funding for planning, design, and cost estimate for a new kiosk facility. Once costs are known it is anticipated a future funding request would be made for construction.

Cost Estimate: \$25,000

Marine Passenger Fee Funds Requested (FY18): \$25,000

Project Review: The Juneau Convention and Visitors Bureau (JCVB) requested that a new kiosk be provided which would offer a more user friendly facility and address safety and comfort concerns of volunteers. The current facility was moved from the Marine Park area when the Alaska Steamship Wharf was expanded for bus staging.

Project Time-Line: This project would begin the design phase upon allocation of funding.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will seek future passenger fee funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request

Cruise Ship Uplands Staging Area

Project Descriptions: This project would be located in the downtown area near the cruise dock, an area that serves over one million cruise ship passengers each year. The project entails identifying and procurement of available Downtown lands necessary to accommodate additional staging areas required to accommodate the larger post-panamax sized cruise ships and greater passenger counts.

Marine Passenger Fee Funds Requested (FY18): \$1,000,000

Project Review: The Cruise Ship Terminal Staging Area, completed in spring 2014, greatly improved the efficiency and safety of the parking and embarkation in support of the cruise industry. However, due to geographic limitations and finite available land, new property must be pursued to ensure facilities are available to support increased passenger loads in the coming decade. The efficient management of future cruise ship land based needs will require securing adjacent uplands to the cruise ship berth.

Project Time-Line: The project would be planned and designed once procurement of lands is accomplished.

Maintenance and Operation Responsibility: This project is to identify and procure land available for future Docks enterprise initiatives.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2018 Marine Passenger Fee Request

Downtown Restrooms

Project Descriptions: The project would be located along the downtown Juneau waterfront, an area that services approximately one million cruise ship passengers each year. The project consists of constructing new restroom facilities at a location south of the Library/Parking Garage.

Cost Estimate: \$500,000

Marine Passenger Fee Funds Requested (FY18): \$500,000

Project Review: This project has been brought forward at the request of the Assembly to address the lack of adequate restroom facilities in the downtown waterfront area.

Project Time-Line: This project would begin design phase upon allocation of funding.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will seek future passenger fee funds for these expenses.

Project Contact: Gary Gillette, CBJ Port Engineer or Carl Uchtyl, CBJ Port Director 586-0292.

**APPRAISAL REPORT OF
ANNUAL MARKET RENT FOR TIDELANDS
YANKEE COVE DEVELOPMENT COMPANY
0.844 ACRES WITHIN ATS 1677
JUNEAU, ALASKA**



Photo 071317_O875 taken July 13, 2017 by C. Horan

PREPARED FOR: Carl Uchytel, PE, Port Director
Teena Larson, Project Manager
City and Borough of Juneau, Docks and Harbors
155 S. Seward Street
Juneau, Alaska 99801

PREPARED BY: Charles E. Horan, MAI
Horan & Company, LLC
403 Lincoln Street, Suite 210
Sitka, AK 99835

EFFECTIVE DATE: July 13, 2017

REPORT DATE: September 28, 2017

OUR FILE #: 17-092

HORAN & COMPANY

REAL ESTATE APPRAISERS/CONSULTANTS

CHARLES E. HORAN, MAI / WILLIAM G. FERGUSON,
JOSHUA C. HORAN, AND SLATER FERGUSON

403 LINCOLN STREET, SUITE 210, SITKA, ALASKA 99835

PHONE NUMBER: (907)747-6666 FAX NUMBER (907)747-7417 commercial@horanappraisals.com

September 28, 2017

Carl Uchtyl, PE, Port Director
Attention: Teena Larson, Project Manager
City and Borough of Juneau, Docks and Harbors
155 S. Seward Street
Juneau, Alaska 99801

Sent via Email: carl.uchtyl@juneau.org
teena.larson@juneau.org

Re: Appraisal Report of Annual Market Rent for Tidelands, Yankee Cove Development Company, .844 Acres Within ATS 1677, Juneau, Alaska; Our File # 17-092

Dear Mr. Uchtyl,

At your request, I have developed an appraisal of the estimated market rent for the tidelands referenced above. I contacted and interviewed the lessee, inspected the property and made a market analysis of the tidelands and waterfront real estate market to determine the market rent for the subject.

Based on my investigation and analysis as of the effective date, July 13, 2017, it is my opinion the annual market rent for the tidelands lease is as follows:

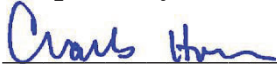
36,786 SF at 12¢/SF= \$4,414.32/ year rent

This appraisal is completed under the hypothetical condition that the subject is undeveloped tidelands and includes no value attributable to the improvements made by the lessee.

Your attention is invited to the remainder of this report which sets forth the Assumptions and Limiting Conditions, Certification of Appraisal, and the most pertinent data considered in estimating the market rent value of the subject property. This appraisal report is intended to comply with the rules and regulations as set forth by the Uniform Standards of Professional Appraisal Practice (USPAP), the City & Borough of Juneau appraisal instructions and the Standards and Bylaws of the Appraisal Institute.

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

Respectfully Submitted,



Charles E. Horan, MAI AA41

HORAN & COMPANY, LLC