



# DOCKS AND HARBORS BOARD AGENDA

March 30, 2023 at 5:00 PM

City Hall Conf. Room 224/Zoom Webinar

---

<https://juneau.zoom.us> or 1-253-215-8782 Webinar ID: 876 3916 1666 Passcode: 926849

- A. CALL TO ORDER: 5:00pm in City Hall Room 224 & Zoom**
- B. ROLL CALL: James Becker, Paul Grant, Debbie Hart, David Larkin, Matthew Leither, Mark Ridgway, Annette Smith, and Don Etheridge.**
- C. PORT DIRECTOR REQUESTS FOR AGENDA CHANGES**
- D. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS** (not to exceed five minutes per person, or twenty minutes total time)
- E. APPROVAL OF MINUTES**
  - 1. Approval of February 23rd, 2023 Board Minutes
- F. CONSENT AGENDA**
  - A. Public Requests for Consent Agenda Changes
  - B. Board Members Request for Consent Agenda Changes
  - C. Items for Action
  - 2. Hansen-Gress Property Appraisal & Non-Code Ordinance
    - Presentation by the Port Director
    - RECOMMENDATION: TO ACCEPT THE HANSEN-GRESS PROPERTY APPRAISAL AS PRESENTED
  - 3. CY2022 Urban Alaska Consumer Price Index (CPI) Adjustment
    - Presentation by the Port Director
    - RECOMMENDATION: TO ACCEPT THE CY2022 8.1% CONSUMER PRICE INCREASE FOR ALL APPLICABLE FEES.
    - MOTION: TO APPROVE THE CONSENT AGENDA AS PRESENTED
- G. UNFINISHED BUSINESS - None**
- H. NEW BUSINESS**
  - 4. Docks & Harbors Use Area - ABLF
    - Presentation by the Deputy Harbormaster/Port Director
    - Board Questions
    - Public Comment
    - Board Discussion/Action
    - MOTION: TBD
- I. ITEMS FOR INFORMATION/DISCUSSION - None**
- J. STAFF AND MEMBER REPORTS**

1. Operations Committee Meeting Report
2. Assembly Lands Committee Liaison Report
3. South Douglas /West Juneau Liaison Report
4. Member Reports

**K. PORT ENGINEER'S REPORT**

**L. HARBORMASTER'S REPORT**

**M. PORT DIRECTOR'S REPORT**

**N. ASSEMBLY LIAISON REPORT**

**O. BOARD ADMINISTRATIVE MATTERS**

- a. Public Outreach Meeting - 6pm Tuesday, April 4th @ Mendenhall Valley Library
- b. Special Board Meeting - Noon Friday, April 14th, 2023
- c. Public Outreach Meeting - 6pm Tuesday, April 18th @ Yacht Club
- d. Operations/Planning Committee Meeting - 5pm Wednesday April 19th, 2023
- e. Board Meeting - 5pm Thursday April 27th, 2023

**P. ADJOURNMENT**

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: [city.clerk@juneau.org](mailto:city.clerk@juneau.org).

**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES**  
**For Thursday, February 23rd, 2023**  
 CBJ Room 224 and via Zoom Meeting

- A. Call to Order:** Mr. Etheridge called the meeting to order at 5:00 p.m. in City Hall Room 224 & Zoom.
- B. Roll Call:** James Becker, Debbie Hart, Matthew Leither, Mark Ridgway, and Don Etheridge

**Absent:** Paul Grant, David Larkin, and Annette Smith.

**Also in Attendance:** Carl Uchytel - Port Director, Matthew Sill – Port Engineer, Matthew Creswell – Harbormaster, and Teena Larson – Administrative Officer.

- C. Approval of Agenda** – Mr. Uchytel said he removed the ABLF action item from the agenda posted on Friday due to waiting for more information. Another item pulled from Friday’s agenda is the bid award for the electrical procurement and as the purchasing officer, he labeled the two bids received as non-responsive. No changes to the re-posted agenda presented for tonight.

**MOTION By Mr. RIDGWAY : TO APPROVE THE AGENDA AS PRESENTED. AND ASK UNANIMOUS CONSENT.**

Motion passed with no objection.

- D. Public Participation on Non-Agenda Items**

Robert Mosher, Auke Bay, AK

Mr. Mosher expressed need for a drive down dock in the downtown harbors. He also expressed concern of theft, homelessness and cleanliness in the downtown harbors. He said Juneau Harbor is very dirty and is an embarrassment for the capital city. He suggested the idea of designating one of the downtown harbors as a premium harbor which would be with more security and restrictions for users. It would have a different code of conduct, cost more money, and have cameras and gates. He believes something like that would make it so if someone was not adhering to the code of conduct they would not be allowed to stay. It is very hard trying to conduct a commercial fishing business in the Harbor. He said he knows the Harbor Department is trying very hard to clean up the harbor but it does not seem to be getting better. He said there is drug dealing, derelict vessels, and dog poop all over the docks.

- E. Approval of January 26<sup>th</sup>, 2023 Board minutes.**  
 1. Hearing no objection the January 26<sup>th</sup>, 2023 Board minutes were approved as presented.
- F. Consent Agenda**
- A. Public Requests for Consent Agenda Changes - None
  - B. Board Members Requests for Consent Agenda Changes - None
  - C. Items for Action

**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES (CONTINUED)**  
**For Thursday, February 23rd, 2023**

Section E, Item 1.

2. Aurora Harbor Phase III Funds Transfer Request

RECOMMENDATION: TO APPROVE THE FUND TRANSFER REQUEST FOR AURORA HARBOR PHASE III IN MEMO DATED FEBRUARY 10<sup>TH</sup>, 2023

3. ADOT Harbor Facility Grant Acceptance – Aurora Harbor Phase III

RECOMMENDATION: TO ACCEPT A \$2M ADOT HARBOR FACILITY GRANT FOR AURORA HARBOR.

**MOTION By MS HART: TO APPROVE THE CONSENT AGENDA AS PRESENTED AND ASK UNANIMOUS CONSENT.**

Motion passed with no objection

**G. Unfinished Business –**

4. UAS Property & Potential Lease Extension

Mr. Etheridge commented, his understanding from the last meeting when this was voted down, was that the Board did not want a short term lease and we did not want all patrons to pay for this. He suggested using the funds from fish tax, which is usually over \$400K annually and already part of our budget, to pay for either a long-term lease or the short-term four year lease that was proposed last week.

Board Questions –

Mr. Becker asked what the average fish tax funds received.

Mr. Uchtyl said \$350,000 is baseline average, last year was approximately \$436,000. This goes into our general fund and expenditure are disbursed from there. We do not separate revenue and put in one fund. Using the raw fish tax for the UAS lease merits discussion.

Mr. Becker commented that he is in favor of using the raw fish tax to pay for the UAS lease but it is uncertain how much we receive from year to year. There are many unknowns with the fishing industry.

Mr. Leither said that we can say the fish tax money can be used for the UAS lease but it goes into our general fund and really used for everything.

Mr. Etheridge asked if the Board would like to go with a long-term lease and pay more money or enter into the short-term lease and see what the future brings.

Mr. Ridgway suggested a short term lease as an interim approach. In that time, the Board develop a long term solution for the UAS area. He asked if the short term lease would allow Docks & Harbors to continue the relationship with the sub-leases without further competition, and would the preference privilege for those sub-leases affect our ability to re-evaluate those sub-leases?

Mr. Brown said the preference privilege would allow for a ten year maximum sub-lease,



**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES (CONTINUED)**  
**For Thursday, February 23rd, 2023**

Section E, Item 1.

and we would not be under any obligation to have the sub-leases as long as our 30 year term offer. The Sub-leases can be re-leased under the preferential privilege and they do not need to go out to bid again but you can do a re-evaluation of the rent and hopefully they would be adjusted up to help with what Docks & Harbors pays. Mr. Brown commented that if the goal in the long run is to convince UAS to sell to the City, the four year lease could be a strategic negotiating tactic and furtherance to that goal because there is a new Chancellor coming onboard.

Mr. Leither asked if the question before the Board is to accept the four year lease at \$100k or the 33 year lease at \$230k? Mr. Leither suggests doing the four year lease.

Mr. Becker supports the four year interim lease. The new Chancellor could have a whole different view on this topic. We are not able to build a drive down dock because it is tied to the lease.

Mr. Ridgway said with either the short term or long term lease, it does not alleviate staff from evaluating the downtown boat yard. That is still the Board obligation.

Mr. Uchtyl commented that one difficulty with a four year lease is it will be hard to secure federal funds to expand the infrastructure at that area. Staff can apply, but the odds are not good with a short term lease.

Mr. Etheridge asked if staff could find a different location for the drive down on our property. Would we have a better chance to secure federal funds?

Mr. Uchtyl said we could probably find a location for the drive down float on our property but it will be roughly \$8M.

Mr. Etheridge recommended staff look for a different location for the drive down float.

Ms. Hart commented that it is a great idea to use the fish tax toward the UAS lease and she is in support of the short term lease.

Public Comment –

Dennis Watson, Juneau AK

Mr. Watson commented that doing improvements on a short-term lease may not be a good decision. He supports the 30 year lease and suggests to sharpen your pencils for Docks & Harbors plans to be goals and not dreams.

Board Discussion/Action

**MOTION By MS HART: TO ACCEPT THE UNIVERSITY OF ALASKA OFFER TO ENTER INTO A SHORT TERM LEASE AGREEMENT FOR \$100,000 PER YEAR COMING FROM THE DOCKS & HARBORS STATE FISH TAX REVENUE FOR THE EXISTING 2.77 ACRE LEASED PROPERTY AND ASK UNANIMOUS CONSENT.**

Motion passed with no objection

5. Harbor Rate Study – Next Steps

**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES (CONTINUED)**  
**For Thursday, February 23rd, 2023**

Section E, Item 1.

Mr. Uchytel said he provided two items at the meeting tonight, a memo when certain fees will be adjusted, and a regulation that he will speak to. He said on page 18 shows the 8.1% CPI for calendar year 2022 from the Bureau of Labor and Statistics. The CPI will affect roughly 25 fees for both Docks & Harbors enterprise. The Moorage fees have been linked to CPI since 2007 so this will be nothing new for those fees. On page 19 shows how the Docks & Harbors fees will be affected adjusted by the 8.1% increase. He read the Board language about the CPI adjustment after each fee – *“Each year starting with calendar year 2022, the fee assessed in this section will be equal to the previous fiscal year fee adjusted by the consumer price index urban Alaska CPI as reported by the Department of Labor workforce development for the calendar year preceding the start of the seasonal cruise ship year April 1<sup>st</sup> through November 1<sup>st</sup>, the Docks & Harbors Board may by motion take action to keep the fee the same as the previous year or increase the fee in an amount less than the CPI adjustment.* He said this is being talked about now because it is separate from the Harbor Rate Study. If the Board does nothing, these fees will be increased by 8.1%. He asked the Chair if he wants this on the next Board agenda as an action item?

Mr. Etheridge said to add this item to the Board agenda in March.

Mr. Uchytel said in the packet on page 21 is the white paper for the rate study that was seen by the Operations Committee last week. There were some minor corrections after that meeting pertaining to some numbers, but they have now been fact checked. In the packet on page 22 are suggestions on how to tackle the proposed increase. He went over the background for the rate study and discussed the recommendation to raise fees by 9% and what that will look like. At the January meeting there was consensus to move forward with the 9% for both Docks & Harbors Enterprise fees. Staff is asking tonight to affirm 9% is the direction the Board wants to go. After that discussion, how do we want to roll this out in a transparent manner and show that we are acting in the best interest of the maritime community in Juneau? He would like to get the outreach complete before the summer. This fee is in addition to the CPI adjustment. How does the Board want to implement the increase, all at once or smaller increments? Between May and August there would be no meetings but then start again in the fall. Staff would then start the legislative process to advertise for 21 days and hold a public hearing. Based on the public input, the Board acts and sends to the Assembly for action.

**Board Questions**

Ms. Hart asked to provide more detail on the advertising and adoption process.

Mr. Uchytel said any regulation change requires a public notice. The advertisement will tell what the proposed changes are and staff posts at the harbor offices, libraries, city clerk, Facebook, and newspaper. The regulation changes need to be posted for 21 days. After minimum 21 days, a public hearing is held and there is a motion and direction from the Board. Next it will go to the Assembly for adoption or rejection.

Mr. Ridgway asked as a Board, do we need to accept the HDR report in some manner or can we just raise the fees 9%?

**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES (CONTINUED)**  
**For Thursday, February 23rd, 2023**

Section E, Item 1.

Mr. Uchytel said he does not think the Board has to accept the HDR report. The Board talked about it but never endorsed the HDR report. The suggested motion in the packet can be modified as you see fit. HDR has completed their contractual obligation to date. Ms. Hart commented in terms of process, the Board is deciding on a final proposed rate and also how to engage with the public.

Mr. Etheridge said that is correct.

Ms. Hart asked why there will be a break from May to August in the proposed process? Is that because the summertime is so busy and staff does not have time to work on this?

Mr. Uchytel said his thought was to prep everything before the season and bring back for final action after the season. He believes that would be the best to have the public attend meetings.

Mr. Etheridge also commented that would probably be the best time.

**Public Comment**

**Dennis Watson, Juneau, AK**

Mr. Watson commented that he has an issue with not raising fees based on CPI. He said years ago the Board was always trying to raise fees but did not have a good process to do that and the Board opted to add the CPI. Not raising fees based on CPI can be a dangerous thing for a business. If cost of living is going up, you need to follow that because all of a sudden you will get behind and be in the same hole as now with not enough money to do everything you need to do.

**Kirby Day, Juneau, AK**

Mr. Day said he wanted to verify that the Dockage rates will go up by CPI 8.1% on April 1, 2023 for cruise ship fees. This motion will be accepting the Harbor Rate Study and a process by which an increase of 9% will happen across the board for 2024. He wanted to know if the process starts in August, when will it conclude?

Mr. Uchytel said on page 22 of the packet is the outline for the process. Today is basically codifying that the Board wants to move forward with the 9% increase. In March, the Board and Staff would start the public outreach. In May, the Board would give direction to staff to proceed in a certain way. Staff would work with Law to get the regulation changes in draft. No final action for the 9% increase would take place until August or September to give more opportunity for people to hear about the proposed change. It will be outreach in the spring, and Board and Assembly approval in early fall. The summer would not have any outreach because people are busy. August & September people can show up to voice their concerns and that would be the last opportunity to make comments known.

Mr. Day said the cruise ships start budgeting mid-summer. He will suggest to his budget people a number that he believes where the fees will end up in January.

Mr. Uchytel said the fee increase can be a one-time increase or several smaller ones spread over several years.

**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES (CONTINUED)**  
**For Thursday, February 23rd, 2023**

Section E, Item 1.

Board Discussion/Action

Mr. Leither commented the timeline proposed looks good to him.

Mr. Ridgway commented the implementation of this is the tricky part. Deciding on how much and when.

**MOTION By MS HART: TO ACCEPT THE FINDINGS OF THE HDR REPORT AND DIRECT STAFF TO BEGIN A PROCESS, WITH BOARD ENGAGEMENT, TO RAISE FEES 9% ACROSS THE DOCKS ENTERPRISES AND HARBOR ENTERPRISES AND ASK UNANIMOUS CONSENT.**

Mr. Ridgway objected for the purposed of a question. He wanted to know if the motion needs to clarify the specific fees being increased?

Mr. Uchytel said it is known what fees the Board indicated would be adjusted by CPI and what is implied in the motion.

Mr. Ridgway withdrew his objection.

Motion passed.

**H. New Business - None**

**I. Items for Information/Discussion**

**6. Vessel Insurance**

Mr. Uchytel said Mr. Shattuck talked about insurance at the Operations Meeting last week and on page 23 in the packet is what he provided at that meeting. The question regarding insurance is interesting in Alaska. Whittier and Seward require insurance, but other harbors in Southeast Alaska do not require insurance. Requiring insurance is something staff can pursue but have not. On page 30 in the packet is a description of a fee called vessel salvage and disposal. Juneau does kind of have a requirement for insurance for vessels with reserved moorage, but if someone does not have it, we charge the vessel salvage and disposal fee. In 2020, the question was “should we raise the vessel salvage fee”? More recently it was brought to staff attention that if Harbors is collecting this vessel surcharge fee, there may be an implied consent that Harbors needs to deal with a vessel after it reaches its useful life. Mr. Brown, with CBJ Law, is looking into whether CBJ is liable if charging this fee. Staff is wanting to know if this fee should be increased? Harbors collects approximately \$17,000 per year. Insurable vessels are probably paying ten times what we charge for the vessel surcharge fee. This is an information item tonight but Mr. Uchytel wants to know the direction the Board wants staff to go in regards to insurance.

Board Discussion

Mr. Leither said he moved from Seward and had to have insurance at that Harbor. He was surprised that Juneau Harbors did not ask for his insurance. His concern is we are going to raise fees the 8.1%, then a potential 9%, and also require insurance. It is a worthy cause, but he is not sure now is a good time to require insurance.

**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES (CONTINUED)**  
**For Thursday, February 23rd, 2023**

Section E, Item 1.

Ms. Hart commented that this could be a disincentive for people to acquire insurance with the vessel surcharge fee option. She would like to continue Board discussion on this topic. The vessels are continuing to age so this should be on our radar and continue to come up with staff guidance.

Mr. Becker commented that we do not want to lose sight of the fact that someday we may want to require insurance. Some of the liveboards are the ones doing all the damage in the Harbors. He would like to continue discussion on this topic.

Mr. Ridgway said he appreciates Mr. Brown is looking into this and also have some kind of an indemnification would be great for an implied contract for insurance. He would like staff to find out from other Harbors that require insurance to see how well it works and what does not work. He asked the question, how many boats has Docks & Harbors had to dispose of in the last five years, and how many of those did we pay for? He would like to see a presentation on this issue so the Board can make a better decision. He said he believes eventually insurance is going to have to be required to protect our enterprise.

Mr. Leither said he is in favor of insurance, but some boats are not insurable and some boats need to be pulled out every few years and be surveyed. Those are additional costs and things to be considered.

Mr. Etheridge said he has a boat that is uninsurable and he would be willing to pay more for the vessel disposal fee. He does not want people run out of the Harbor because their vessel is uninsurable.

Mr. Bryson said people have to get home insurance, car insurance, and any large purchases in a bank requires insurance. It would take a lot of convincing on why Harbors would not want to encourage and work toward people having insurance. One of the problems in Juneau is logistics, and not having some level of rules in place has caused a large number of abandoned vehicles. To some degree, the same effect of abandoned boats is happening. He said he is sympathetic to the 9% increase, and he has some ideas on how to soften that blow, but to try to absolve the citizens of their responsibility because they cannot afford something is not a fiscally responsible direction to move in. He can see the Assembly supporting requiring insurance or even steps in that direction. Juneau has a problem because we have tried to make every level of economics work for every vehicle and every boat and the rest of the citizens pay the price for it. He believes if someone has a boat, they need to be responsible for that purchase. This may help with not having another Lumberman on our hands.

Public Comment

Mr. Tim Mosher, Juneau, AK

Mr. Mosher said he thinks the Harbors is crazy not to make people insure their boats. That is one of the problems we have currently. Harbors is going to end up owning all these derelict boats and will have to dispose of them. Requiring insurance or a bond to at least cover the cost of disposal is not asking much of anyone, but a responsibility as a citizen.

Mr. Dennis Watson, Juneau, AK

**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES (CONTINUED)**  
**For Thursday, February 23rd, 2023**

Section E, Item 1.

Mr. Watson said he also agrees insurance should be required. It may need to take a year to implement, but he suggests to not wait much longer than that. He believes if you can afford a boat, you can afford insurance. If you cannot afford insurance, you should get out of the boat business.

**J. Committee and Member Reports**

1. Operations Committee Meeting Report –  
Mr. Etheridge reported the Committee discussed insurance, and the rate increase next steps.  
Ms. Hart said the other topic discussed was the ABLF challenges and this will be brought back to our next operations meeting.
2. Assembly Lands Committee Liaison Report –  
Mr. Etheridge reported the discussion was focused on the housing shortfalls in Juneau and nothing related to Harbors.
3. Auke Bay Neighborhood Association Liaison Report –There has not been a meeting in two years and this will not be a topic to report on in future agenda's.
4. South Douglas/West Juneau Liaison Report - None
5. Member Reports - None

**K. Port Engineer's Report –**

Mr. Sill reported –

- Statter Harbor Phase III restroom building – The building footings have been poured. The cold temperatures have been an issue, but when it warms up again the contractor will be back to making good progress. There has been some building permit issues but Mr. Sill said he is working through the process and it is not holding up the project moving forward.
- Aurora Harbor Project – This was broken up into an electrical procurement and a construction project. Staff did this because of the electrical lead times and the difficulty of getting some of these components. The bids were opened last week on the 15<sup>th</sup> and they were labeled as non-responsive due to the bids indicating that they were not able to provide what was asked for in the RFB. The electrical procurement was now combined back into the construction bid. The construction bid went out on the 21<sup>st</sup> and bid opening will be on the 15<sup>th</sup>. He said he is working on the Army Corps of Engineers permits for that project and will be issued to the General Contractor bid winner. He will also work on getting a building permit. Final completion will be October 15th for the floats. There are long lead times for receiving the material. The electrical final completion will be installed within 30 days after being received.  
Mr. Uchytel said staff will need to have a special Board meeting on the 16<sup>th</sup> or 17<sup>th</sup> so it can go to the Assembly meeting on March 20th. To be able to apply for another grant this project needed to be completed by August. Due to the long lead times for materials, he will be asking for a waiver to be able to apply for another grant.
- Proposals from the RFP for surveying services were reviewed to acquire the state tidelands area outside the Franklin Dock. He is working on a contract now.

**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES (CONTINUED)**  
**For Thursday, February 23rd, 2023**

Section E, Item 1.

- Marine Park Deckover – All the piles have been driven. The vast majority of the decks are in place. There is a little bit of concrete work still to do once it warms up. It all looks great and we are charging forward toward a completion date.

Mr. Ridgway asked, before Mr. Schaal left CBJ he was looking into security gates, what was found on that topic?

Mr. Uchytel said in the CBJ Comprehensive Plan, it is noted that Docks & Harbors shall not lock public access to facilities. With that information, staff has not taken any action on the gates.

Mr. Ridgway said that would be worthy for further discussion with Mr. Brown. Does it specify what docks?

Mr. Etheridge suggested to add this topic to the Operations Committee agenda.

Mr. Leither said last year he asked a police officer what could Docks & Harbors do to cut down on the crime and the officer's response was to put up gates and cameras. He also asked if the problem is with the people who live in the Harbor or people just wandering the docks. The officer said it is mostly people wandering the docks. He would be interested in more discussion on gates.

**L. Harbormaster's Report**

Mr. Creswell reported -

- Staff is getting ready for the summer season. Started interviews today and there are approximately 18 open positions.
- The Harris Harbor restrooms received modifications to try to prevent break ins, vandalism, and theft. With the changes, there has not been vandalism for over three weeks now. There was a bar added so people could not jimmy the lock, new cameras were added, and the showers were changed to be operated with tokens instead of coins.
- Crime – there has been a significant decrease in crime reports to staff. He said he has not been getting the crime report from JPD and will reach out to Chief Mercer to get those again.
- Operations – Looks like Juneau is going to be getting snow so staff will be doing a lot of snow removal in the next few days.
- The first seasonal hire will return March 13<sup>th</sup>.
- Mr. Scott Hinton will be returning to Docks & Harbors and will be the Port Operations Supervisor again.

Mr. Ridgway commented that in the past, the logic for liveaboard was to spread them around throughout the Harbor and the thought was that they were the eyes and ears of the Harbor. He asked Mr. Creswell if it would be beneficial to consolidate the liveaboards in one area?

Mr. Creswell said he has spent a lot of time thinking about that. He can list off pro's and con's. One big issue is, the Harbor does not have one single size liveaboard vessel and

**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES (CONTINUED)**  
**For Thursday, February 23rd, 2023**

Section E, Item 1.

there are not different size slips in a single area. We do not have the space to accommodate the different size liveaboard vessels in one area.

Mr. Ridgway asked if the eyes and ears throughout the Harbor works good as is?

Mr. Creswell said there are good liveaboard that are extremely beneficial to the Harbor system and are helpful and then we also have general harbor patrons that attract other people to enter the Harbor that should not be there. He said he does not have a good answer to the question.

Mr. Leither asked if the decrease in crime is specific to a group that is no longer in the Harbor or is it unknown why the crime is decreasing?

Mr. Creswell said he believes it has to do with the removal of the derelict vessels.

**M. Port Director's Report –**

Mr. Uchtyl reported

- Mr. Creswell and himself have been hosting the AAHPA legislative fly-in with Harbormasters around the state advocating for Ports and Harbors throughout the state this week. The group advocates for the Harbor matching Grant program which is really the only grant opportunity for small boat harbors. It was well received and he would call it a win.
- On Monday he had a meeting with the Mayor, City Manager, and Senator Sullivan. Senator Sullivan wanted to speak about the chances of an icebreaker coming to Juneau and he is confident that it will be in the FY24 Presidential budget. He suggested to reach out to Admiral Moore, who is the 17<sup>th</sup> District Commander so he is aware of all the amenities Juneau has to offer, including plans to provide housing. Mr. Uchtyl is working to set up that meeting.
- At the next Assembly meeting on Monday there are several items for action.
  1. By-law changes
  2. Accepting the ADOT Harbor Grant for Aurora Harbor Phase III
  3. Close out of the Pile Anode projects for Harris & Douglas Harbors and the remainder of the funds transferred to the Statter Harbor CIP.

In March, there will be a temporary transfer of \$1.5M from the Statter Harbor CIP to the Aurora Harbor phase III project which will allow staff to open bids, and award. There will then be another transfer to repay the \$1.5M back to the Statter Harbor CIP once we get the allotment from the CBJ treasury from the 2017 1% sales tax in July.

- There is also a \$5M revenue bond for Docks Electrification that is to purchase the Load Tap Changer Transformer necessary for the CBJ owned Dock electrifications.
- Tagish Update – The Contractor to do the demolition is nearly complete with removing all the debris from the vessel. By tomorrow the hull will be removed from the water and onboard the barge. The barge will take the wreckage to the Puget Sound area for demolition. DEC and the Coast Guard are working on the oils removed from the tanks on the vessel and will be shipped to Oregon for final disposition.



**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES (CONTINUED)**  
**For Thursday, February 23rd, 2023**

Section E, Item 1.

**N. Assembly Liaison Report –**

Mr. Bryson asked if the Harbor wheel barrows have been being taken from the Harbors? He noticed two guys way far away from the Harbors that had a Harbors wheel barrow. He asked how he should respond to the public when they see this, do they call JPD? It is not right that these people just take Harbors property.

Mr. Bryson reported -

- The Juneau North Douglas Crossing PEL Study meeting is on the 28<sup>th</sup> of this month where they will provide the latest update and then go into the preferred alternatives.
- He is hosting, with the Public Works and Facilities a town hall meeting on March 2<sup>nd</sup>, regarding the Juneau North Douglas Crossing. This will be to discuss the results of the PEL Study.
- The Marine Passenger Fees that came to Public Works and Facilities were slowed down to get more public input.
- He said he also met with Senator Sullivan regarding the icebreaker and the Senator commented that the one thing that Juneau needs to do to get ready for the icebreaker is to provide more housing.
- There was a two hour work session that also included all of the mechanisms Juneau has put in place to increase housing and looked at other possibilities and ways to help increase housing.
- At Public Works & Facilities, we are doing a similar style work session that will be covering trash. The land fill just changed their minimum. They went from a pickup minimum to a 1,000# minimum. With the minimum change the fee went from approximately \$48 to \$140.

Mr. Etheridge said to let people know to call the Harbor office if they see our Harbor wheel barrows and staff will go pick them up. He said when sees any wheel barrows not in the Harbor, he would take them away from individuals and take back to the Harbor.

Mr. Becker commented that previous discussions on a machine that would eliminate garbage was a Plasma Arc but there was not one small enough for Juneau.

Mr. Bryson commented that is what he heard also. He has staff looking into what is the latest Incineration and Plasma technology. He believes the volume of trash was the issue for the Plasma Arc Incineration which is the only technology that could consume our existing landfill. An incinerator will keep the land fill from growing but will not eat the existing landfill. He said he wants to solve the trash problem for all of Southeast. An idea would be to bring all of Southeast trash to Juneau and buy an incinerator. It is a complicated problem, but he will continue to work on it.

Mr. Uchytel asked if Docks & Harbors needs to comment on the North Douglas second crossing?

Mr. Bryson commented that the time for the second crossing is now. The momentum is there, and the governmental will is there. If Docks & Harbors comments, you are now part of the process and could provide influence for a more reasonable project.

**CBJ DOCKS AND HARBORS BOARD**  
**REGULAR MEETING MINUTES (CONTINUED)**  
**For Thursday, February 23rd, 2023**

Section E, Item 1.

Mr. Uchytel asked what the comment should be?

Mr. Etheridge said that the second crossing may add more use of the North Douglas Launch ramp.

Mr. Bryson said that a deep water port is of interest in that area.

Mr. Ridgway said he was in favor of the Board supporting the decisions that come out of the group making the decision.

Mr. Uchytel clarified that he was writing a letter on behalf of the Board supporting the second crossing and agnostic to the design.

Mr. Bryson said he will continue to keep the Board up to date on the second crossing progress.

The Board members continued discussion on the second crossing letter content.

Mr. Uchytel said he will draft a letter and let the Board review.

**O. Board Administrative Matters**

- a. Ops/Planning Committee Meeting – Wednesday March 22nd, 2023
- b. Board Meeting – Thursday March 30th, 2023

Mr. Uchytel said he is planning a Special Board meeting for March 17<sup>th</sup> assuming the bids come in favorable.

**P. Adjournment** – The Meeting adjourned at 7:01pm.

**MARKET VALUE APPRAISAL OF  
CBJ LAND PORTION OF A HYPOTHETICAL NEW LOT  
PART OF ATS3 AT 1000 Harbor Way,  
Juneau, ALASKA**



**Subject as it fronts Harris Harbor**

**PREPARED FOR:** Carl 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, Alaska 99835

**EFFECTIVE DATE:** February 21, 2023

**REPORT DATE:** February 24, 2023

**OUR FILE NO.:** 23-003

# HORAN & COMPANY

REAL ESTATE APPRAISERS/CONSULTANTS

CHARLES E. HORAN MAI / JOSHUA C. HORAN / SLATER M. FERGUSON

403 LINCOLN STREET, SUITE 210, SITKA, ALASKA 99835

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

February 24, 2023

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

Via email: teena.larson@juneau.org

Re: Market Value Appraisal of CBJ Land Portion of a Hypothetical New Lot Part of  
ATS 3 at 1000 Harbor Way, Juneau, Alaska 99801; Our File # 23-003

Dear Mr. Uchytel,

We have estimated the market value of the contributory land owned by the City and Borough of Juneau which is under consideration for sale to the current lessee and owner of adjacent fee simple land, Hansen Gress doing business as 1000 Harbor Way LLC. The sale of this land would clean up non-conforming site issues with regard to the building setback and its overlapping the lot line as currently configured. The land value of the new hypothetically subdivided lot (8,855 SF) at 1000 Harbor Way reflects the maximum highest and best use market value of this site as reconfigured. The effective date of the value is February 21<sup>st</sup>, 2023.

The estimated market value in fee sample is \$237,972. This value is allocated among the three components of the site as summarized in the following table.

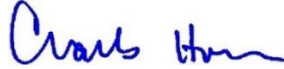
Ownership	SF Area	Value	SF Value
Hansen Gress Fee Owned	4,041	\$118,782	\$29.39
CBJ Leased Land	4,178	\$105,790	\$25.32
CBJ Additional Land	<u>636</u>	<u>\$12,720</u>	<u>\$20.00</u>
Totals	8,855	\$237,292	\$26.80
Total CBJ Lands	<b>4,814</b>	<b>\$118,510</b>	<b>\$24.62</b>

The land value reflects \$50/SF for the filled portion of the site and \$20/SF for the unfilled portion. Because of the disparity in percentage of filled area for the various components of each part of the site, the blended SF values differ. For instance, the Hansen Gress Fee Owned portion of the site has disproportionately greater fill than the CBJ parts. The CBJ leased lands have a lesser amount of fill and the CBJ additional lands have no fill and therefore have lower blended SF values, overall.

Your attention is invited to the attached report which explains this analysis in more detail and includes the most pertinent data considered in estimating the market value. This appraisal is intended to comply with the rules and regulations as set forth by the Uniform Standards of Professional Appraisal Practice (USPAP) and the City and Borough of Juneau's appraisal instructions.

If you have any questions or comments, please feel free to contact us at your convenience.

Sincerely,



Charles E. Horan, MAI  
Horan & Company, LLC

TABLE OF CONTENTS

1

Introduction .....

5

1.1

Intended Users and Intended Use.....

6

1.2

Inspection & Effective Date.....

6

1.3

Scope of Work.....

7

1.4

Assumptions and Limiting Conditions.....

8

1.5

Definitions.....

10

2

Area Analysis.....

12

2.1

Juneau Area Analysis.....

12

2.2

Neighborhood Analysis.....

13

3

Property Description .....

16

3.1

Site Description .....

16

3.2

Zoning .....

19

3.3

Assessed Valuation and Taxes .....

20

4

Valuation .....

21

4.1

Land Valuation.....

21

ADDENDA .....

26

Certification of Appraisal

Subject Photographs

Tideland Lease

Map and Email (DOT Right of Way)

Juneau Area Analysis

Tideland Rent Market

Tideland Value Ratio

Comparable Write ups

Qualifications



## 1 INTRODUCTION



**Figure 1.1 – CBJ GIS ariel map overview of subject showing; (1) fee owned 4,041 SF, (2) leased land 4,178 SF and (3) additional tidelands 636 SF.**

### Background

The property at 1000 Harbor Way recently sold to Hansen Gress, business partners who acquired the property under the 1000 Harbor Way LLC. The property is improved with a building on piling straddling the lot line over two tidelands parcels. One lot is fee-owned land<sup>1</sup> and the other lot is on a long-term lease from the CBJ<sup>2</sup>. The building improvement straddling the lot line is non-compliant with the current city code. The building also is concurrent with the seaward lot line along the Harris harbor tidelands, which does not meet current setbacks. The property owners are applying for a building permit to rehabilitate the building and put a deck

<sup>1</sup> 4,041 SF portion of ATS 3 Tidelands Addition to the Juneau Townsite, Block 51 part of Lot 5

<sup>2</sup> 4,178 SF part of Block 51 part of Lot 3, Tideland Addison, ATS 3

on the seaward side to maintain the exterior siding which would encroach into CBJ's additional tidelands not currently leased.

The property owners have requested to purchase the leased land (4,178 SF) and additional CBJ tidelands (636 SF) to remedy the nonconforming issues in furtherance of their building rehabilitation project. The harbor board is considering a recommendation to sell the leased land and the additional tidelands to the current building owners so the lot could be platted as a conforming site.

This appraisal values the entire hypothetical site at its highest and best use and allocates the land value among the three components of land; fee owned 4,041 SF, leased land 4,178 SF, and additional tidelands 636 SF.

### **The Leased Parcel**

This parcel, 4,178 SF, had been leased from the CBJ for many years. The two-story retail building on the site was constructed in 1967 under a prior land lease. The existing lease commenced in 2010 authorized by CBJ Ordinance 2010-24 which was enacted by the CBJ assembly August 23, 2010, with an effective date of September 22, 2010. A copy is in the addenda. The current lease supersedes and replaces a prior lease agreement made March 3, 1967, on the property to its predecessor. The current lease has a 35-year term which would expire in 2045. If the 35-year option to renew were exercised the term would end in 2080. The rent is subject to five-year annual market rental adjustments, the last of which was \$5,848 made effective March 3, 2019. The next rental adjustment would be March 3, 2024.

For the purpose of the appraisal, it is assumed the land would be offered for sale at its fee simple value as though hypothetically unimproved (no building value). The lease terms appear to be near market and would not have an impact on the analysis for the purpose of sale. See the copy of lease in the addenda.

### **1.1 INTENDED USERS AND INTENDED USE**

The **purpose** of this appraisal is to determine the market value of the City and Borough of Juneau's interest in the overall value of the hypothetical site in its pre-development condition without consideration to the building improvements.

**Intended use** is to set market price for sale if the sale goes forward to purchase the CBJ's interest in the site. **Intended users** are the City and Borough of Juneau decision makers in making a recommendation and negotiation for sale. The appraisal is not intended for any other users or any other use.

### **1.2 INSPECTION & EFFECTIVE DATE**

Charles Horan, MAI inspected the property on February 21, 2023, with the property owners Misters Hansen and Gress. This is the effective date of the appraisal.



1.3 SCOPE OF WORK

This appraisal analysis is for land only as though the site is hypothetically vacant and available for highest and best use development.

The physical character of the site is as it is observed with its present contour which is estimated to be mostly submerged and sloping tidelands or filled lands at or near road grade. The extent of the filled land at road grade has been estimated by the appraiser at about 19 feet extended seaward from Harbor Way. This is based on a range of estimates from other sources indicating 18 feet<sup>3</sup> to 20 feet<sup>4</sup> which seems reasonable. No land survey or engineering work has been provided for a more definitive allocation of the uplands and sloping and tidal lands.

No complete legal description or current title status report of the land has been provided to the appraiser. It is assumed that it is as described in Section 3 of this report. It is understood that the land will be surveyed into one legal site prior to conveyance.

The land value of the entire hypothetically vacant site will be estimated and the contributory value of the CBJ's land and the private fee-owned land will be allocated according to the site characteristics and its contributory value as summarized in Section 4 of this report.

The most direct way to estimate market value of the land is the sales comparison approach. Sale prices or annual rents have been analyzed as the primary indicators of value in the subject's competitive market. The market unit of comparison for this property is price per square foot. In some instances, leases were capitalized to indicate the fee value. A land capitalization rate of 8%<sup>5</sup> is used unless a contract rent is being converted and states otherwise. The income approach and depreciated cost approach were considered, but not applicable in the subject instance. The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP).

A thorough search of the market has been made for comparable transactions including interviews with realtors, consultations with the southeast and statewide Multiple Listing Services, a review of the assessor's files on sales transactions, lenders, government agencies, and others who regularly participate in the real estate market. To the extent possible, we have interviewed buyers, sellers, or other knowledgeable parties to the transactions as more fully described in our market data sheets contained in the addenda.

Our office maintains market data information on sales, transfers, and on a geographic location basis for those rural properties not connected to a road system and those connected. Within each of these areas, the data is further segmented into commercial and residential properties. Within these divisions of separation are divisions for zoning and whether the properties are

<sup>3</sup> Estimate by the property owner

<sup>4</sup> Estimate from previous Reliant appraisal.

<sup>5</sup> See adenda for Alaska Tidelands Valuation And Rent Market

waterfront or upland parcels. Horan & Company, LLC maintains and continually updates this library of sale transactions throughout Alaska by region and has done so for over 30 years.

#### 1.4 ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is made based on the following **hypothetical conditions (HCs)** and **extraordinary assumptions (EAs)**.

**HC1** It is a hypothetical condition of this appraisal that the land is appraised as a single legal vacant lot which maximizes the value of the individual portions.

**EA1** It is an extraordinary assumption that the lot size and portions are as outlined in this report. It's understood that the final square footage may vary somewhat which could be adjusted by the client or by an amended appraisal.

This appraisal and valuation contained herein are also expressly subject to the scope of work and the following assumptions and/or conditions:

1. It is assumed the data, maps, and descriptive data furnished by the client or its 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 land or 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, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and have assumed that there are no such conditions and make no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property. The appraiser obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable public and/or private sources believes it 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 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.
7. 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. 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.
9. One (or more) of the signatories of this appraisal report is a member or associate member of the Appraisal Institute. The bylaws and regulations of the Institute require each member and candidate to control the use and distribution of each appraisal report signed by such member or candidate. Therefore, except as hereinafter provided, the party for whom this appraisal report was prepared may distribute copies of this appraisal report in its entirety to such third parties as selected by the party for whom this appraisal report was prepared; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations

media, news media, sales media, or other media for public communication without the prior written consent of signatories of this appraisal report.

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.

## 1.5 DEFINITIONS

### 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, Page 123*

The estimated **market exposure time** is 18 to 24 months.

### Extraordinary Assumption

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)

*Dictionary of Real Estate Appraisal, Sixth Edition, Page 83-84.*

### Hypothetical Condition

1. A condition that is presumed to be true when it is known to be false. (SVP)
2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject

property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)

*The Dictionary of Real Estate Appraisal, 6th Edition, Appraisal Institute, Page 113*

The use of an extraordinary assumption or a hypothetical condition if found to be otherwise could impact appraisers analysis and conclusions.

2 AREA ANALYSIS

2.1 JUNEAU AREA ANALYSIS

Please see the addenda for the expanded Juneau Area Analysis. The population and employment in Juneau have been declining over the last few years but it appears that the decline is diminishing. The population is aging. There is a housing shortage with prices rising due to supply and demand issues as well as inflationary pressure for materials. There have been no large-scale multifamily housing projects developed for the last several years. It appears that feasibility for new rental housing may be difficult. With the increase in values for condominiums and other forms of home ownership, there may be some more potential in the future for this type of feasible housing. It's beyond the scope of this report to make this determination at this time.

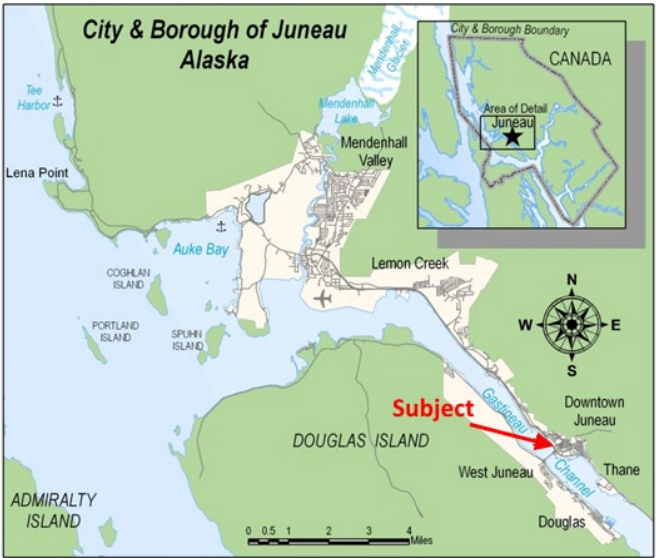
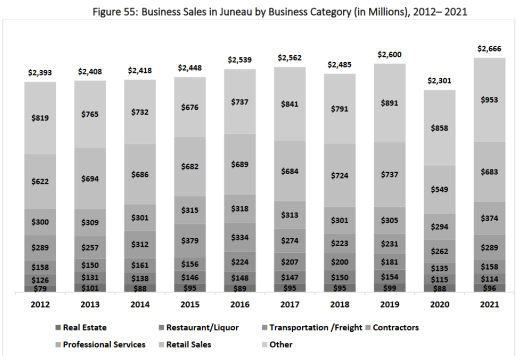


FIGURE 2.1 – Juneau subject map

Tourism has recovered significantly for the independent traveler and more recently, just this year for the cruise ship passenger. Actual passenger count for 2022 is 92% of the previous high in 2019. It appears it will improve next year. Tourism-related sales are also rebounding as seen in gross tax receipts but not near the levels previously seen in 2019. The independent travel market appears to be stronger based on bed tax receipts which in 2022 may have outpaced the 2019 season. Education, government, fishing, and other industries that have lagged in the last several years appear to be recovering if not to prior levels. State Government continues to shrink but may be leveling off.

Historically the subject land has been used to support retail and office occupancy. The overall business activity as reflected through business sales has increased as shown in figure 2.2. All the retail sales have not caught up with the 2019 benchmark year it is noted that construction professional services and other have increased.

Overall, the current market in 2022 is positive. It is expected that prices would be stable or moderately increasing in some parts of the commercial real estate sector.

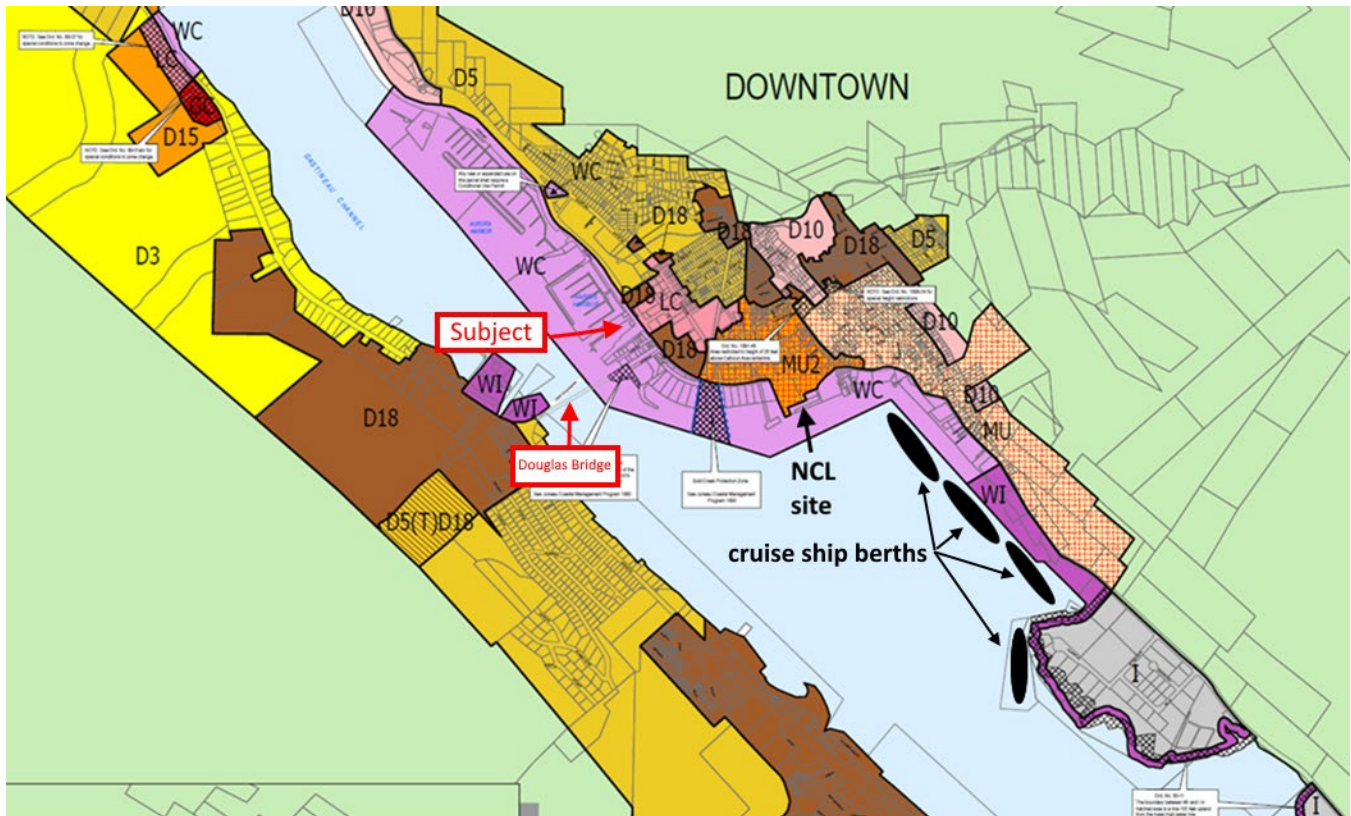


Source: City & Borough of Juneau Sales Tax Office and CBJ Comprehensive Annual Financial Report, Statistical Section. Notes: Data for 2021 was unaudited at the time of publication; "Other" category includes mineral sales, wholesale equipment, food suppliers, and fuel companies.

Figure 2.2 - Business Sales in Juneau as shown in the Juneau Economic Development Council study for 2021  
Figure 55 dated September 2022.

## 2.2 NEIGHBORHOOD ANALYSIS

The subject is located in the westerly corner of Harris Harbor at the intersection of Glacier Highway and the Juneau Douglas bridge. This area is an extension of the Juneau downtown commercial waterfront area. This broader neighborhood is defined along the northern edge of the Juneau Port as shown in Figure 2.3 below, predominantly zoned WC (waterfront commercial) with some mixed-use.



**FIGURE 2.3 - Zoning Map. Source: CBJ Downtown Juneau & Douglas Zoning Map as of September 29, 2015 annotated by Horan & Company.**

From the waterfront perspective, the neighborhood connectivity is obvious, however, over time dominant areas have developed including the cruise ship harbor area in the southeast part which corresponds to the downtown retail commercial influence along South Franklin Street continuing on toward Merchants Wharf along Egan Drive. The AJ Dock marks the southern extent of the industrial neighborhood. In September 2019, Norwegian Cruise Lines (NCL) put in a bid of \$20,000,000 to purchase nearly three acres of MU2 property to the east with the idea of developing a fifth cruise ship dock and extensive tourist-related waterfront facilities with a combined public, private and nonprofit participation. There is significant demand for cruise ship visitation to Alaska, due to the increasingly larger capacity of cruise ships, the profitability of the Alaska market, and the perceived relative safety. This neighborhood is further interrupted by the lack of development along the Gold Creek tide flats. The sea walk



does continue to connect these neighborhoods by pedestrian paths paralleling the road connection.

### The Bridge to Norway Point

The subject's immediate area defines itself around unique marine activities related to the Harris and Arora Harbors, fish landing, and boat repair between the Juneau Douglas Bridge and Norway Point. This area was subject to the Juneau Downtown Harbors Uplands Master Plan, Bridget Park to Norway Point (referred to below as "The Study") dated March 30, 2017, commissioned by the CBJ Docks and Harbors Department.



**Figure 2.4 - Land Use and Strategic Planning Downtown Harbors showing potential fill opportunities (orange dashed lines) from page 41 of 66 of the Study. -**

Parking is in high demand and this study shows the tideland seaward of the subject fill opportunities to support the nearby marine uses. This study and the master plan confirmed there is a lack of adequate parking in this harbor area.

The preferred alternative shown in Figure 2.5 shows the expansion of commercial activity in the subject area and an extension to Harbor Drive connecting it to Whale Park under the bridge and other commercial activity to the east.

The subject has excellent traffic exposure with over 18,000 vehicles a day traveling into the Egan Drive and JD Bridge intersection from the northwest adjacent to the subject. It enjoys over 12,000 vehicles across the intersection (east) and nearly 15,500 vehicles a day across the Juneau Douglas Bridge. This high visibility is somewhat offset by the limited access to Harbor Way which requires exiting from Egan Drive from the south from a controlled traffic lane. Getting to the subject site heading north on Egan Drive or coming across the J.D. Bridge requires several left-hand turns onto Harbor Way. Notwithstanding these limitations, the location and demand for the subject are good relative to its retail potential and proximity to the harbors.





**Figure 2.5 - From page 65 (of 66) of the study showing possible future uses and the subject location.**

3PROPERTY DESCRIPTION

3.1SITE DESCRIPTION

The purpose of the appraisal is to estimate the land value as though hypothetically vacant and available for development to its highest and best use as one site. This highest and best use value will be allocated among the three components of the site as follows;

1- Fee owned by 1000 Harbor Way, LLC (Hansen Gress),	4,041 SF
2- Land leased from CBJ proposed to be purchased	4,178 SF
3- Additional CBJ land to be purchased	<u>636 SF</u>
Total Area	8,855 SF



Figure 3.1 - Various Components of This Site Shown on The CBJ GIS Mapping

A complete legal description has not been made at the subject site. The following figure shows the original lease exhibit with the various components of the site.

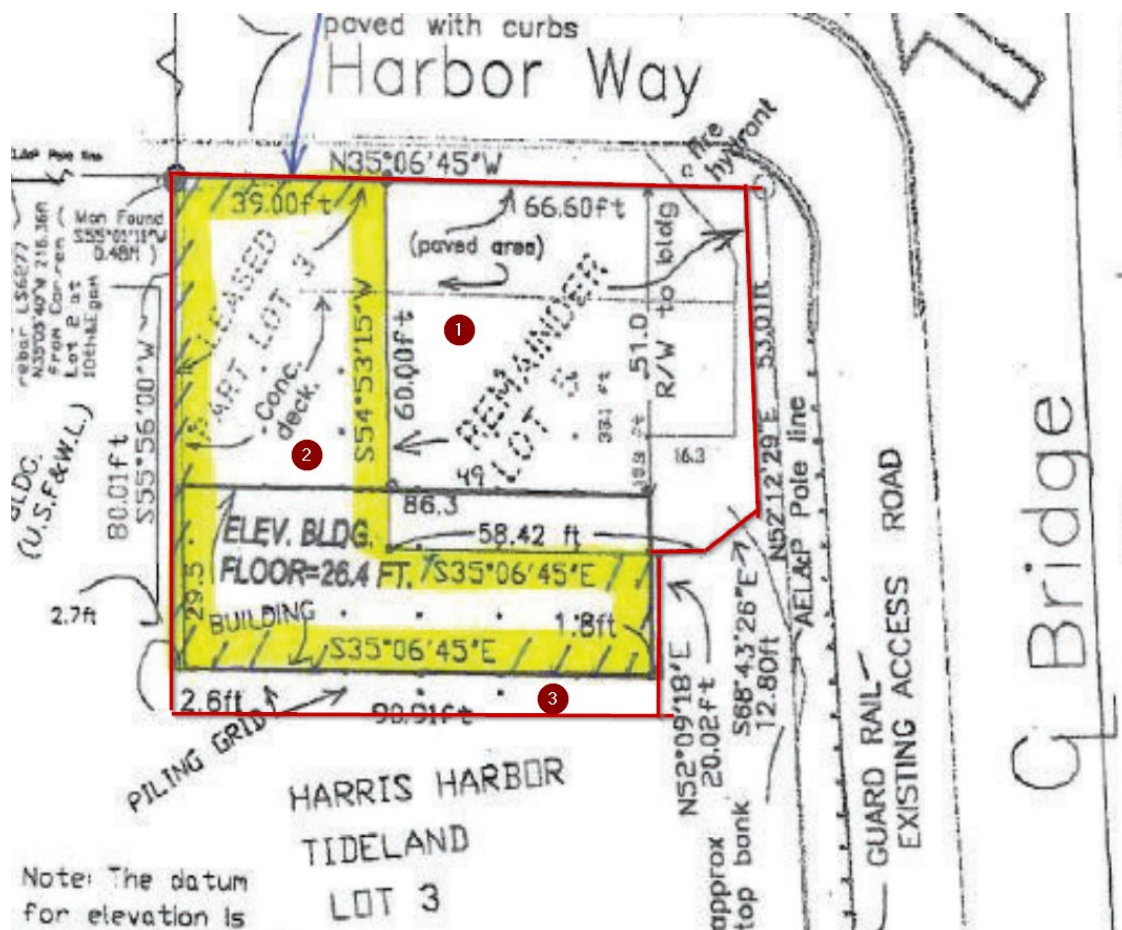


FIGURE 3.2 - Original lease exhibit annotated by the appraiser with the three components of the site.

### Legal description and site size

The larger hypothetical parcel support's the commercial building at 1000 harbor drive, Juneau Alaska. The three component parts are described as follows:

**Fee Owned land** is a remainder part of Lot 5 Block 51 of the Tidelands Addition to the City of Juneau, Alaska, according to the official plat of survey said Addition which plat is a subdivision of Alaska Tidelands Survey No. 3 and is filed in the office of the recorder for the Juneau Recording District at Juneau, Alaska, as Plat No. 347. The CBJ Assessor shows the area as 4,041 SF

**The Lease part** is a portion of Lot 3, Block 51, of the same Tidelands Addition, Plat No. 347; more particularly described as follows: Beginning at Corner No. 1, identical with the most northerly corner of Lot 5, Block 51; thence S 54° 53' 15" W 60.00 feet to Corner No. 2; thence S 35° 06' 45" E 49.50 feet to Corner No. 3; thence S 52° 09' 18" W 20.02 feet to Corner No. 4; thence N 35° 06' 45" W 90.91 feet to Corner No. 5; thence N 55° 56' E 80.01 feet to Corner No.

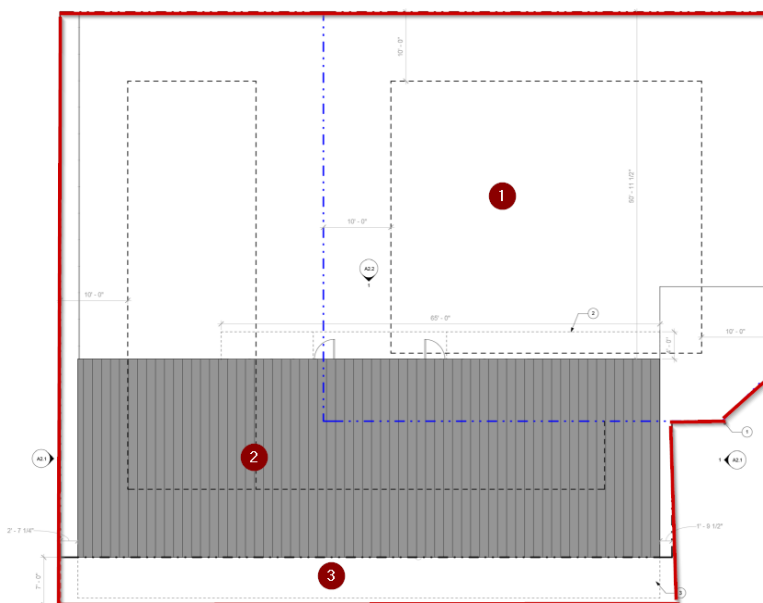


6; thence S 35° 06' 45" E 39.00 feet to Corner No. 1, the place of beginning; containing 4,178 square feet, more or less.

The **additional CBJ land** is a part of the Tideland Addition adjacent to the leased land seaward of the building extending about 7' along the 90.91 boundary. The parcel is about 636 SF.

The hypothetical new site does not yet have a complete legal description. For the purpose of our analysis, we make the extraordinary assumption that the site allocation areas are as summarized previously with the total land area of 8,855 SF.

Based on the area components the appraiser estimates there are about 105.6 feet along the northeast boundary on Harbor Way, an irregular boundary along the southeast side adjacent to the Juneau Douglas Bridge right-of-way access road., about 115 feet along the southwest border facing the unoccupied CBJ tidelands and about 87 feet along the northwest border adjacent to US Fish and Wildlife property.



**FIGURE 3.3 – Original Architectural Drawing of site modified and annotated by the appraiser showing three elements of the new hypothetical land parcel.**

## Land Characteristics



**Figure 3.4 – Photo looking at contour transition of filled and sloping areas. Photo taken by Tyler Gress.**

Actual surveyed topographical information has not been furnished to the appraiser. The site is predominantly sloping tidelands however there is a filled 18 to 20-foot-wide strip parallel to Harbor Way which is filled and paved over. For the purpose of the appraisal we estimate the filled strip along Harbor Way is 19 feet wide indicating 1,265 SF ( 19 feet x 66.6 feet) of fee land and 741 SF ( 19 feet x 39 feet) of leased lands along the roadway. The balance of the site slopes downward from road grade of Harbor Way to submerge lands of Harris Harbor. They are typical of the Harbor waterfront sloping tideland with evidence of crushed rock remnants of the AJ Mine tailings.

The land character distribution among the three components of the site between filled lands and sloping tidal lands are summarized in the table below.

Land Component		Land Area	Filled Land	Tideland or Sloping	% Tideland	% Filled
1 Fee Owned		4,041	1,265	2,776	69%	31%
2	Leased Land	4,178	741	3,437	82%	18%
3	Additional land	<u>636</u>		<u>636</u>	100%	0%
		8,855	2,006	6,848	77%	23%

### Easements and Other Restrictions

There are no known easements or platted site restrictions.

### Access

The site, as presently developed, has vehicular access via Harbor Way. This is a narrow secondary paved city street. It parallels Egan Drive a four-lane controlled access road with a turning lane and single intersection concurrent to the subject corner onto the J.D. Bridge going west and 10<sup>th</sup> Avenue going east. There is no direct access onto Harbor Way except a block to the north off Egan Drive and only from traffic heading south. Harbor Way turns at the subject paralleling the J.D. Bridge as an adjacent gravel access road but is not a legal through street.

Water access would be from the tidelands of Harris Harbor but is not utilized by the subject or in any way connected to it.

### Utilities

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

## 3.2 ZONING

The subject lot is zoned WC for Waterfront Commercial. 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. Typically, the area lots are developed with commercial, retail, storage, shops, apartments, office, or other administrative and support facilities. The subject is on the harbor making it convenient for marine-oriented businesses that require direct water access.

### 3.3 ASSESSED VALUATION AND TAXES

**Assessor's Parcel #:** 1C060K510041

	Assessor parcel number	Abbreviated legal disc.	Land area	Land value	Building value	Total value
1 Fee Owned	1C060K510040	Tidelands Addition Bl 51 Lt 5	4041.00 SF	\$473,487	\$322,950	\$796,437
2 Leased	1C060K510041	Lease Tidelands Addition Bl 51 Lt 3 Fr	4177.68 SF	Possessory Interest in above	In above	In above

The leased land assessment is carried on the adjacent fee-owned parcel, 1C060K510040. It appears that subject land possessory interests are carried under this land value. The mill rate for 2022 was 10.56 which indicated taxes of \$8,410.

#### Functional Utility of Site

The CBJ additional land (3) and leased tidelands (2) are used in conjunction with the contiguous fee-owned land (1) forming one compact site supporting a two-story commercial building which houses office and retail uses taking advantage of the site's central location but not particularly tied to direct water access. The businesses do have good proximity to harbors and other marine activities.

The combination of these three parcels maximizes their unit value and the **highest and best use**.

## 4 VALUATION

### 4.1 LAND VALUATION

The land will be valued by the direct comparison approach on a price per SF using commercial land sales and capitalized land rents in the competitive market. For valuation purposes, the two site components; level land at road grade (upland) and sloping/tidelands (tideland) are considered for their contributory value of the overall site. We have determined<sup>6</sup> that the SF value of the tidelands is 40% of the SF value of the uplands. We have then adjusted the concluded value of the uplands by this ratio (40%) to determine the contributory value of the tidelands. As shown in the sales Table 4.1 below, this is supported by the allocated tideland values.

Comps 1, 2 and 3 are land rents. They have been capitalized to indicate what the value or price would be as expressed by these rents as indicated in the table below.

The following transactions were found to be most helpful in our analysis.

<b>Table 4.1 - Summary of Sales Used to Estimate the Value of the Subject Uplands</b>							
Comp #	Address	Date	Indicated Price	SF Size	Price /SF Overall	Price/SF Upland	Price/SF Tideland
1-11959	1000 Harbor Way	03/2019	*\$73,100	4,178	\$17.50		\$17.50
2-10025	345 Egan DR	10/2022	*\$489,276	14,070	\$34.77	\$34.77	\$13,91
3-5011	98 Egan DR	06/2018	*\$625,862	19,916	\$31.43		
	Upland		\$360,047	6,998		\$51.45	
	Tideland		\$265,815	12,918			\$20.58
4-8018	1050 Harbor Way	07/2014	\$170,000	4,617	\$36.82		
	Upland		\$121,429	2,308.5		\$52.60	
	Tideland		\$48,571	2,308.5			\$21.40
5-12188	224 2 <sup>nd</sup> St.	1/2021	\$286,000	4,913	\$58.21	\$58.21	
*These are land rents that have been capitalized and show as the Indicated Price in the table above.							

<sup>6</sup> See addenda for the Tideland Value Ratio study. The subjects are rated as well functioning tide lands at 40%.

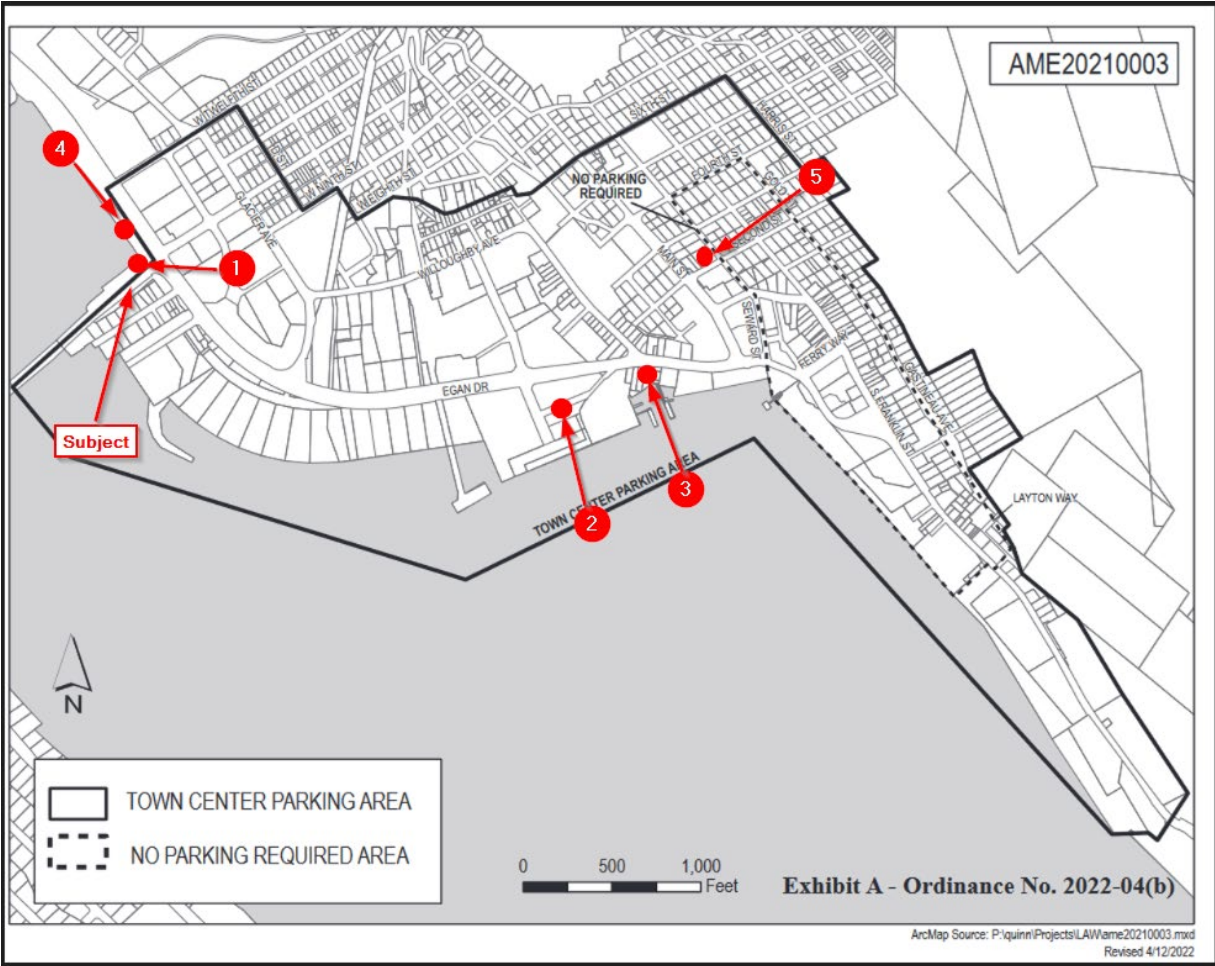


FIGURE 4.1 - Subject and Comp Location on parking area map.

**Quantitative Adjustments**

As discussed above Quantitative Adjustments are made for the rental **Comps 1, 2, and 3** whereby these annual rents are capitalized to indicate market value which is then expressed as a price per SF. The rents are capitalized at the contract rate if applicable or a market rate of 8%.

**Comps 4 and 5** have elements of filled uplands and tidelands as does the subject. These value indicators are further broken out based on an allocation that the tidelands at 40% of the unit value of uplands. This ratio is supported by market analysis contained in the Addenda, Tideland Value Ratios. This is also the case with the subject. Our analysis will develop a unit value of the uplands. The remaining portion of the subject lands will be added at a ratio of 40% of the upland unit value.

**Qualitative Analysis**

The remaining elements of comparison, change in market conditions, conditions of sale, location, and development potential are made in a qualitative manner since discrete



adjustments discerned from the market to make quantitative adjustments are not reliably available.

The upland sales are considered on a qualitative basis relative to their being superior, inferior, or similar to the subject due to these differences. The indicated price per SF is qualitatively ranked in the following discussion. If a comparable attribute is superior to the subject, a minus rating of -1, -2, or -3 is made, depending on its severity. Conversely, if a comparable attribute is inferior to the subject, a plus rating is made to weigh this with other attributes towards the subject with a +1, +2, or +3, depending on the severity. The gradation of weighting 1 to 3 is used since all qualitative attributes are not, in the appraiser’s opinion, equally weighted within the market.

The **market conditions** have changed over the last five years. Prior to the pandemic in early 2020, the market had been relatively stable. The pandemic introduced considerable market uncertainty into 2021. As time went forward it appeared that travel and some of the other pandemic restrictions may be loosening up even though the COVID virus remained a persistent threat. 2022 began to see a recovery in the overall economic conditions with increases in sales, employment, and gross earnings in certain market segments which had suffered. There were inflationary pressures that began to be exhibited in 2022. The transactions prior to 2022 are considered inferior by +1 for Comps 1, 3, and 4.

**Conditions of sale** is rated similar between the subject and the various sales. They were typically motivated, advertised or supported by rational market criteria.

**Property rights** is an adjustment for limitations of use that the property has as compared to the subject which is appraised in fee simple open to all legal highest and best uses. Comp 2 was restricted to parking only and is inferior in property rights +1. Comp 5 had an easement through it that encumbers a significant part of the area and limits it to parking only also inferior by+1.

**Location** considers site prominence as exposure to pedestrian or vehicular traffic and ease of access. Comps 2 and 3 located in the Town Center Parking Area and Comp #5 is located in the No Parking Required Area. These are advantageous parking standards as compared to the subject. However, there are other locational considerations that may somewhat offset this advantage. The subject has good site prominence but is difficult to access from the freeway and has limited offsite parking opportunities. Comp 1 is a tidelands indicator of the subject and is similarly located. Comp 2 is located closer to town but is off the main road and on balance rated similar in location to the subject. Comp 3 has good highway frontage and site prominence and is located closer to town being superior by –2. Comp 4 in the same block of the subject but located slightly closer to public parking and is slightly superior by -1. Comp 5 is located in the center of town and is superior by -2.

**Summary and Relative Ranking**

The rankings discussed above relative to their SF values compared to the subject are summarized in the following Table 4.2 for the subject uplands.

TABLE 4.2 QUALITATIVE ADJUSTMENT GRID – UPLAND SF VALUE									
Characteristic	Subject	Comp 2 (#10025) 345 Egan Dr.		Comp 3 (#5011) 98 Egan Dr.		Comp 4 (#8018) 1050 Harbor Way		Comp 5 (#12188) 224 2 <sup>nd</sup> St.	
Size (SF)	8,855 SF	14,070 SF		19,916 SF		4,617 SF		4,913 SF	
Indicated SF Value of Upland	Solve	\$34.77		\$51.45		\$52.60		\$58.21	
Market Condition (Time)	2/2022	10/22	0	6/18	+1	7/14	+1	1/21	0
Condition of Sale	Typical	Similar	0	Similar	0	Similar	0	Similar	0
Property Rights	Fee	Inferior	+1	Similar	0	Similar	0	Inferior	+1
Location	Good Prominence	Similar	0	Superior	-2	Superior	-1	Superior	-2
Net Rating		Inferior	+1	Superior	-1	Similar	0	Superior	-1
The Subject Value Is:		More than \$34.77/SF		Less than \$51.45/SF		Similar to \$52.60/SF		Less than \$58.21/SF	

If a comparison is **Superior**, a Minus rating of -1, -2, or -3 is given depending on severity.  
If a comparison is **Inferior**, a Plus rating of +1, +2, or +3 is given depending on severity.

The data bracket the subject between \$34.77/SF and \$58.21/SF. The closest and most similar upland indicator is Comp #4, \$52.60/ SF. This is the subject's immediate area. This indicator is considered against the other two superior rated Comps \$51.40/SF and \$58.21/SF. The lower end of the range is set at \$34.77/SF which is inferior. The upper end of the range is given the most weight in this instance suggesting \$50/SF for that portion of the site which is filled up lands.

The data suggests that the tidelands element of the subject would contribute 40% of the filled upland SF value or \$20/SF (\$50 times 40%). This is validated by the allocated tideland sales which range from \$13.90/ SF to just over \$20/SF. A portion of the subject currently leased as tidelands (Comp 1) at \$17.50/ SF is rated slightly inferior for market conditions. These indicators support \$20/SF with the tideland elements of the subject parcel.

Based on the contour elements of the site the overall value is summarized as follows.

Upland	2,006 SF x \$50.00/SF = \$100,320
Tideland	6,849 SF x \$20.00/SF = \$136,972
Total	8,855 SF x \$26.80/SF = \$237,292

This value is allocated among the various ownership interests and site elements in the following tables.

<b>Fee Owned Part of Site Hansen Gress</b>			
Upland	1,265.4 SF	\$50.00/SF	\$63,270.00
Tideland	<u>2,775.6 SF</u>	\$20.00/SF	<u>\$55,512.00</u>
<b>Total</b>	<b>4,041.0 SF</b>	<b>\$29.39/SF</b>	<b>\$118,782.00</b>

<b>CBJ Ownership Interest in the Site</b>			
Leased Upland	741.0 SF	\$50.00/SF	\$37,050.00
Leased Tideland	<u>3,437.0 SF</u>	\$20.00/SF	<u>\$68,740.00</u>
Total leased land	4,178.0 SF	\$25.32/SF	\$105,790.00
Additional Tideland	<u>636.0 SF</u>	\$20.00/SF	<u>\$12,720.00</u>
<b>Total CBJ Land Value</b>	<b>4,814.0 SF</b>	<b>\$24.62/SF</b>	<b>\$118,510.00</b>

---

# 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 rent for the tideland lease in June of 2021. 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

February 21, 2023  
Effective Date of Appraisal

February 24, 2023  
Date of Report

## SUBJECT PHOTOGRAPHS

Section F, Item 2.



**PHOTO 1 – Subject as it fronts Harbor Way. 20230221\_120018.**



**PHOTO 2 – Close up of subject concrete deck over tidelands and sloping lands adjacent to US Fish and Wildlife property. 20230221\_115928.**



## SUBJECT PHOTOGRAPHS

Section F, Item 2.



**PHOTO 3 – Distant view of subject as it faces the water.**  
**20230221\_120502.**



**PHOTO 4 – Subject photo left of DOT access road which parallels the JD Bridge.** 20230221\_120527.

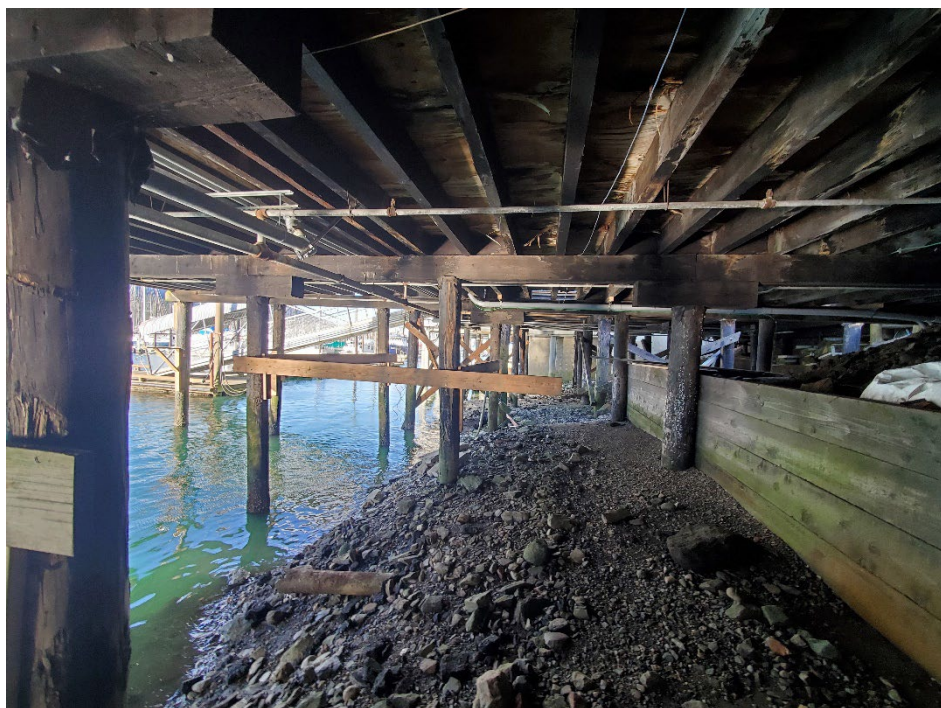


## SUBJECT PHOTOGRAPHS

Section F, Item 2.



**PHOTO 5 – Looking under the northwesterly part of building as topography transitions from filled lands to sloping lands. 20230221\_120316.**

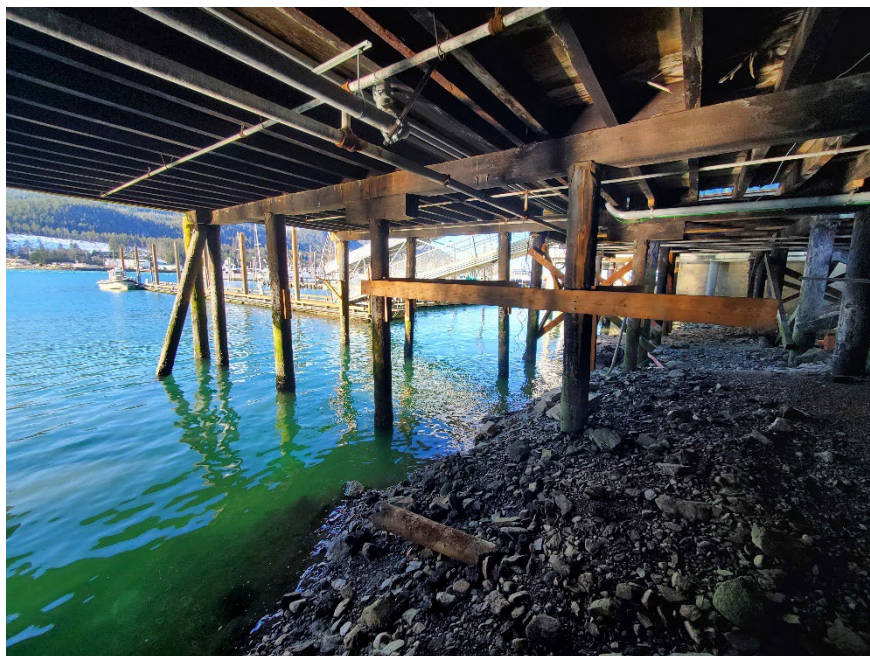


**PHOTO 6 – View under buildings between piling looking towards US Fish and Wildlife property. 20230221\_120202.**



## SUBJECT PHOTOGRAPHS

Section F, Item 2.



**PHOTO 7 – View under building looking out towards water in a southwesterly direction. 20230221\_120209.**



**PHOTO 8 – Looking directly seaward across tidelands under building. 20230221\_120133.**

cc

A  
L  
A  
S  
K  
A

2010-006502-0

Recording Dist: 101 - Juneau

Section F, Item 2.

11/12/2010 9:17 AM Pages: 1 of 11



## LEASE AGREEMENT FOR A PORTION OF LOT 3, BLOCK 5, ALASKA TIDELANDS ADDITION

**PART I. PARTIES.** This lease is between the City and Borough of Juneau, Alaska, a municipal corporation in the State of Alaska, hereafter "City," and Harbor Lights Enterprises, LLC, hereafter "Lessee."

**PART II. LEASE ADMINISTRATION.** All communications about this lease shall be directed as follows, and any reliance on a communication with a person other than that listed below is at the party's own risk.

**City:**

Attn: John M. Stone, P.E.  
Port Director  
City and Borough of Juneau

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

**Lessee:**

Attn: Gary Patton  
Secretary Treasurer  
Harbor Lights Enterprises, LLC

1000 Harbor Way  
Juneau, AK 99801  
Phone: (907) 789-1400

**PART III. LEASE DESCRIPTION.** This lease agreement is identified as: Lease Agreement for Portion of Lot 3, Block 5, Alaska Tidelands Addition. The following appendices are attached hereto and are considered to be part of this lease agreement as well as anything incorporated by reference or attached to those appendices.

- Appendix A: Property Description & Additional Lease Provisions
- Appendix B: Lease Provisions Required by CBJ Chapter 53.20
- Appendix C: Standard Provisions

If in conflict, the order of precedence shall be: this document, Appendix A, B, and then C.

**PART IV. PRIOR LEASE SUPERSEDED.** This lease agreement supersedes and replaces the lease agreement entered into on March 3, 1967 between the City of Juneau, Alaska, and predecessor lessees D.C. and Phyllis Langdon d/b/a L&M Enterprises, and any amendments to, or assignments of, that lease agreement including the assignment of the lease to Harbor Lights Enterprises, LLC, which was approved by the City and Borough of Juneau and recorded on May 9, 2008, at the Juneau Recording District (2008-003416-0).

**PART V. LEASE EXECUTION.** City and Lessee agree and sign below. This contract is not effective until at least the effective date of the ordinance (September 22, 2010) until signed by the City.

*Lease Agreement for a Portion of Lot 3, Block 5, Alaska Tidelands Addition*  
2010

*Page 1 of 10*



City:  
Date: 10-29-2010  
By: [Signature]  
John M. Stone, Port Director

Lessee:  
Date: 10-29-2010  
By: [Signature]  
Gary Patton  
Secretary Treasurer  
Harbor Lights Enterprises, LLC

**CITY ACKNOWLEDGMENT**  
STATE OF ALASKA

FIRST JUDICIAL DISTRICT

)  
) ss:  
)  
This is to certify that on the 29<sup>th</sup> day of OCTOBER, 2010, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared John M. Stone to me known to be the Port Director of the City and Borough of Juneau, Alaska, a municipal corporation which executed the above foregoing instrument, who on oath stated that he was duly authorized to execute said instrument on behalf of said corporation; who acknowledged to that that he 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.

[Signature]  
Notary Public in and for the State of Alaska  
My Commission Expires: 05-14-11



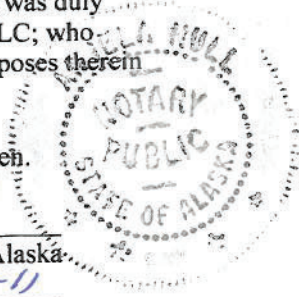
**LESSEE ACKNOWLEDGMENT**  
STATE OF ALASKA

FIRST JUDICIAL DISTRICT

)  
) ss:  
)  
This is to certify that on the 29<sup>th</sup> day of OCTOBER, 2010, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Gary Patton, to me known to be the identical individual described in and who executed the foregoing instrument, as Lessee, which executed the above and foregoing instrument; who on oath stated that he was duly authorized to execute said instrument for and on behalf of Harbor Lights Enterprises, LLC; who acknowledged to me that he signed 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.

[Signature]  
Notary Public in and for the State of Alaska  
My Commission Expires: 05-14-11



Risk Management Review: 11-10-11, Risk Manager  
Approved as to Form: [Signature], Law Department

**APPENDIX A:  
PROPERTY DESCRIPTION & ADDITIONAL LEASE PROVISIONS**

**1. DESCRIPTION OF PROPERTY**

The property subject to this lease is generally referred to as "the Leased Premises" or "the Property." The Leased Premises are described as follows:

A portion of Lot 3, Block 51, of the Tidelands Addition to the City of Juneau, Alaska, according to the official plat of survey of said Addition which plat is a subdivision of Alaska Tidelands Survey No. 3 and is filed in the office of the Recorder for the Juneau Recording District at Juneau, Alaska as Plat No. 347; which portion of Lot 3, Block 51, is more particularly described as follows:

Beginning at Corner No. 1, identical with the most northerly corner of Lot 5, Block 51; thence S 54° 53' 15" W 60.00 feet to Corner No. 2; thence S 35° 06' 45" E 49.50 feet to Corner No. 3; thence S 52° 09' 18" W 20.02 feet to Corner No. 4; thence N 35° 06' 45" W 90.91 feet to Corner No. 5; thence N 55° 56' E 80.01 feet to Corner No. 6; thence S 35° 06' 45" E 39.00 feet to Corner No. 1, the place of beginning; containing 4,177 square feet, more or less.

Excepting therefrom that portion conveyed to the State of Alaska by Deed recorded September 8, 1980 in Book 170 at Page 557.

The Leased Premises are depicted on Exhibit A to CBJ Ordinance No. 2010-24. A copy of Exhibit A is attached to and made a part of this lease by this reference.

**2. AUTHORITY**

This lease is entered into pursuant to the authority of CBJ Code Section 85.02.060(a)(5) and CBJ Chapter 53.20; and CBJ Ordinance No. 2010-24 enacted by the Assembly on August 23, 2010 and effective on September 22, 2010.

**3. TERM AND RENEWAL OPTION**

The effective date of this lease shall be no earlier than the effective date of CBJ Ordinance No. 2010-24 and the date this lease agreement is signed by City. The term of the lease is 35 years, commencing on the effective date of this lease agreement, unless sooner terminated. City grants Lessee an option to renew this lease for one, successive period of 35 years. Lessee shall exercise this option, if at all, by written notice given to City during the first six months of the last year of the underlying lease term.

**4. LEASE PAYMENTS AND ADJUSTMENTS**

(a) Lessee shall pay City an annual lease payment for the Lease Premises. The annual lease payments shall be due and paid by Lessee to City on or before March 3 of each year of the term. The first annual lease payment shall be due and paid on or before March 3, 2011.

*Lease Agreement for a Portion of Lot 3, Block 5, Alaska Tidelands Addition  
2010*

*Page 3 of 10*



3 of 11

2010-006502-0



(b) The annual lease payment for the first three-year period of the lease term shall be \$1,253.28 per year (\$.30 per square foot per year), plus sales tax.

(c) Beginning with the first year after the initial three-year period of the term, the Port Director will re-evaluate and adjust the annual lease payment for the Leased Premises for the next five-year period of this lease, and then every five years thereafter, pursuant to Appendix B, Section 3(2) of this lease, CBJ 53.20.190(2), CBJ 85.02.060(a)(5), and the Docks and Harbors lease administration regulations, 05 CBJAC Chapter 50. The new annual lease payment amount shall be paid retroactively to the beginning of that lease payment adjustment period. The Port Director's re-evaluation of the annual lease payment amount may, at the Port Director's discretion, include obtaining an appraisal by a qualified appraiser.

(d) Should the Lessee disagree with the lease rent adjustment proposed by the Port Director, the Lessee shall pay for an appraisal in accordance with the requirements set out in 05 CBJAC 50.050, as provided for below. (See Appendix B, paragraph 3(2)(a)).

## **5. AUTHORIZED USE OF PREMISES**

Lessee is authorized to use the Lease Premises for housing various retail businesses, and marine related businesses and uses. Lessee shall be responsible for obtaining all necessary permits and approvals for Lessee's development and improvement of the Leased Premises (or of the Lessee's existing building or facilities if otherwise required by law.) Lessee is required to obtain approval of its development and improvement plans from the City Docks and Harbors Board prior to any further development of the Leased Premises or improvements to any existing building or facilities owned by the City.

## **6. INSURANCE**

### **Commercial General Liability Insurance**

Lessee shall maintain at all times during this lease commercial general liability insurance in the amounts of \$1,000,000 per occurrence and \$2,000,000 general aggregate. The insurance policy shall name City as an "Additional Insured" and shall contain a clause that the insurer will not cancel or change the insurance without first giving City 31 days' prior written notice. Lessee will provide evidence of this insurance to City in a form acceptable to the City Office of Risk Management.

### **Property Insurance**

Lessee acknowledges that City carries no fire or other casualty insurance on the Lease Premises or improvements located thereon belonging to Lessee, and that it is the Lessee's obligation to obtain adequate insurance for protection of Lessee's buildings, fixtures, or other improvements, or personal property located on the Leased Premises, and adequate insurance to cover debris removal.





**APPENDIX B:  
LEASE PROVISIONS REQUIRED BY CBJ CHAPTER 53.20 and CBJ CHAPTER 50**

**1. RESPONSIBILITY TO PROPERLY LOCATE ON LEASED PREMISES.**

As required by CBJ 53.20.160, it shall be the responsibility of Lessee to properly locate Lessee's improvements on the Lease Premises and failure to so locate shall render Lessee's liable as provided by law.

**2. APPROVAL OF OTHER AUTHORITIES.**

As required by CBJ 53.20.180, the issuance by City of leases, including this lease, under the provisions of CBJ Title 53 does not relieve Lessees of responsibility for obtaining licenses, permits, or approvals as may be required by City or by duly authorized state or federal agencies.

**3. TERMS AND CONDITIONS OF LEASES REQUIRED BY CBJ 53.20.190.**

As required by CBJ 53.20.190, the following terms and conditions govern all leases and are incorporated into this lease unless modified by the Assembly by ordinance or resolution for this specific lease. Modifications of the provisions of this Appendix B applicable to this specific lease, if any, must specifically modify such provisions and be supported by the relevant ordinance or resolution to be effective.

(1) **Lease Utilization.** The Leased Premises shall be utilized only for purposes within the scope of the application and the terms of the lease, and in conformity with the provisions of City code, and applicable state and federal laws and regulations. Utilization or development of the Leased Premises for other than the allowed uses shall constitute a violation of the lease and subject the lease to cancellation at any time.

(2) **Adjustment of Rental.** Lessee agrees to a review and adjustment of the annual rental payment by the Port Director not less often than every fifth year of the lease term beginning with the rental due after completion of each review period, except for the first review and adjustment, which shall take place as provided for in Appendix A(4)(C), above. Any changes or adjustments shall be based primarily upon the values of comparable land in the same or similar areas; such evaluations shall also include all improvements, placed upon or made to the land, to which the City has right or title, excluding landfill placed upon the land by Lessee, except that the value of any improvements credited against rentals shall be included in the value.

(a) **Adjustment Dispute Resolution.** Should the Lessee disagree with the lease rent adjustment proposed by the Port Director, the Lessee shall pay for an appraisal and have the appraisal undertaken in accordance with the requirements set out in 05 CBJAC 50.050. In the event the Docks and Harbors Board disagrees with an appraisal, and the Board can not reach an agreement with the lessee on the lease rent adjustment, the Board shall pay for an additional appraisal and have the appraisal undertaken in accordance with the requirements set out in 05 CBJAC 50.050. The Board shall establish the lease rent adjustment based on this additional appraisal. In the event the Lessee disagrees with the lease rent adjustment, the lessee may appeal to the Assembly. The decision of the Assembly shall be final.

(3) **Subleasing.** Lessee may sublease Leased Premises or any part thereof leased to Lessee hereunder; provided, that the proposed sub-lessee shall first apply to City for a permit therefore; and further provided, that the improvements on the Leased Premises are the substantial reason for the sublease. Leases not having improvements thereon shall not be sublet. Subleases shall be in writing and

*Lease Agreement for a Portion of Lot 3, Block 5, Alaska Tideland Addition*      *Page 5 of 10*  
2010





be subject to the terms and conditions of the original lease; all terms, conditions, and covenants of the underlying lease that may be made to apply to the sublease are hereby incorporated into the sublease.

(4) **Assignment.** Lessee may assign its rights and obligations under this lease; provided, that the proposed assignment shall be approved by City prior to any assignment. The assignee shall be subject to all of the provisions of the lease. All terms, conditions, and covenants of the underlying lease that may be made applicable to the assignment are hereby incorporated into the assignment.

(5) **Modification.** The lease may be modified only by an agreement in writing signed by all parties in interest or their successor in interest.

(6) **Cancellation and Forfeiture.**

(a) The lease, if in good standing, may be cancelled in whole or in part, at any time, upon mutual written agreement by Lessee and City.

(b) City may cancel the lease if it is used for any unlawful purpose.

(c) If Lessee shall default in the performance or observance of any of the lease terms, covenants or stipulations thereto, or of the regulations now or hereafter in force, or service of written notice by City without remedy by Lessee of the conditions warranting default, City may subject Lessee to appropriate legal action including, but not limited to, forfeiture of the lease. No improvements may be removed by Lessee or other person during any time Lessee is in default.

(d) Failure to make substantial use of the land, consistent with the proposed use, within one year shall in the discretion of City with approval of the Assembly constitute grounds for default.

(7) **Notice or Demand.** Any notice or demand, which under terms of a lease or under any statute must be given or made by the parties thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address of record. However, either party may designate in writing such new or other address to which the notice or demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed delivered when deposited in a United States general or branch post office enclosed in a registered or certified mail prepaid wrapper or envelope addressed as hereinbefore provided.

(8) **Rights of Mortgage or Lienholder.** In the event of cancellation or forfeiture of a lease for cause, the holder of a properly recorded mortgage, conditional assignment or collateral assignment will have the option to acquire the lease for the unexpired term thereof, subject to the same terms and conditions as in the original lease.

(9) **Entry and Reentry.** In the event that the lease should be terminated as herein before provided, or by summary proceedings or otherwise, or in the event that the demised lands, or any part thereof, should be abandoned by Lessee during the term, City or its agents, servants, or representative, may, immediately or any time thereafter, reenter and resume possession of lands or such thereof, and remove all personals and property there either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages. No reentry by City shall be deemed an acceptance of a surrender of the lease.

*Lease Agreement for a Portion of Lot 3, Block 5, Alaska Tidelands Addition  
2010*

*Page 6 of 10*



6 of 11  
2010-006502-0



(10) **Lease.** In the event that the lease should be terminated as herein provided, or by summary proceedings, or otherwise, City may offer the lands for lease or other appropriate disposal pursuant to the provisions of City code.

(11) **Forfeiture of Rental.** In the event that the lease should be terminated because of any breach by Lessee, as herein provided, the annual rental payment last made by Lessee shall be forfeited and retained by City as partial or total damages for the breach.

(12) **Written Waiver.** The receipt of rent by City with knowledge of any breach of the lease by Lessee or of any default on the part of Lessee in observance or performance of any of the conditions or covenants of the lease, shall not be deemed a waiver of any provision of the Lease. No failure on the part of the City to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by City unless in writing, shall discharge or invalidate such covenants or provisions or affect the right of City to enforce the same in the event of any subsequent breach or default. The receipt, by City, of any rent or any other sum of money after the termination, in any manner, of the term demised, or after the giving by City of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice or termination as may have been given thereunder by City to Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by City.

(13) **Expiration of Lease.** Unless the lease is renewed or sooner terminated as provided herein, Lessee shall peaceably and quietly leave, surrender and yield up to the City all of the leased land on the last day of the term of the lease.

(14) **Renewal Preference.** Any renewal preference granted Lessee is a privilege, and is neither a right nor bargained for consideration. The lease renewal procedure and renewal preference shall be that provided by ordinance in effect on the date the application for renewal is received by the designated official.

(15) **Removal or Reversion of Improvement upon Termination of Lease.** Improvements owned by Lessee shall within sixty calendar days after the termination of the lease be removed by Lessee; provided, such removal will not cause injury or damage to the lands or improvements demised; and further provided, that City may extend the time for removing such improvements in cases where hardship is proven. Improvements owned by Lessee may, with the consent of City, be sold to the succeeding Lessee. All periods of time granted Lessee to remove improvements are subject to Lessee's paying the City pro rata lease rentals for the period.

(a) If any improvements and/or chattels not owned by City and having an appraised value in excess of five thousand dollars as determined by the assessor are not removed within the time allowed, such improvements and/or chattels on the lands, after deducting for City rents due and owning and expenses incurred in making such sale. Such rights to proceeds of the sale shall expire one year from the date of such sale. If no bids acceptable to the Port Director are received, title to such improvements and/or chattels shall vest in City.

(b) If any improvements and/or chattels having an appraised value of five thousand dollars or less, as determined by the assessor, are not removed within the time allowed, such improvements and/or chattels shall revert to, and absolute title shall vest in, City.

*Lease Agreement for a Portion of Lot 3, Block 5, Alaska Tidelands Addition  
2010*

*Page 7 of 10*





(16) **Rental for Improvements or Chattels not Removed.** Any improvements and/or chattels belonging to Lessee or placed on the lease during Lessee's tenure with or without his permission and remaining upon the premises after the termination date of the lease shall entitle City to charge Lessee a reasonable rent therefor.

(17) **Compliance with Regulations Code.** Lessee shall comply with all regulations, rules, and the code of the City and Borough of Juneau, and with all state and federal regulations, rules and laws as the code or any such rules, regulations or laws may affect the activity upon or associated with the leased land.

(18) **Condition of Premises.** Lessee shall keep the premises of the lease in neat, clean, sanitary and safe condition and shall take all reasonable precautions to prevent, and take all necessary action to suppress destruction or uncontrolled grass, brush or other fire on the leased lands. Lessee shall not undertake any activity that causes or increases a sloughing off or loss of surface materials of the leased land.

(19) **Inspection.** Lessee shall allow an authorized representative of City to enter the lease land for inspection at any reasonable time.

(20) **Use of Material.** Lessee of the surface rights shall not sell or remove for use elsewhere any timber, stone, gravel, peat moss, topsoils, or any other materials valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used, if its use is first approved by the City.

(21) **Rights-of-Way.** City expressly reserves the right to grant easements or rights-of-way across leased land if it is determined in the best interest of the City to do so. If City grants an easement or right-of-way across the leased land, Lessee shall be entitled to damages for all Lessee-owned improvements or crops destroyed or damaged. Damages shall be limited to improvements and crops only, and loss shall be determined by fair market value. Annual rentals may be adjusted to compensate Lessee for loss of use.

(22) **Warranty.** City does not warrant by its classification or leasing of land that the land is ideally suited for the use authorized under the classification or lease and no guaranty is given or implied that it shall be profitable to employ land to said use.

(23) **Lease Rental Credit.** When authorized in writing by City prior to the commencement of any work, Lessee may be granted credit against current or future rent; provided the work accomplished on or off the leased area results in increased valuation of the leased or other city and borough-owned lands. The authorization may stipulate type of work, standards of construction and the maximum allowable credit for the specific project. Title to improvements or chattels credited against rent under this section shall vest immediately and be in City and shall not be removed by Lessee upon termination of the lease.





### APPENDIX C: STANDARD PROVISIONS

- (1) **Holding Over.** If Lessee holds over beyond the expiration of the term of this lease and the term has not been extended or renewed in writing, such holding over will be a tenancy from month-to-month only.
- (2) **Interest on Late Payments.** Should any installment of rent or other charges provided for under the terms of this lease not be paid when due, the same shall bear interest at the rate established by ordinance for late payments or at the rate of 12 percent per annum, if no rate has been set by ordinance.
- (3) **Taxes, Assessments, and Liens.** During the term of this lease, Lessee shall pay, in addition to the rents, all taxes, assessments, rates, charges, and utility bills for the Leased Premises and Lessee shall promptly pay or otherwise cause to be discharged, any claim resulting or likely to result in a lien, against the Leased Premises or the improvements placed thereon.
- (4) **Easements.** Lessee shall place no building or structure over any portion of the Leased Premises where the same has been set aside or reserved for easements.
- (5) **Encumbrance of Parcel.** Lessee shall not encumber or cloud City's title to the Leased Premises or enter into any lease, easement, or other obligation of City's title without the prior written consent of the City; and any such act or omission, without the prior written consent of City, shall be void against City and may be considered a breach of this lease.
- (6) **Valid Existing Rights.** This lease is entered into and made subject to all existing rights, including easements, rights-of-way, reservations, or other interests in land in existence, on the date of execution of this lease.
- (7) **State Discrimination Laws.** Lessee agrees, in using and operating the Leased Premises, to comply with applicable sections of Alaska law prohibiting discrimination, particularly Title 18 of the Alaska Statutes, Chapter 80, Article 4 (Discriminatory Practices Prohibited). In the event of Lessee's failure to comply any of the above non-discrimination covenants, City shall have the right to terminate the lease.
- (8) **Unsafe Use.** Lessee shall not do anything in or upon the Leased Premises, nor bring or keep anything therein, which will unreasonably increase or tend to increase the risk of fire or cause a safety hazard to persons or obstruct or interfere with the rights of any other tenant(s) or in any way injure or annoy them or which violates or causes violation of any applicable health, fire, environmental or other regulation by any level of government.
- (9) **Hold Harmless.** Lessee agrees to defend, indemnify, and save City, its employees, volunteers, consultants, and insurers, with respect to any action, claim, or lawsuit arising out of the use and occupancy of the Leased Premises by Lessee. This agreement to defend, indemnify, and hold harmless is without limitation as to the amount of fees, and without limitation as to any damages resulting from settlement, judgment or verdict, and includes the award of any attorneys fees even if in excess of Alaska Civil Rule 82. The obligations of Lessee arise immediately upon notice to City of any action, claim, or lawsuit. City shall notify Lessee in a timely manner if the need for indemnification, but such
- Lease Agreement for a Portion of Lot 3, Block 5, Alaska Tidelands Addition*      *Page 9 of 10*  
2010



notice is not a condition precedent to Lessee's obligations and may be waived where Lessee has actual notice. This agreement applies, and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against the City.

(10) **Successors.** This lease shall be binding on the successors, administrators, executors, heirs, and assigns of Lessee and City.

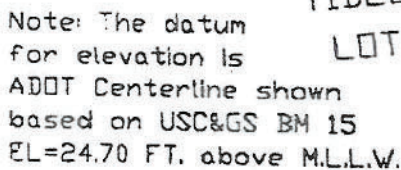
(11) **Choice of Law; Venue.** This lease shall be governed by the law of the State of Alaska. Venue shall be in the State of Alaska, First Judicial District at Juneau.

**Recorder return to:** City and Borough of Juneau  
Attn: John M. Stone, Port Director  
155 S. Seward Street  
Juneau, AK 99801





Scale  
1 in = 30 ft



I certify this drawing is an accurate representation of a survey made by me and that all information is correct to the best of my knowledge, and there are no encroachments.

JULY 29, 1999



PETER BERNSTEIN  
1000 HARBOR WAY  
JUNEAU ALASKA



**charles@horanappraisals.com**

---

**From:** Tyler Gress <tyler@hansengress.com>  
**Sent:** Tuesday, February 21, 2023 2:16 PM  
**To:** charles@horanappraisals.com  
**Subject:** Fwd: CBJ Property Disposal Case

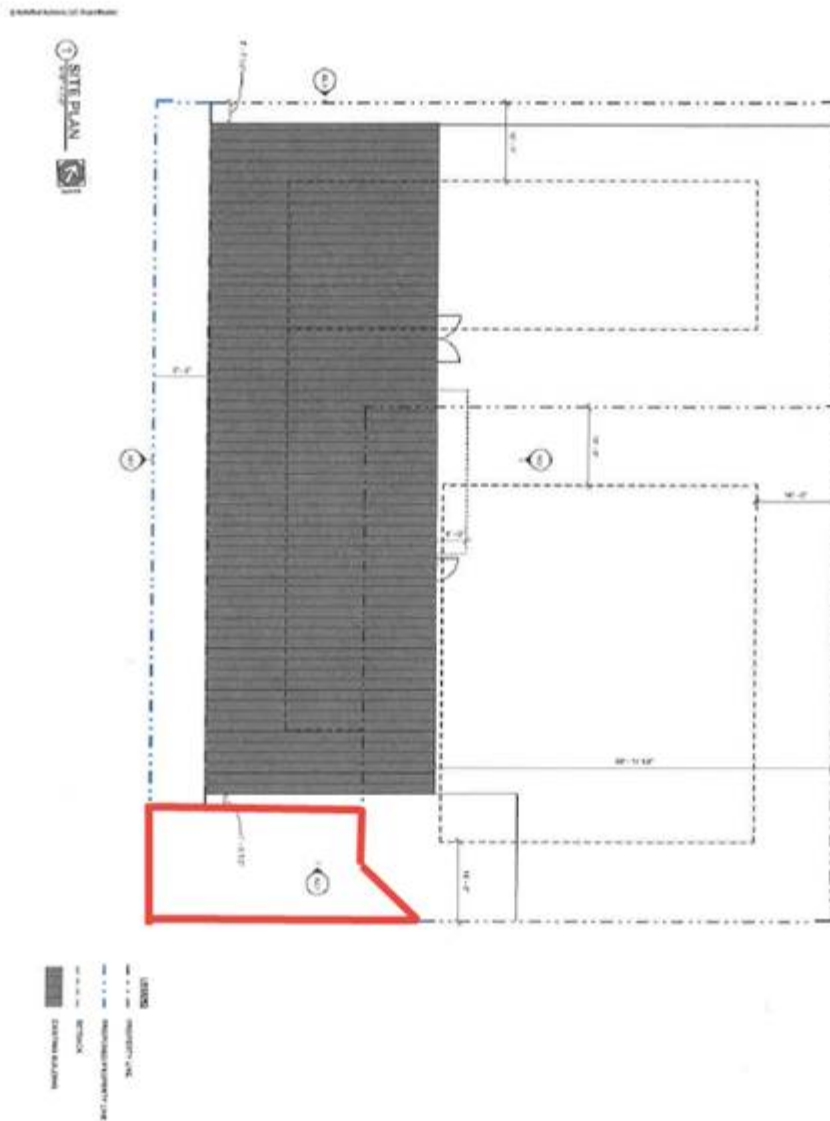
----- Forwarded message -----

**From:** Adrienne Scott <[Adrienne.Scott@juneau.gov](mailto:Adrienne.Scott@juneau.gov)>  
**Date:** Fri, Dec 23, 2022 at 11:29 AM  
**Subject:** CBJ Property Disposal Case  
**To:** [tyler@hansengress.com](mailto:tyler@hansengress.com) <[tyler@hansengress.com](mailto:tyler@hansengress.com)>

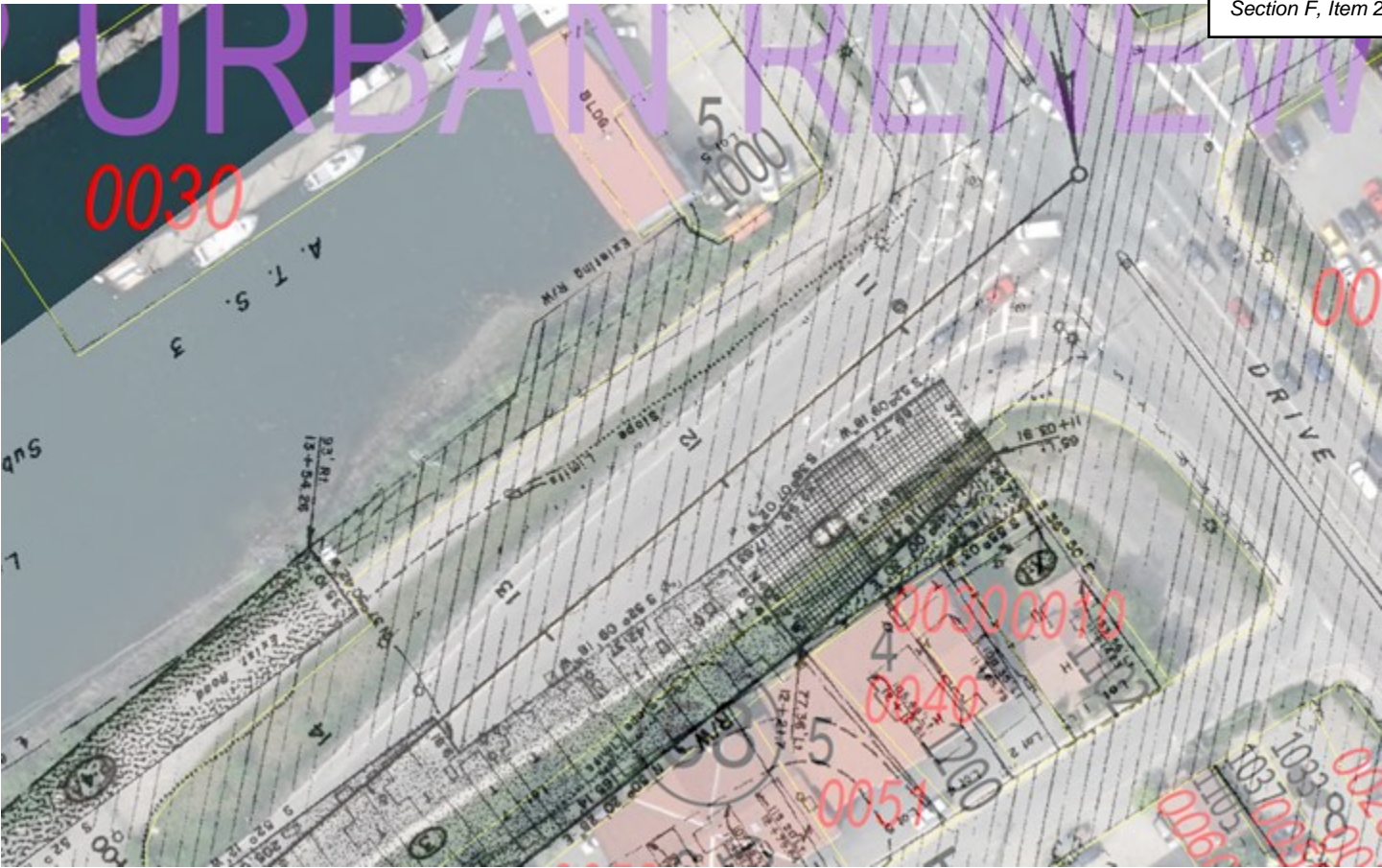
Hi Tyler,

I received some correspondence from AKDOT regarding your proposal and unfortunately it turns out that the little piece of property (outlined in red below) on the southeast side of your building is actually part of a DOT Right-of-way and is not part of the CBJ parcel. This was new information to me - hopefully we can set up a meeting sometime next week to discuss options, but I wanted to let you know right away. I'm not sure of the full extent of your plans for the property but I'm hoping you'll still be able to move forward without purchasing this section of land. I'll be back in the office on Tuesday and will touch base with you then.

Happy Holidays!







**Adrienne Scott** (she/her/hers) | **Planner I**  
[Community Development Department](#) | City & Borough of Juneau, AK  
Location: 230 S. Franklin Street, 4<sup>th</sup> Floor Marine View Building  
**Office: 907.586.0753 ext. 4208**



*Fostering excellence in development for this generation and the next.*

JUNEAU AREA ANALYSIS

Demand for real estate is generally driven by population, and the population is sustained by employment. The Juneau economy is primarily driven by the government which accounts for 40.4% of all jobs and 46% of all wages in Juneau in 2021<sup>1</sup>.

Juneau Economic Development Council’s (JEDC’s) September 2022 report on the 2021 data Juneau. On employment and earnings, it indicated- “Juneau’s average monthly employment increased by 573 jobs (+3.6%) in 2021 based on preliminary job numbers. This follows a decrease of 2,079 jobs between 2019 and 2020. The private sector added 514 jobs (+5.5%) in 2021. The government added 59 jobs (+0.9%) from the previous year. Federal Government employment decreased by only one job (-0.1%) following the end of temporary positions for the Decennial Census. This is a good sign for Juneau’s government sector since it means jobs have been created in other federal agencies.”<sup>2</sup> Figure 2.2 copied below shows the population and employment trend.

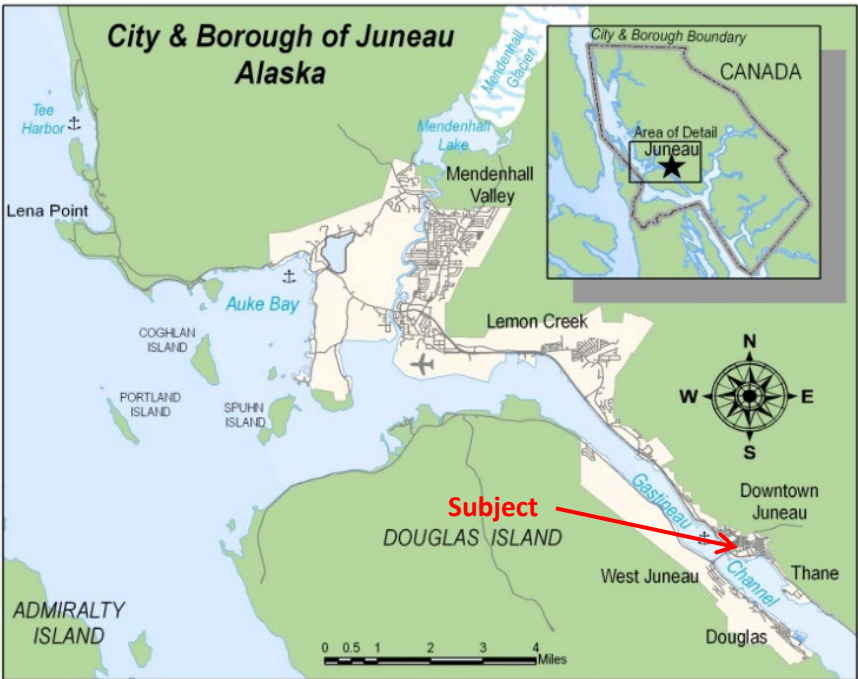
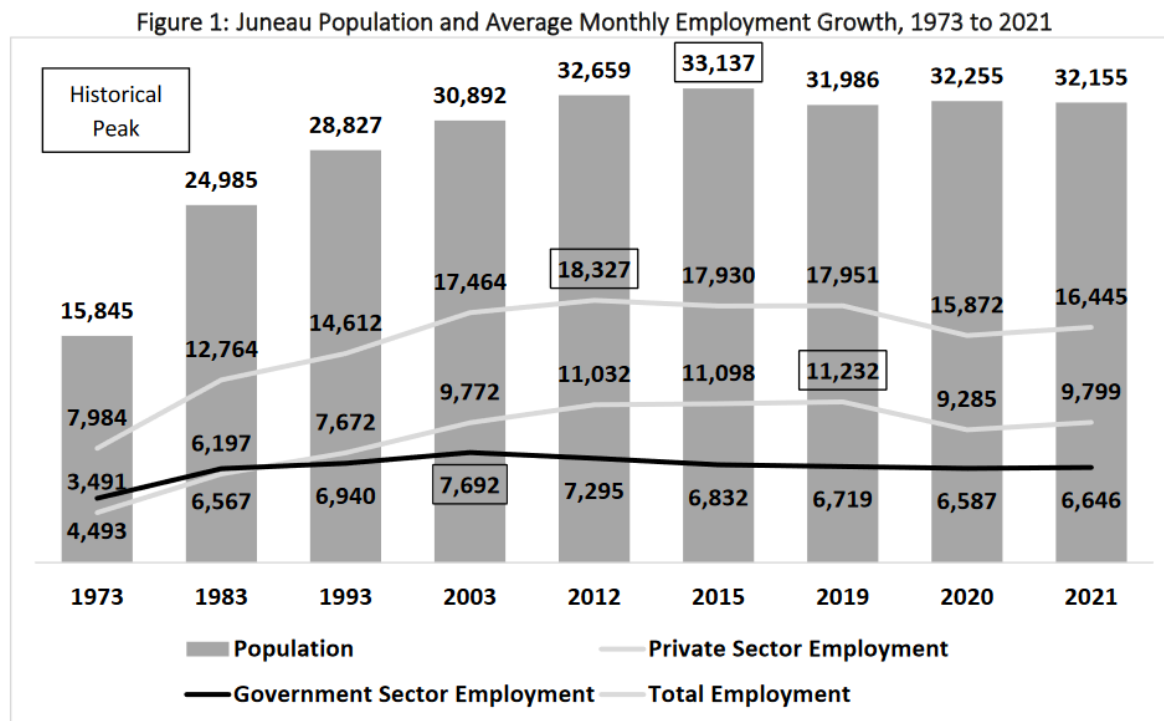


Figure 2.1 – Juneau Location Map

<sup>1</sup> Juneau Economic Development Council’s (JEDC’s) September 2022 report on the 2021, Average montly employment Figure 1, page 4 and total earnings Figure 3 page 7.  
<sup>2</sup> JEDC Dec 2022 Report page 6.





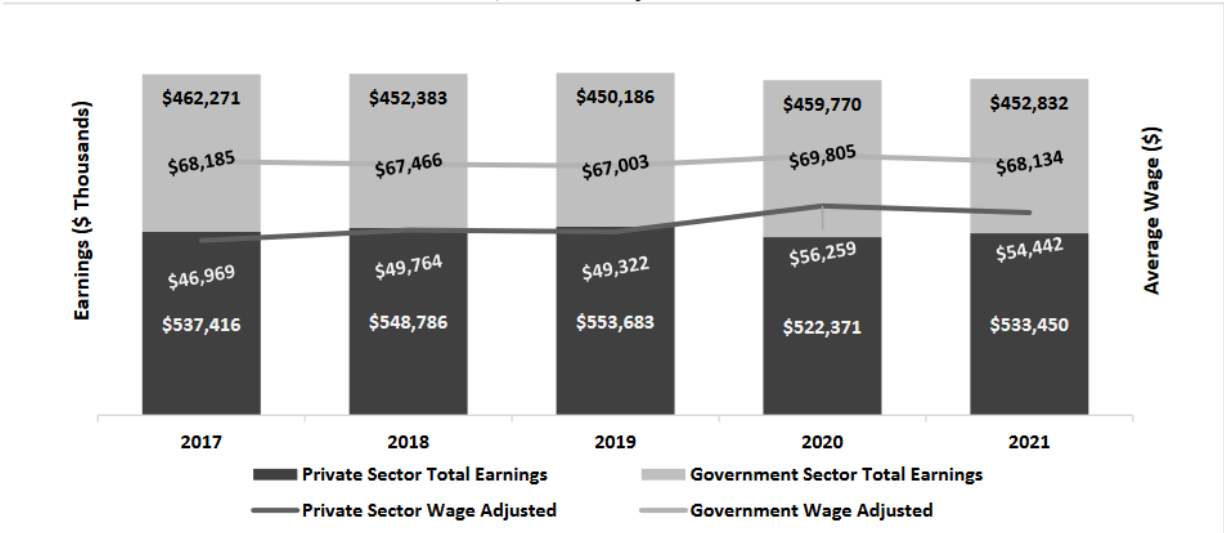
Source: Alaska Department of Labor and Workforce Development, Quarterly Census of Employment and Wages

#### FIGURE 2.2 - Population And Employment Trends From JECd December 2022.

The report says, “Juneau's traded industries (mining, manufacturing, and tourism) bring revenue into the community from outside. Juneau's non-traded service sector generally grows and shrinks with the need for services and retail goods for its population.

Juneau's non-traded industries grew by 396 jobs (+1.9%) in 2021. Even with this increase, the number of jobs in Juneau's non-traded industries is 1,015 jobs below what it was in 2019. Juneau's traded industries saw an overall increase of 396 jobs (+12.9%) in 2021. Mining saw an increase of 52 jobs (+5.9%) after experiencing a loss of 75 jobs in 2020. Manufacturing (including seafood processing) saw an additional 49 jobs (+18.8%) in 2021, bringing the number of jobs back to the 2019 count. Tourism added 296 jobs (+15.8%) in 2021, bringing the job count to 77.3% of what it was in 2019.”

Figure 3: Juneau's Total Earnings (Thousands) and Average Annual Wages for Private and Government Sectors, Inflation Adjusted to 2021



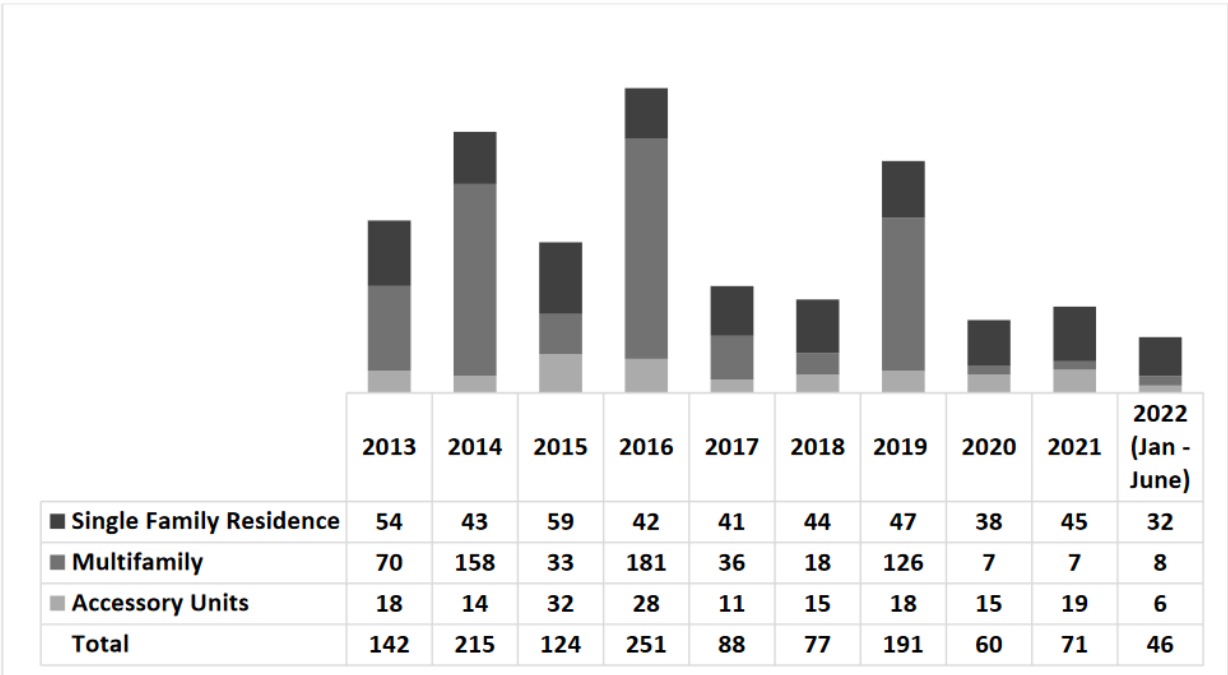
Source: Alaska Department of Labor and Workforce Development, Quarterly Census of Employment and Wages. Note: Earnings are for wage and salary jobs, including full and part-time, temporary or permanent, for all employers. Government sector earnings is exclusive of active-duty Coast Guard employment.

FIGURE 2.3 - JEDC Figure 3 from page 7 of the September 2022 Report

The report continues on page 8, “In 2021, Juneau continued to experience a decline in the number of State Government jobs. Average monthly state government employment decreased by 48 jobs (compared to losses of 91, 46, 29, and 143 in preceding years). Local and Tribal Government employment increased by 108 jobs. Federal Government employment decreased by 1 job; since 26 temporary Decennial Census jobs were added in 2020, this decrease is lower than expected. While the Financial & Real Estate industry saw a decrease of 16 jobs, most other industries saw modest increases, which is a good sign after the pandemic-induced job losses of 2020. The Travel & Hospitality industry experienced a slight rebound in employment, increasing by 159 jobs in 2021 after losing 591 in 2020.”

Juneau has an apparent housing shortage as do many Alaska communities.

Figure 46: New Residential Housing Permits Issued 2013 to 2022

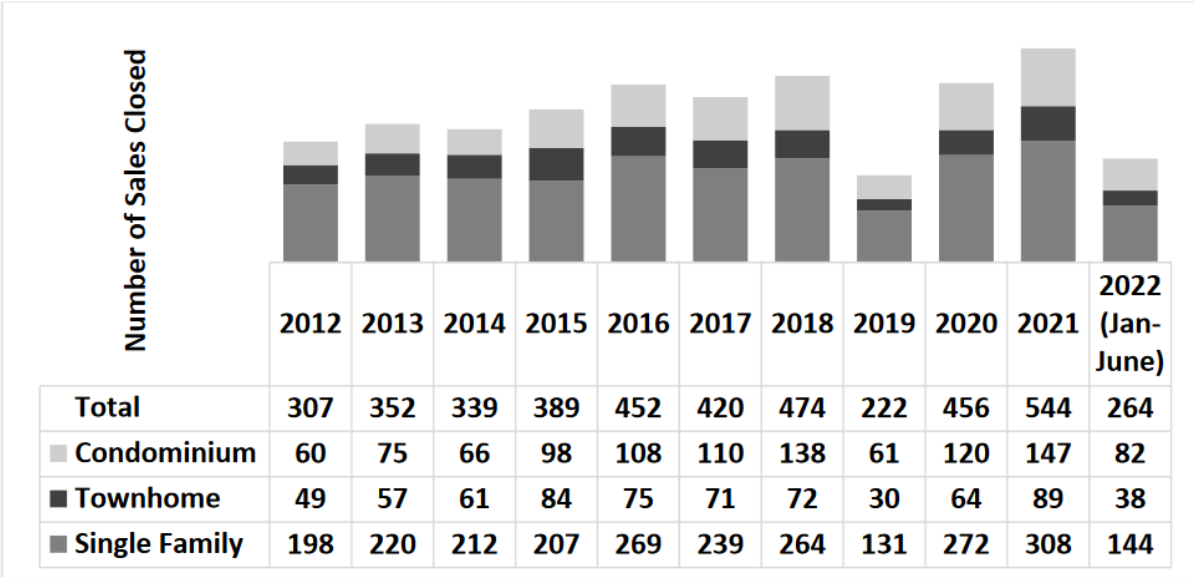


Source: City & Borough of Juneau Permit Center reports. Note: Multi-family includes properties with two or more dwellings.

Figure 2.4 - From the JEDC Study Figure 46 New Residential Housing Permits Issue 2013 to 2022.

The report continues on page 44, “181 units of housing were demolished between 2010 and 2021, an average of 15 units per year. This is comparable to 12% of the new units built over the same period. The number of short-term rentals (STRs) in Juneau has grown in the last decade, according to data collected by the STR monitoring firm, Harmari. Since 2010, 616 units of housing in Juneau have been used as a STR at some point. Of those 616, 484 rentals were entire homes, and 132 were shared home rentals. At least 301 of these units were actively being used as STRs in 2021.”

Figure 49: Sales Volume of Single Family, Townhomes, and Condominiums

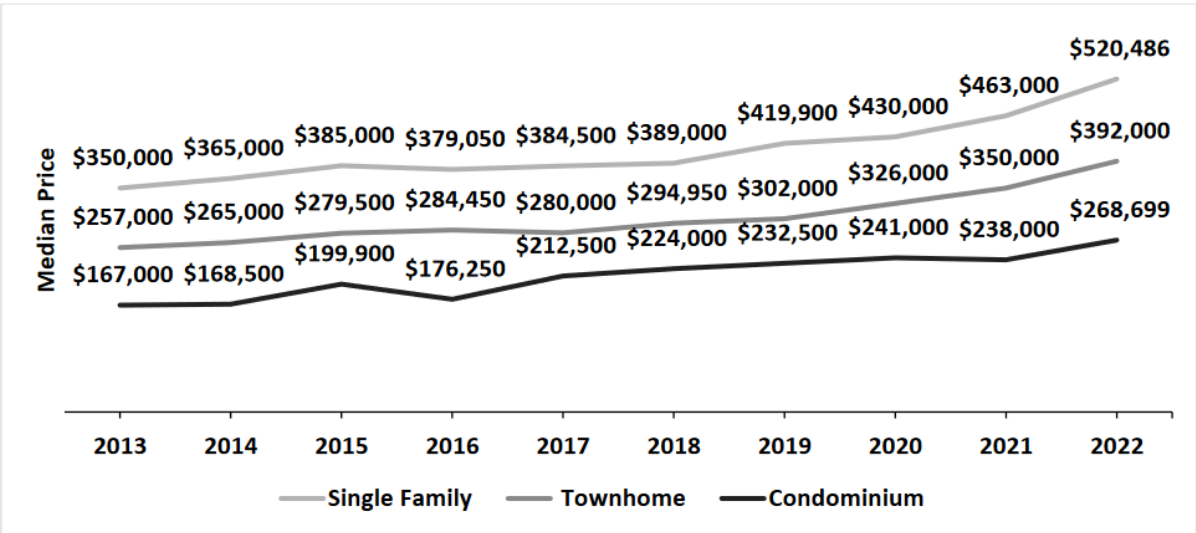


Source: Southeast Alaska Multiple Listing Service.

Figure 2.5 - JEDC Study Figure 49.

The average number of days on the market decreased dramatically over the last several years. It was between around 25 days for a single-family residence prior to 2020 but dropped to 8 days in 2020 and five days in 2021. This confirms the continued increase in demand and limited supply for housing. This trend is reflected in all housing types. The median price of housing has increased in response to this housing shortage trend.

Figure 50: Median Price of Single Family, Attached Homes and Condominiums, 2013 – 2022 (June)

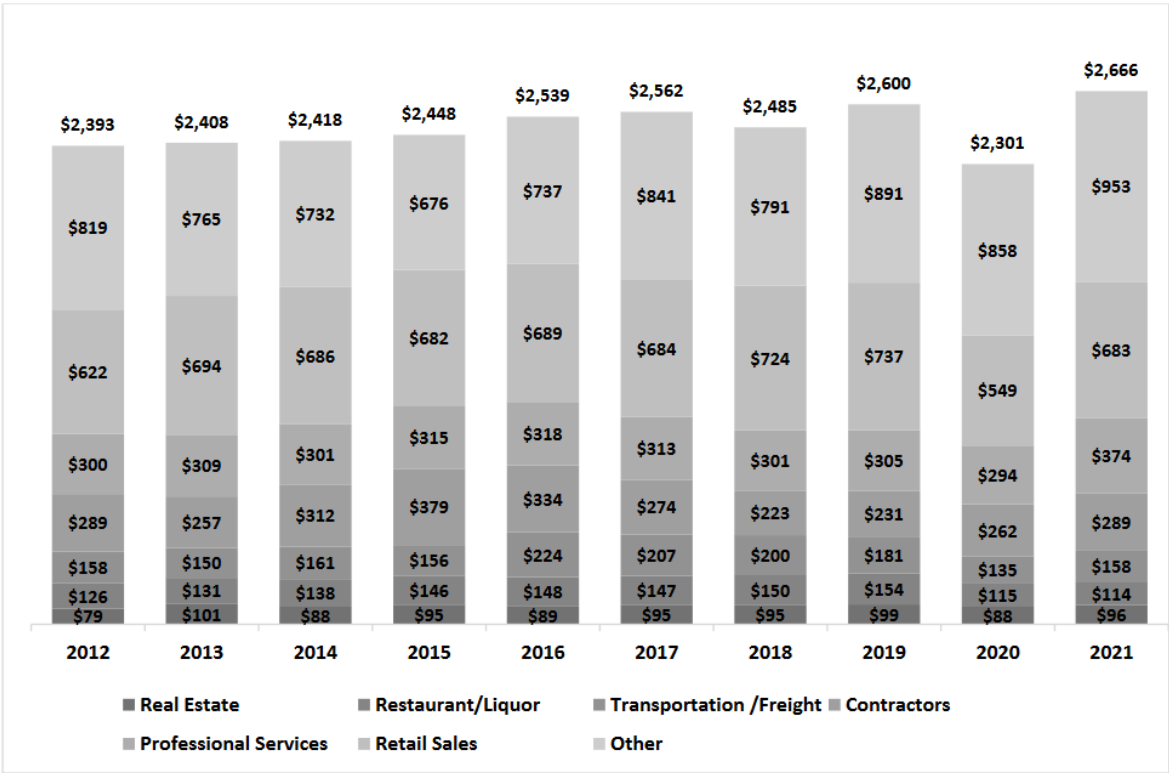


Sources: Southeast Alaska Multiple Listing Service.

Figure 2.6 - JEDC Study Figure 50

Gross business sales is a good sign of market activity and a latent demand for certain types of real estate.

Figure 55: Business Sales in Juneau by Business Category (in Millions), 2012– 2021

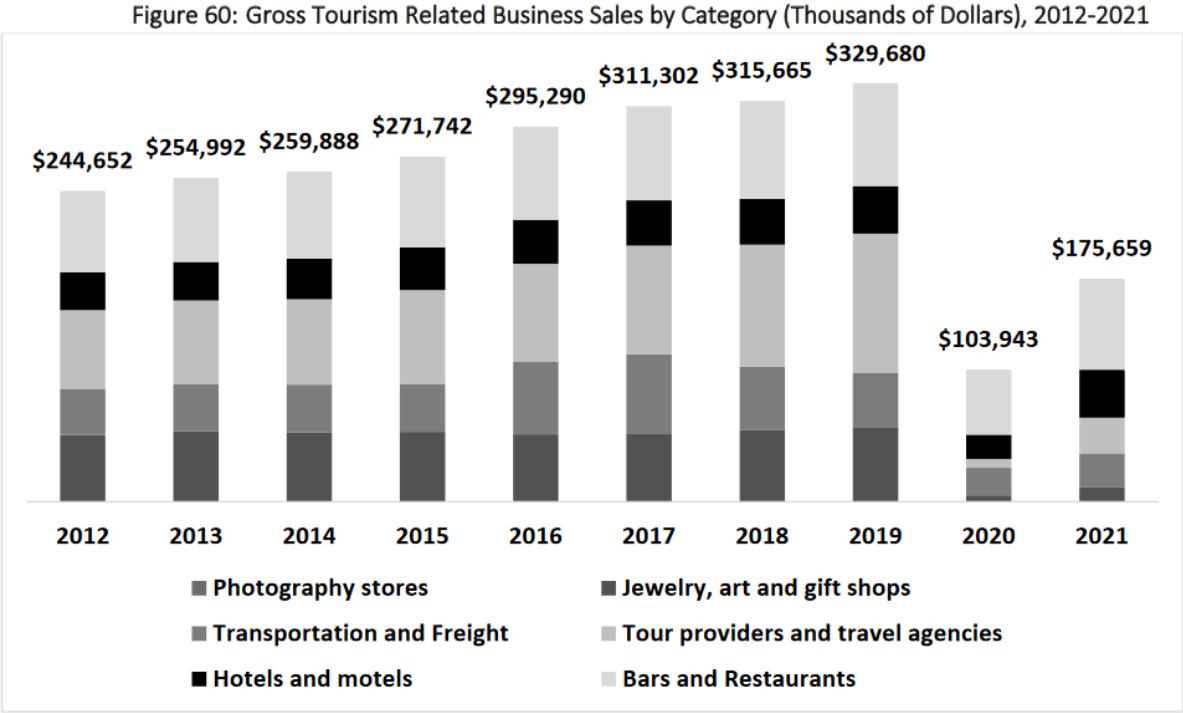


Source: City & Borough of Juneau Sales Tax Office and CBJ Comprehensive Annual Financial Report, Statistical Section. Notes: Data for 2021 was unaudited at the time of publication; “Other” category includes mineral sales, wholesale equipment, food suppliers, and fuel companies.

Figure 2.7 - JEDC Study Figure 55

The report continues on page 52, “Total gross business sales in the City and Borough of Juneau rose by 16% in 2021, following a 14% decrease in 2020. The business categories of Contractors, Professional Services, and ‘Other’ all had higher sales in 2021 compared to 2019. All business categories saw an increase in sales in 2021 versus 2020 except the Restaurant/Liquor subgroup, which observed a small ~ 1% decrease in business sales compared to 2020. 2021 Retail Sales, while still down 7% compared to 2019, saw a 24% increase from 2020. Professional Services had even higher growth, increasing 27% from 2020 to 2021.”

**Tourism** is a significant private sector economic driver as it brings in significant new dollars from outside the community. It has been hardest hit by the restrictions involved with the pandemic.

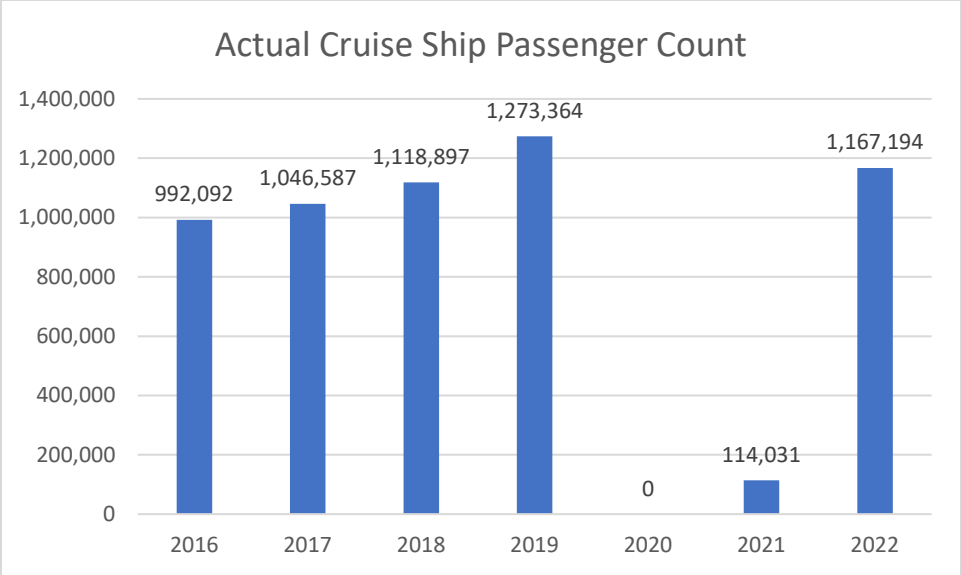


Source: City & Borough of Juneau Sales Tax Office and CBJ Comprehensive Annual Financial Report, Statistical Section. **Notes:** Data for 2021 was unaudited at the time of publication; Gross business sales related to tourism are determined by the type of business, not individual sales, and count sales at all times throughout the year. This data includes sales to locals.

Figure 2.8 - JEDC Study Figure 60.

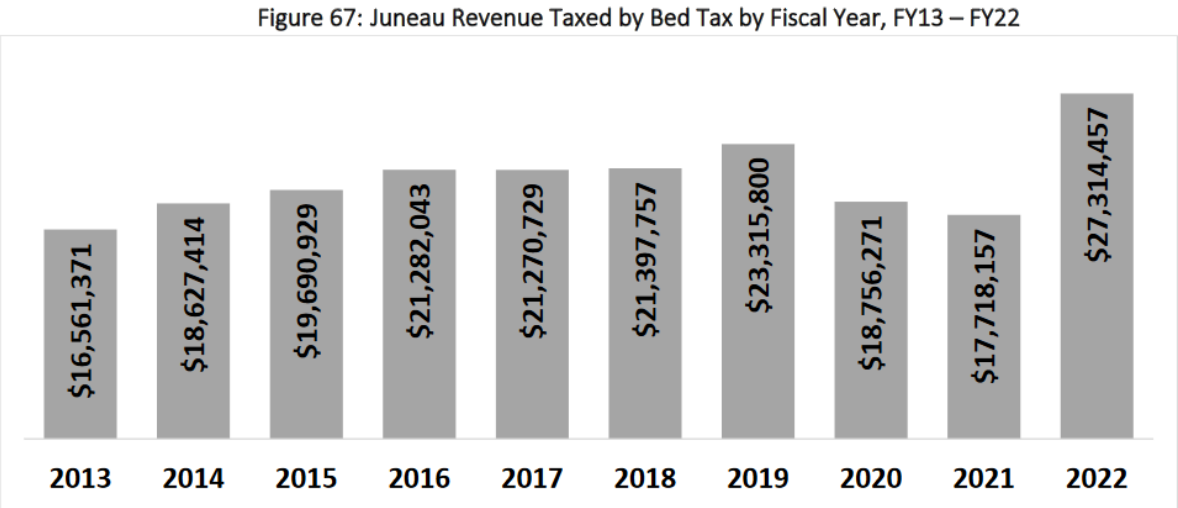
The report continues on page 52, “Gross business sales from Juneau businesses involved in tourism saw a minor recovery in 2021, increasing by 69.0% from 2020. Gross business sales related to tourism were still down \$154 million (-46.7%) compared to 2019. Car Rentals (part of transportation) and hotel and motel gross sales saw the greatest recovery in 2021 while Tour Providers and Travel Agencies and Jewelry, Art, and Gift Shops were still down 74% and 80% from 2019, respectively. The strong recovery posted by Car Rentals and Hotels and Motels indicates a strong return of independent tourism in 2021.”

**Cruise Ship Passenger Counts** have also improved significantly in 2022. The CBJ Docks And Harbor Department reports actual passenger count for the last seven years summarized in Figure 2.8 below. This shows the actual passenger count in 2022 was 92% of the previous highest count in 2019. It appears next year they will be even stronger.



**Figure 2.9 - Actual cruise ship passenger count provided by CBJ Docks And Harbor Department Harbor the Tide Line November 2022 newsletter.**

The independent travel was stronger during the pandemic and following years. The JEDC 2022 study shows the bed tax revenue from the independent tourism sector of the economy. Effective January 1<sup>st</sup> 2020 the bed tax was increased from 7% to 9%. The figures from the JEDC study shows the drop in 2020 and 2021 was not as significant as reflected in other travel segments of the economy. The recovery of 2022 appears to be close to the prior levels signifying a significant recovery in this sector.



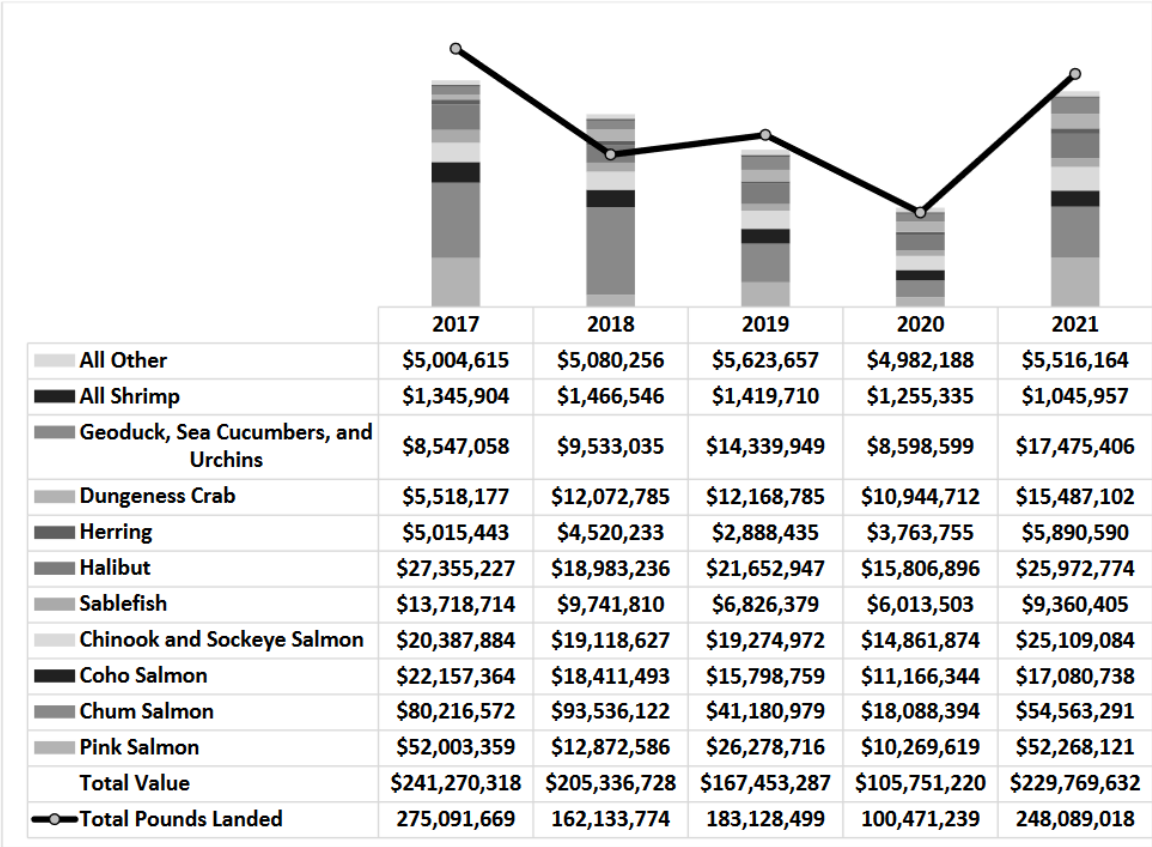
Source: City and Bureau of Juneau Comprehensive Annual Financial Report, July 1, 2019 - June 30, 2020, Statistical Section

**Figure 2.10 - JEDC Study Figure 67.**



The fishing industry was also depressed as a result of the pandemic due to the drop in restaurant demand which reflected a decline harvest value and volume in 2020. The value and the volume of fish landed at Juneau significantly dropped in 2020 but rose again in 2021. The value exceeded the 2019 value but the volume did not. The following figure from the JEDC study shows the southeast commercial seafood industry reflects this trend is region-wide.

Figure 75: Southeast Alaska Commercial Seafood Industry Ex-Vessel Value by Species and Pounds Landed, 2017 - 2021



Source: Alaska Department of Fish and Game personnel and "Commercial Operators Annual Report"

Figure 2.11 - JEDC Study Figure 75.

## **ALASKA TIDELANDS VALUATION AND RENT MARKET**

Estimating market value or market rents for tidelands has always been a challenge in the State of Alaska. In terms of the overall real estate market, transactions for tidelands alone are very infrequent. When Alaska became a state in 1959, the state acquired ownership of most navigable water tidelands. Prior to that, there had been a few patented tidelands sites and municipalities had some patented tidelands which they could lease or sell. The Constitution of the State of Alaska prohibits the state sale of tidelands. The state and most municipal governments view tidelands as a critical component for public access to the waterways and economic development. As a result, they are generally leased to ensure continual productive use and public access.

When tidelands do sell, they are usually associated with waterfront uplands forming a functional property unit between the water and public roadways. This would be the case, for instance, where there is a dock or barge landing facility requiring tidelands for marine improvements and an upland staging area. Sometimes these combination sites sell where the uplands are owned in fee simple and the tidelands are leased. In these instances, the contributory value of the tidelands can be estimated as the residual of the allocated value of the uplands portion of the sales price. There are more market transactions to indicate the value of the uplands than tidelands. It has become a common practice over the years to value tidelands as a percentage of the unit value of their adjoining uplands.

### **Conclusion Tideland Land Percentage Rent**

Over time we have studied the relationship between upland and tidelands unit values observing that there are typical ratios indicating tidelands unit values of 5% to 50% or more of the adjacent upland values depending on the effective utility of the tidelands. Also, we have studied a percentage rent range that tideland owners are achieving as a percentage of the estimated tideland values. Commercial property generally rents as a percentage of the market value. These percentage rents have ranged from 6% to 12% over the last 20 years. In the last 10 years or so these rates have narrowed to a range of 7% to 10% and are predominately 8%. For most private commercial leases these rates have not changed in the past several years and are best described as stable. A market rate of 8% is well supported.

---

## TIDELAND VALUE RATIOS

---

Estimating market value or market rents for tidelands has always been a challenge in the State of Alaska. In terms of the overall real estate market, transactions for tidelands alone are very infrequent. Once Alaska became a state in 1959 it acquired ownership of most navigable water tidelands. There are a few patented tideland sites and municipalities had some patented tidelands which could be leased or sold. The Constitution of the State of Alaska prohibits the sale of its tidelands parcels. The state and most municipal governments view tidelands as a critical component for public access to the waterways and economic development. As a result, they are generally leased to ensure continual productive use and public access.

When tidelands do sell, they are usually associated with waterfront uplands forming a functional property unit between the water and public roadways. This would be the case; for instance, where there is a dock or barge landing facility requiring tidelands for marine improvements and an uplands staging area. Sometimes these facilities sell where the uplands are owned in fee simple interest and the tidelands are leased. In these instances, the contributory value of the tidelands can be estimated as the residual of the allocated value of the uplands portion of the sales price. There are frequently more market transactions to indicate the value of the uplands than tidelands. It has then become a common practice to value tidelands as a percentage of the unit value of their adjoining uplands.

### Uplands to Tidelands Unit to Value Ratio

Over time we have isolated the value of tidelands that have sold, leased, or otherwise been valued based on transactions whereby an allocation is made between uplands and tidelands components. The following Table summarizes 11 observations of the ratio (%) of the tidelands' square foot values to the square foot value of the uplands. This allocation is based on the sales of similar uplands, allocations by the buyers, sellers, or appraisal analysis. In some instances, such as observations 9 and 11, there is a range of value based on differing views by the participating parties or a range of comparable sales in that area compared to the value of the known component.

The tidelands to uplands unit value ratios range from 12% to 40% in these observations. In other instances, the range can even be wider from 5% to more than 50%. The driving factors in this ratio are how effectively the tidelands are used as compared to the value of the uplands. For instance, if the tidelands serve as a good, compact dock site and the adjacent uplands are filled, have a contained shore line and efficiently complement the use of the tidelands, the ratio would be lower than if the uplands were unfilled, low-value raw land needing to be developed. This latter situation would impact the ratio due to the relatively lower value of the uplands as compared to the utility of the tidelands. Conversely, if the tidelands are oversized and extend an excessive distance from the

shore, diminishing their utility due to shallow runout or other site limitations, may mean a lower unit value and subsequently a lower tidelands to uplands ratio. This is due to the parcel being larger than would otherwise be necessary as compared to a more efficient, smaller site which would have a higher ratio of unit value.

<b>TABLE 6.1 - RANGE OF TIDELAND UNIT VALUE RATIO (%) OF UPLAND UNIT VALUE</b>					
No.	Location	Date	Size in SF	SF Value	Ratio
			Upland	Upland	Tideland as
			Tideland	Tideland	% of Upland
1	4100 Tongass Ave., Ketchikan	2003	26,915	\$16.03	
			14,275	\$1.94	12%
2	1000/1010 Stedman, Ketchikan	2005	76,597	\$16.00	
			102,133	\$4.99	31%
3	1007 Water St., Ketchikan	2001	61,000	\$17.25	
			40,594	\$4.19	24%
4	Mile 4 Mitkof Hwy, Petersburg	2010	170,772	\$2.50	
			346,720	\$0.57	23%
5	4513 HPR, Sitka	2005	179,507	\$10.72	
			42,035	\$2.74	26%
6	111 JT Brown St., Craig	2009	62,340	\$8.00	
			50,890	\$2.00	25%
7	76 Egan Drive, Juneau	2013	8,692	\$51.50	
			12,918	\$20.55	40%
8	108 Egan Drive, Juneau	1995	NA	\$55.00	
			NA	\$16.00	29%
9A	Alaska Glacier Seafood's, Juneau	2000	NA	\$22.00	
	Range of Comp Unit Values		NA	\$3.04	14%
9B	Alaska Glacier Seafood's, Juneau	2000	NA	\$8.00	
	Range of Comp Unit Values		NA	\$3.04	38%
10	Jacobson Dock, Juneau	2013	100,000	\$20.05	
			379,694	\$5.00	25%
11A	2691 Channel Dr., Juneau	2003	51,231	\$9.00	
	Range of Comp Unit Values		51,401	\$1.08	12%
11B	2691 Channel Dr., Juneau	2003	51,231	\$5.31	
	Range of Comp Unit Values		51,401	\$1.58	30%
12	Ward Cove, Ketchikan	2019	360,000	\$1.50	
	SF contract Rent Values		528,000	\$0.60	40%

If no comparable tideland sales are available, we estimate the value of the complementary uplands and apply a ratio to the upland unit value from 10% to 40% as found in the market to indicate the value of the tidelands under appraisal.

**HORAN & COMPANY, LLC****LAND COMPARABLE**

Section F, Item 2.

**Community:** 15 CBJ - Town - Gold Creek**Recording District:** Juneau**Address:** 1000 Harbor Way**City:** Juneau**State:** AK**Zip:** 99801**Location:** 1000 Harbor Way, Near bridge to Douglas at Harris Harbor**Legal:** ATS 3,Lots 3 & 5, Tidelands Block 51, Plat 347; Parcel Number: 1C060K510041**Instrument:** SWD - **Serial:** 2008-003415-0**Annual Rent:** \$5,848**Trans.Type:** Land Rent**Trans. Date:** March 3, 2019**Rights:** Leasehold**Grantor:** Peter & Mary Bernstein**Terms:** 35 year lease plus 1-35 year option, rent adjusted to market every 5 years**Grantee:** Harbor Lights Enterprises LLC, Gary or - Dave Belzak**Size (SF):** 4,177**Utilities:** All**Frontage:****Access:** Road, paved**Zone:** WC**Improvements:** Shop, Office, Retail**Land Class:** Commercial, Tidelands, Waterfront**Topography:** Level**Vegetation:** None**Soil:** Sloping, Tidelands**Present Use:** Commercial building and parking**Intended Use:** Same**Highest and Best Use:****Comments**

Sloping Tidelands from road to submerged harbor.

**Analysis:**

4177 SF @\$1.40/SF = \$5,848/ year

**Marketing Info:** Market rent appraisal (#20-097)

Confirmed with: Teena Larson, CBJ

Confirmed date: 10-06-21

Confirmed by: C.Horan

Revision Date: 12/14/2021

Record Number: 11959



C 111720 (226)



Fig 3.2

**HORAN & COMPANY, LLC****LAND COMPARABLE**

Section F, Item 2.

**Community:** 15 CBJ - Town - Gold Creek**Recording District:** Juneau**Address:** 345 Egan Drive**City:** Juneau**State:** AK**Zip:** 99801**Location:** Egan Drive, Across from Whittier Street known as Subport Parking Lot**Legal:** A portion of Tract C2 Plat 2009-37, Juneau Recording District, 1st Judicial District, State of Alaska;

**Instrument:** Land  
**Serial:** 2018-003784-0  
**Trans.Type:** Land Rent  
**Rights:** Fee Simple less Minerals  
**Terms:** Term from Oct 1, 2016 to 4/30/2036,  
 with 2.7% annual adjustment.

**Annual Rent:** \$39,142.08  
**Trans. Date:** October 1, 2022  
**Grantor:** Alaska Mental Health Trust Authority, Trust Land  
**Grantee:** US Coast Guard

**Size (SF):** 14,069.88  
**Frontage:** Egan Drive and Whittier Street  
**Zone:** MU2

**Utilities:** Water, Telephone, Sewer, Electric  
**Access:** Road, paved  
**Improvements:** Fence  
**Land Class:** Non-WTFT, Commercial

**Topography:** Level  
**Vegetation:** Cleared  
**Soil:** Buildable

**Present Use:** Vacant  
**Intended Use:** Commercial Development and Parking  
**Highest and Best Use:**

**Comments**

The site appears to provide about 35 parking spaces.  
 Assume to be a total net lease. Improvements owned by lessor maintained by lessee.

**Analysis:**

Oct 1, 2022 adjustment  $\$39,142.08 / 8\% = \$489,276 / 14070 \text{ SF} = \$34.77/\text{SF}$

2015-  $\$32,482.44 / 8\% = \text{Land Value } \$406,030.50 / 14069.88 \text{ SF} = \$28.86/\text{SF}$   
 If 35 parking spaces =  $\$928.07/\text{yr}$  or  $\$77.34/\text{mo.}$   $\$11,600.87/\text{space}$

**Marketing Info:** 10-1/2022 Rent Schedule Adjustment from the original 2015 agreement.

2018 adjustment \$35,185.32. This was a supplemental lease agreement for a long-standing lease that had a lapsed rental adjustment clause. The parties re-negotiated a rent agreement in 7/19/15 that the effective rent 7/1/15 would be \$2,635.71 through 9/2015. The rental would then increase to \$32,482.44 per year paid on a monthly basis. Every year thereafter the rental would increase 2.7% per year until 2036. For the purpose of analysis the agreement date will be used for the rent with the effective 10/1/15. Both parties felt it was reasonable according to the lessor's agent, Bryan Yackel, TLO.

Confirmed with: Bryan Yackel, TLO

Confirmed date: 11-14-16

Confirmed by: C.Horan

Revision Date: 12/1/2022

Record Number: 10025



111416\_161575





**HORAN & COMPANY, LLC****LAND COMPARABLE**

Section F, Item 2.

**Community:** 16 CBJ - Town - CBD - Commercial**Recording District:** Juneau**Address:** 76 76 Egan Drive**City:****State:****Zip:****Location:** 98 Egan Drive, Seadrome Marina - Goldbelt Float**Legal:** Parcel B, C, E, F, and F Exhibit C, Block 76 (see 12-053 & 15-127 & 18-054); Parcel Number: 1C070K760021**Instrument:** Lease **Serial:****Annual Rent:** \$56,327.58**Trans.Type:** Land Rent**Trans. Date:** June 1, 2018**Rights:** Lease**Grantor:** City and Borough of Juneau**Terms:** Began in May of 1998 for 35 years**Grantee:** Goldbelt (or Cultural Preservation, Inc.)**Size (SF):** 19,916**Frontage:** Water Front**Zone:** WC**Utilities:** All**Access:** Road, paved, Boat**Improvements:** None as leased**Land Class:** Tidelands, Commercial**Topography:** Submerged, Level**Vegetation:** None**Soil:** Tidelands**Present Use:** Vacant**Intended Use:** Dock for vessels and other marine and tourist-related activities**Highest and Best Use:** Marina**Comments**

2015 Amendment- . Effective day of amendment June 1, 2013. The rented area was reduced to 19,916 (dropped Parcel A 694 SF from original lease) and dropped lease percentage rate from 10% to 9%.

**Analysis:**

\$56,328 Rent/ 9%= \$625,866.67/ 19,916 SF = \$31.43 /SF overall

Allocation- Upland \$ 360,047.10/ 6,998 SF= \$51.45/SF 100%

Allocation-Tideland \$265,852.44/ 12,918 SF=\$20.58/SF 40%

**Marketing Info:** Rent adjustment effective 6/1/2018, based on area change but no change in value since 6/1/13. (18-054). 2015 adjustment based on 2012 appraised values for the effective lease adjustment date 6/1/13 amendment which also included a reduction in the rate from 10% to 9% of the estimated market value. The lessee and CBJ Docks and Harbor negotiated this adjustment. In 2013 the lessee objected to rent increase and reduced the area of land. The original lease of 5/1/008 had rent calculated on SF values of

Confirmed with: File Notes/Jim Canary

Port Director Docs

Confirmed date: 11/14/2006

8/1/16

Confirmed by: K.Williams

C.Horan

Revision Date: 8/8/2022

Record Number: 5011



Untitled.wmf

072507\_1156

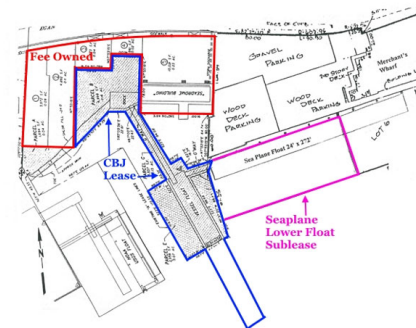


FIGURE 3.1 - SITE LAYOUT

**HORAN & COMPANY, LLC****LAND COMPARABLE**

Section F, Item 2.

**Community:** 15 CBJ - Town - Gold Creek**Recording District:** Juneau**Address:** 1050 Harbor Way**City:** Juneau**State:** AK**Zip:** 99801**Location:** 1050 Harbor Way**Legal:** Lot 4, Block 51, Tidelands Addition to Juneau, Plat 340, Juneau Recording District, First Judicial District, Alaska; Parcel Number: 1C060K510020**Instrument:** SWD **Serial:** 2014-003181-0**Sale:** \$170,000**Trans.Type:** Sale**Trans. Date:** July 16, 2014**Rights:** Fee Simple**Grantor:** Gary & Marcia Rohweder**Terms:** Cash to seller**Grantee:** Marine Exchange of Alaska**Size (SF):** 4,617**Utilities:** All**Frontage:** 60' on Harbor Way**Access:** Road, paved**Zone:** WC**Improvements:** None**Land Class:** Waterfront, Commercial**Topography:** Level, Sloping**Vegetation:** None**Soil:** Gravel**Present Use:** Vacant**Intended Use:** Owner occupied Office building with parking on first floor, 7,500 SF including parking level. Required set back veriances. Buyers monitor ship traffic 24/7 as a non profit.**Highest and Best Use:** Commercial marine**Comments**

The site is half at road grade, 25' elevation and half sloping into tidelands on Harris Harbor. The buyers intend to build a 3 story office building with parking on first floor.

**Analysis:**

**Marketing Info:** FSBO, Sold by nearby property owner. DOM and original asking are unavailable. Negotiated sale-buyer felt it was market. The original price was reported by the buyer was \$130,000. There was some confusion but the final price was verified at \$170,000.

Confirmed with: Ed Page? ED Marine

Bret Farrell Marine

Confirmed date:

11/23/16

Confirmed by:

C.Horan

Revision Date: 6/1/2021

Record Number: 8018



111416\_161510



**HORAN & COMPANY, LLC****LAND COMPARABLE**

Section F, Item 2.

**Community:** 16 CBJ - Town - CBD - Commercial**Recording District:**

Juneau

**Address:** 224 Second St**City:** Juneau**State:** AK**Zip:** 99801**Location:** 224 Second St, Juneau, AK**Legal:** Lot 3, Block 4, Juneau Townsite; Parcel Number: 1C070A040020**Instrument:** SWD - **Serial:** 2021-000060-0**Sale:** \$286,000**Trans.Type:** Sale**Trans. Date:** January 5, 2021**Rights:** Fee Simple**Grantor:** Southeastern Newspapers**Terms:** Cash**Grantee:** Goldstein Improvement Company**Size (SF):** 4,913**Utilities:** All**Frontage:** 25' on Second, 100' on Main**Access:** Road, paved**Zone:** MU**Improvements:** None**Land Class:** Commercial, Non-WTFT**Topography:** Level**Vegetation:** None**Soil:** Soil**Present Use:** Proximately 18 Parkingspaces**Intended Use:** continued parking use and access.**Highest and Best Use:** Parking Lot**Comments**

This is a lot located mid block in downtown Juneau. The property is encumbered with an access easement in favor of an adjacent property. The only utility for the site is as a parking lot.

**Analysis:**

Price per land SF = \$58.21

\$286,000 divided by 18 spaces = \$15,889/ space

**Marketing Info:** This parking lot was originally part of the sale Amalga Distillery across the street (134 N Franklin St). They did not want to pay for the extra parking lot and invited the Goldstein Building property owners, a logical purchaser, to step in and buy this part of the deal. Originally it was offered for over \$300,000. The purchasers counted at \$286,000 which was accepted. The buyers felt this was close to market as it was encumbered with a parking lot of agreement through the center of the lot. This informal access

Confirmed with: Wold Appraisal (#12181) Dan Glidmann

Confirmed date: 12/7/2022 2/17/2023

Confirmed by: C.Horan C.Horan

Revision Date: 12/1/2022

Record Number: 12188



## QUALIFICATIONS OF CHARLES E. HORAN, MAI

<b>Professional Designation</b>	MAI, Member Appraisal Institute, No. 6534
<b>State Certification</b>	State of Alaska General Appraiser Certification, No. APRG41
<b>Bachelor of Science Degree</b>	University of San Francisco, B.S., Business Administration, 1973

### Employment History:

1/20 – now	Partner, HORAN & COMPANY, LLC
8/04 – 12/19	Owner, HORAN & COMPANY, LLC
3/87 – 7/04	Partner, HORAN, CORAK AND COMPANY
1980 – 2/87	Partner, The PD Appraisal Group, managing partner since November 1984 (formerly POMTIER, DUVERNAY & HORAN)
1976 – 80	Partner/Appraiser, POMTIER, DUVERNAY & COMPANY, INC., Juneau and Sitka, Alaska
1975 – 76	Real Estate Appraiser, H. Pomtier & Associates, Ketchikan, AK
1973 – 75	Jr. Appraiser, Ketchikan Gateway Borough, Ketchikan, AK

### Lectures and Educational Presentations:

2017 “Municipal Assessment Record System” MARS Presentation on automated data collection and analysis for mass appraisals. Presented to Alaska Association of Assessing Officers, Anchorage.

2017 “Keeping it Simple – Local Market Value New Modeling” Presented to AAAO, Anchorage

2011, “Real Estate Market in Southeast Alaska” Presentations to Ketchikan, Juneau and Sitka Chambers of Commerce and Municipality of Skagway

2011, “Demystifying the Appraisal Process” Presentation to USFWS Market Analysis and UASFLA, Anchorage

2007, AConservation Easements@ Presentation - Alaska Association of Assessing Officers, Fairbanks, AK

1998, AEasement Valuation Seminar,@ Alaska Chapter Appraisal Institute, Anchorage, AK

1998, AEasement Valuation Seminar,@ Seal Trust, Juneau, Alaska

1997, ASitka 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?"

### Partial List of 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, cruise ship docks, marinas, barge loading facilities, industrial acreage, industrial sites, bulk fuel plants, fish processing facilities, a variety of waterfront port sites and industrial lands.

*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; conservation easements; title limitations, permit fee evaluations. Appraised various properties under lease to determine leasehold and leased fee interests. Various easements and complex partial interests, subsurface interest, patented mining claims.

*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 timberland valuation in conjunction with resource experts.

*Mass appraisal valuations:* Municipality of Skagway, City of Craig, Ketchikan Gateway Borough and other Alaska communities. Developed electronic/digital assessment record system for municipalities. Developed extensive state-wide market data record system which identified sales in all geographic areas. Administered over 100 assessment rules, developed possessory interest values. Experience with ANSCA-developed land classification for real property tax exemption. Reviewed depletion asset for assessment of mine valuations. Studies on cruise ship visitation impact on assessed values.

### **Expert Witness Experience and Testimony:**

2016 Expert Witness – D’s Investment Group, LLC vs Erwin Enterprises, et al 1JU-15-971CI, settled

2012 Expert Witness – Dukowitz vs Chamberlain and First American Title Insurance Co. 1JU-12-778CI, settled

2011 Expert Witness – Wise and Wise vs City and Borough of Juneau. 1JU-10-584CI, settled

2009 Expert at mediation - Talbot=s Inc vs State of Alaska, et al. IKE-07-168CI

2008 Albright vs Albright, IKE-07-265CI, settled

2006 State of Alaska vs Homestead Alaska, et al, 1JU-06-572, settled

2006 State of Alaska vs Heaton, et al, 1JU-06-570CI, settled

2006 State of Alaska vs Jean Gain Estate, 1JU-06-571, settled

2004 Assessment Appeal, Board of Equalization, Franklin Dock vs City and Borough of Juneau

2000 Alaska Pulp Corporation vs National Surety - Deposition

U.S. Senate, Natural Resources Committee

U.S. House of Representatives, Resource Committee

Superior Court, State of Alaska, Trial Court and Bankruptcy Courts

Board of Equalization Hearings testified on behalf of these municipalities: Ketchikan Gateway Borough, City of Skagway, City of Pelican, City and Borough of Haines, Alaska

Witness at binding arbitration hearings, appointed Master for property partitionment by superior state court, selected expert as final appraiser in multiparty suits with settlements of real estate land value issues

### **Real Property Assessment Experience**

*Developed Municipal Assessment Records System (MARS)*, a computer assisted mass appraisal (CAMA) solution to automate assessment recordkeeping in compliance with state statutes including infield recording device option. Presently in use in Craig, Petersburg, Wrangell, Haines, Sitka, Yakutat, Bristol Bay, Dillingham and Nome.

*Contract assessment experience;* either with present partnership or former partnerships has experience being the contract assessor with Craig, Skagway, Petersburg, Wrangell, Haines, Pelican. Performed the 2012 annex assessment for the Ketchikan Gateway Borough.

*Board of Equalization Experience;* has been involved with over 100 boards of equalization throughout a 40-year career.

*Special Projects and Knowledge;* Familiar with Alaska Native Claims Settlement Act (ANCSA). Has assessed and appraised surface and subsurface ANCSA estates. Familiar with requirements regarding developed and undeveloped classification of ANCSA lands for taxable and exemption status with regard to mining development, logging infrastructure and other forms of development. Expert at possessory interest status and value calculation including complex property such as railroads, mines, utility systems, cruise ship docks, marinas, bulk fuel plants, contaminated properties, etc. Member of Alaska Association of Assessing Officers; has participated as a presenter at annual meetings and keeps informed with current assessment issues and is exposed to evolving complexities of the assessment field experience of other Alaska assessment departments.

**Partial List of Clients:**

<u>Federal Agencies</u> 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	<u>Lending Institutions</u> 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 Northrim, AK Rainier National Bank SeaFirst Bank True North Credit Union Wells Fargo Wells Fargo RETECHS	<u>ANCSA Corporations</u> 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	<u>Companies</u> Allen Marine AK Electric Light & Power AK Lumber & Pulp Co. AK Power & Telephone Allen Marine Arrowhead Transfer AT&T Alascom Coeur Alaska, Kensington Mine 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 Tongass Trading Co. Union Oil Ward Cove Packing White Pass & Yukon RR Yutana Barge Lines
<u>Municipalities</u> 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	<u>Other Organizations</u> 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 The Conservation Fund Wilderness Land Trust Great Land Trust	<u>State of Alaska Agencies</u> Alaska State Building Authority (formerly ASHA) Attorney General Dept. of Fish & Game Dept. of Nat. Resources, Div. of Lands Dept. of Public Safety DOT&PF Mental Health Land Trust Superior Court University of Alaska	



**Education**

<p>Comparative Analysis, May 2021</p> <p>The Cost Approach: Unnecessary or Vital to a Healthy Practice, April 2021</p> <p>Eminent Domain and Condemnation, June 2021</p> <p>Cool Tools: New Technology for Real Estate Appraisers, June 2021</p> <p>Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets February 14-15, 2019, Boise, ID</p> <p>Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA), Rockville, MD Sept 2017, Oct 2010, May 2002</p> <p>Valuation of Conservation Easements, Fairfield, CA, Sept 2016</p> <p>Business Practices and Ethics, Seattle, WA, April 2022, Jan 2016</p> <p>7-Hour National USPAP Update Course, Bellingham, WA, Jan 2023, June 2021, Jan 2020, Jan 2019, Jan 2016, Jan 2015, Apr 2013, May 2009, Jun 2007, Feb 2005</p> <p>Online Small Hotel/Motel Valuation, Chicago, IL June 2015</p> <p>Advanced Spreadsheet Modeling for Valuation Applications, Rockville, MD April 2015</p> <p>Appraising the Appraisal: Appraisal Review-General, Rockville, MD, May 2012</p> <p>Information Security Awareness for Appraisal Professionals Webinar, December, 2012</p> <p>Appraisal Curriculum Overview (2-day General) Milwaukee, WI, August 2011</p> <p>Business Practices and Ethics, Seattle, WA, Apr 2010</p> <p>Fall Real Estate Conference, Seattle, WA, Nov 2012, Oct 2011, Dec 2009, Nov 2008</p> <p>Attacking and Defending an Appraisal in Litigation, Kent, WA, Sep 2008</p> <p>Sustainable Mixed-Use N.I.M., Seattle, WA, Feb 2008</p> <p>Appraising 2-4 Unit Properties, Bellevue, WA, Sep 2007</p> <p>Business Practices and Ethics, Seattle, WA, Jun 2007</p> <p>Residential Market Analysis and Highest and Best Use, Seattle, WA, Apr 2007</p> <p>Basic Appraisal Procedures, Seattle, WA, Feb 2007</p> <p>Rates &amp; Ratios: Making Sense of GIMs, OARs, and DCF, Anchorage, AK, Feb 2005</p> <p>Best Practices for Residential Appraisal Report Writing, Juneau, AK, Apr 2005</p> <p>Scope of Work - Expanding Your Range of Services, Anchorage, AK May 2003</p> <p>Litigation Appraising - Specialized Topics and Applications, Dublin, CA, Oct 2002</p> <p>USPAP, Part A, Burr Ridge, IL, Jun 2001</p> <p>Partial Interest Valuation - Undivided, Anchorage, AK, May 2001</p>	<p>Partial Interest Valuation - Divided, Anchorage, AK, May 2001</p> <p>Easement Valuation, San Diego, CA, Dec 1997</p> <p>USPAP, Seattle, WA, Apr 1997</p> <p>The Appraiser as Expert Witness, Anchorage, AK, Oct 2022, May 1995</p> <p>Appraisal Practices for Litigation, Anchorage, AK, May 1995</p> <p>Forestry Appraisal Practices, Atterbury Consultants, Beaverton, OR, Apr 1995</p> <p>Advanced Sales Comparison &amp; Cost Approaches, Univ. of Colorado, Boulder, CO, Jun 1993</p> <p>Computer Assisted Investment Analysis, University of Maryland, MD, Jul 1991</p> <p>USPAP, Anchorage, AK, Apr 1991</p> <p>General State Certification Review Seminar, Anchorage, AK, Apr 1991</p> <p>State Certification Review Seminar, Dean Potter, Anchorage, AK, Apr 1991</p> <p>Highest and Best Use and Market Analysis, Baltimore, MA, Mar 1991</p> <p>Financial Institution Reform, Recovery &amp; Enforcement Act of 1989, Doreen Fair Westfall, Appraisal Analyst, OTS, Juneau, AK, Jul 1990</p> <p>Real Estate Appraisal Reform, Gregory Hoefer, MAI, OTS, Juneau, AK, Jul 1990</p> <p>Standards of Professional Practice, Anchorage, AK, Oct 1987</p> <p>Federal Home Loan Bank Board Memorandum R41C Seminar, Catherine Gearhearth, MAI, FHLBB District Appraiser, Juneau, AK, Mar 1987</p> <p>Market Analysis, Boulder, CO, Jun 1986</p> <p>Federal Home Loan Bank Board Regulation 41b, Inst. Bob Foreman, MAI, Seattle, WA, Sep 1985</p> <p>Litigation Valuation, Chapel Hill, North CA, Aug 1984</p> <p>Standards of Professional Practices, Bloomington, IN, Jan 1982</p> <p>Course 2B, Valuation Analysis &amp; Report Writing, Stanford, CA, Aug 1980</p> <p>Course 6, Introduction to Real Estate Investment Analysis, Aug 1980</p> <p>Course 1B, Capitalization Techniques, San Francisco, CA, Aug 1976</p> <p>Course 2A, Case Studies in Real Estate Valuation, Aug 1976</p> <p>Course 1A, Real Estate Principles and Valuation, San Francisco, CA, Aug 1974</p> <p>Getting It Right From The Start: A Workout Plan for Your Scope of Work, Virtual Classroom, Alaska Chapter, March 2022</p> <p>Appraiser as an Expert Witness: Preparation and Testimony, Rockville, MD Oct 2022</p>
--	---

1	1000 Harbor Way, LLC (Hansen Gress)	4,041 SF
2	Land leased from CBJ proposed to be purchased	4,178 SF
3	Additional CBJ land to be purchased	<u>636 SF</u>
	Total Area	8,855 SF



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

Presented by: The Manager  
Presented: XX/XX/2023  
Drafted by:

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2023-XX**

**An Ordinance Authorizing the Manager to Convey Approximately 4,814 Square Feet of Tidelands Located on a Fraction of Lot 3, Block 51, Tidelands Addition Adjacent to 1000 Harbor Way to 1000 Harbor Way, LLC for Fair Market Value.**

WHEREAS, 1000 Harbor Way, LLC (“applicants”) are owners of certain real property located at 1000 Harbor Way with the legal description of Lot 5, Block 51, Tidelands Addition; and

WHEREAS, the City and Borough of Juneau (CBJ) owns real property adjacent to 1000 Harbor Way, described as a fraction of Lot 3, Block 51, Tidelands Addition; and

WHEREAS, the applicants request additional land under and around their existing building in order to make major structural and architectural improvements to the aging building; and

WHEREAS, the Docks and Harbor’s board reviewed this application at the August 25, 2022 meeting and provided a motion to advance this application; and

WHEREAS, the Lands, Housing and Economic Development Committee reviewed this proposed CBJ land disposal at the meeting on September 26, 2022, and forwarded this application to the Assembly with a motion to work with the original proposer in accordance with city code 53.09.260.

WHEREAS, the Assembly reviewed this application at the November 21, 2022 meeting and provided a motion to authorize the City Manager to negotiate the disposal of City property to Hansen Gress

WHEREAS, the Planning Commission reviewed this proposed disposal of the CBJ Property at their meeting on January 24, 2023, and passed a recommendation that the Assembly approve the disposal

WHEREAS, Fair market value of the CBJ Property to be \$24.62 per square foot or \$118,510 more or less.

1  
2  
3 THEREFORE BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU,  
4 ALASKA:

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

6 **Section 2. Authorization to Convey.** The Manager is authorized to negotiate and  
7 execute the sale of Approximately 4,814 square feet of tidelands located on a fraction of Lot 3,  
8 Block 51, Tidelands Addition, as shown on the attached Exhibit A.

9 **Section 3. Purchase Price.** The purchase price of the property shall be the fair  
10 market value, which has been determined by appraisal to be \$24.62 per square foot. Applicants  
11 will be responsible for all surveying, platting, closing costs, and recording fees.

12 **Section 4. Other Terms and Conditions.** The Manager may include such other  
13 terms and conditions as may be in the public interest and in accordance with CBJ Title 53.

14 **Section 5. Effective Date.** This ordinance shall be effective 30 days after its adoption.

15 Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

16 \_\_\_\_\_  
Beth A. Weldon, Mayor

17 Attest:

18 \_\_\_\_\_  
Elizabeth J. McEwen, Municipal Clerk

**CPI for All Urban Consumers (CPI-U)**  
**12-Month Percent Change**

**Series Id:** CUURS49GSA0,CUUSS49GSA0

**Not Seasonally Adjusted**

**Series Title:** All items in Urban Alaska, all urban consumers, not

**Area:** Urban Alaska

**Item:** All items

**Base Period:** 1982-84=100

**Years:** 2012 to 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2012													2.2	2.5	2.0
2013													3.1	2.7	3.5
2014													1.6	1.9	1.4
2015													0.5	1.1	-0.1
2016													0.4	-0.1	0.9
2017													0.5	0.7	0.2
2018												2.8	3.0	2.1	4.0
2019		2.5		2.7		2.5		0.7		-0.3		0.0	1.4	2.6	0.2
2020		-0.3		-2.5		-3.8		-1.5		0.3		0.3	-1.1	-1.7	-0.5
2021		1.3		4.8		6.2		5.7		6.3		7.2	4.9	3.4	6.4
2022		7.4		7.5		12.4		7.6		7.6		5.4	8.1	8.4	7.8





**DOCKS & HARBORS**  
 155 S. Seward St.  
 Juneau, AK 99801  
 (907) 586-5255 tel  
 (907) 586-2507 fax  
[www.juneau.org/harbors](http://www.juneau.org/harbors)

Section F, Item 3.

## FY24 Moorage Rates

<b>DOUGLAS, HARRIS AND AURORA HARBORS</b>		
	Effective thru June 30, 2023	Effective July 1, 2023
Skiff	\$314.70 per calendar year	\$340.19 per calendar year
Daily	61¢ per foot	66¢ per foot
Calendar Month	\$4.60 per foot	\$4.97 per foot
Bi-Annual (July 1 – Dec 31) & (Jan 1 – June 30) Annual (July 1 – June 30)	5% discount on 6-month advance payment 10% discount on 12-month advanced payment	5% discount on 6-month advance payment 10% discount on 12-month advance payment

<b>STATTER HARBOR</b>		
	Effective thru June 30, 2023	Effective July 1, 2023
Skiff	\$314.70 per calendar year	\$340.19 per calendar year
Daily	61¢ per foot	66¢ per foot
Calendar Month	\$7.66 per foot	\$8.28 per foot
Bi-Annual (July 1 – Dec 31) & (Jan 1 – June 30) Annual (July 1 – June 30)	5% discount on 6-month advance payment 10% discount on 12-month advanced payment	5% discount on 6-month advance payment 10% discount on 12-month advance payment
Reservations (May 1 – Sept 30) Effective April 1, 2023	Fishing Vessels Other Vessels <65' Other Vessels ≥ 65' Other Vessels ≥200'	\$1.62 per foot \$3.24 per foot per day \$5.40 per foot per day \$3.24 per foot per day

<b>INTERMEDIATE VESSEL FLOAT (IVF)</b>		
Daily (Oct. 1 – Apr. 30)	61¢ per foot	66¢ per foot
Monthly (Oct. 1 – Apr. 30)	\$4.60 per foot	\$4.97 per foot
Reservations (May 1 – Sept 30) Effective April 1, 2023	Fishing Vessels Other Vessels <65' Other Vessels ≥ 65' Other Vessels ≥200'	\$1.62 per foot \$3.24 per foot per day \$5.40 per foot per day \$3.24 per foot per day

## Residence Surcharge

Per Month	\$78.24 + \$26.08/person above four persons
-----------	--

- A 5% City & Borough of Juneau sales tax may apply to all fees

## Launch Ramp Rates

Recreational – Calendar Year (includes Kayaks) Matching registrations are required to obtain two additional permits. Please see 05 CBJAC 20.060 – Recreational Boat Launch Fees.	\$102.06  \$5 per additional permit
Recreational – Day	\$17.00
Commercial – Calendar Year	\$283.49 per trailer
Commercial – Day	\$34.02
Freight Use – Commercial	Up to 1 hour \$60 Over 1 hour \$30 for each additional hour

## Parking Rates

Douglas, Harris, Aurora Harbors	Free w/ permit (permits available at Aurora Harbor office, current vehicle registration required)
Statter Harbor – Summer (May, June, July, August, September)	\$1 per hour/\$5 per calendar day
Statter Harbor – Winter (October through April)	Free w/permit (permits available at Statter Harbor office, current vehicle registration required)
Downtown Taku Lot - Summer	\$2 per hour/3 hour limit

## Shorepower

Connection Type	Daily Fee
20 amp (120V, 1 phase)	\$6.29
30 amp (120V, 1 phase)	\$9.44
50 amp (208V, 1 phase)	\$26.23
100 amp (208V, 3 phase)	\$90.21
100 amp (480V, 3 phase)	\$207.70

Connection Type	Summer Liveaboard Monthly	Summer Non-Liveaboard Monthly
20 and 30 amp	\$94.41	\$56.65
50 amp	\$188.82	\$113.29
100 amp/208 volt	\$440.58	\$264.35

Connection Type	Winter Liveaboard Monthly	Winter Non-Liveaboard Monthly
20 amp	\$125.88	\$75.53
30 amp	\$169.64	\$100.70
50 amp	\$314.70	\$188.82
100 amp/208 volt	\$755.28	\$440.58

## Services Provided

### Power

Potable water (Year round downtown and Statter A&B Floats)  
Restrooms (Aurora Harbor, Harris Harbor & Statter Harbor)  
Showers (Harris Harbor & Statter Harbor)  
Free Sewage pump-out (Aurora, Douglas, Harris, and Statter)  
Sewage pump-out cart available at Aurora Harbor & Douglas Harbor  
**Harris Harbor Grid (Fee: \$1.14 per foot per day)**  
*Please make Grid reservation at Aurora Harbor Office*



## Port of Juneau

### Fees and Charges – Application of Consumer Price Index by Date

(This fee schedule was approved by the Board on March 31<sup>st</sup>, 2022)

#### Fee changes by date -

05 CBJAC 15.030 <sup>1</sup>	Dockage Charge	April 1 <sup>st</sup> , 2023
05 CBJAC 15.040	Port maintenance fee	April 1 <sup>st</sup> , 2023
05 CBJAC 15.060	Vessel Lightering fees	April 1 <sup>st</sup> , 2023
05 CBJAC 15.080	Loading permit fees	April 1 <sup>st</sup> , 2023
05 CBJAC 20.080	Passenger-for-hire fee	April 1 <sup>st</sup> , 2023
05 CBJAC 20.090	Statter lower parking lot permit fee	April 1 <sup>st</sup> , 2023
05 CBJAC 20.140	Staff labor fees	April 1 <sup>st</sup> , 2023
05 CBJAC 20.045	Fee for tenders	April 1 <sup>st</sup> , 2023
05 CBJAC 15.110	Boom truck services	July 1 <sup>st</sup> , 2023
05 CBJAC 20.020	Special annual moorage for skiffs	July 1 <sup>st</sup> , 2023
05 CBJAC 20.030	Daily moorage fees	July 1 <sup>st</sup> , 2023
05 CBJAC 20.035	Monthly moorage fee	July 1 <sup>st</sup> , 2023
05 CBJAC 20.050	Residence surcharge	July 1 <sup>st</sup> , 2023
05 CBJAC 20.060	Recreational boat launch fees	July 1 <sup>st</sup> , 2023
05 CBJAC 20.070	Fees for commercial use of boat launches	July 1 <sup>st</sup> , 2023
05 CBJAC 20.100	Grid usage fees	July 1 <sup>st</sup> , 2023
05 CBJAC 20.110	Crane use fees	July 1 <sup>st</sup> , 2023
05 CBJAC 20.130	Storage fees	July 1 <sup>st</sup> , 2023
05 CBJAC 20.150	Reserved moorage waitlist fee	July 1 <sup>st</sup> , 2023
05 CBJAC 20.210	Auke Bay Loading Facility—Float Moorage	July 1 <sup>st</sup> , 2023
05 CBJAC 20.220	Auke Bay Loading Facility Float—Mechanical Work Zone	July 1 <sup>st</sup> , 2023
05 CBJAC 30.010	Shorepower access fees	July 1 <sup>st</sup> , 2023
05 CBJAC 40.010	General moorage management policy	July 1 <sup>st</sup> , 2023
05 CBJAC 40.065	Vessel anchoring requirements	July 1 <sup>st</sup> , 2023

#

<sup>1</sup>**Dockage Charges:** New fees were adopted by the Assembly on February 28<sup>th</sup>, 2022. The new linear foot fee was enacted on April 1<sup>st</sup>, 2022. The adjustment to CPI will next be made in April 2023. Staff will honor reservations fees taken prior to April 1<sup>st</sup> with the former rate. After April 1<sup>st</sup>, all fees will be with the new rate.

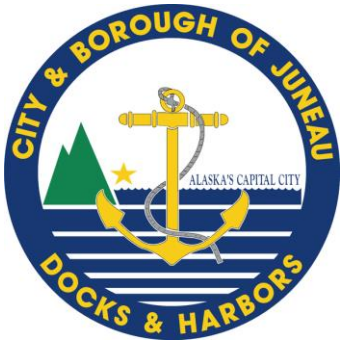
## 05 CBJAC 40.010 General moorage management policy.

- (a) *Policy.* It is the policy of the City and Borough to favor the use of the small boat harbors by commercial fishermen, government vessels in trade and commerce, and pleasure craft, and by the general public at large. It is further the policy of the City and Borough to prevent and discourage the use of the small boat harbors by boats that have been abandoned by the owners to the point of becoming derelicts as defined in CBJ 85.05 or becoming a charge and nuisance to the City and Borough, the Port Director, and the general public, or boats that are unsafe, or not used, or not fit to be used, regularly for transportation on the water.
- (b) *Applicability and other regulations.* CBJ Administrative Code Title 05, Chapter 40 applies to the small boat harbors under the jurisdiction of the City and Borough of Juneau Docks and Harbors Board. These include the Douglas Small Boat Harbor, the National Guard Dock, Harris Boat Harbor, the Fisheries Terminal Float, Aurora Boat Basin, Statter Boat Harbor, and moorage facilities appurtenant thereto. Where the requirements of 05 CBJAC 40 differ from other small boat harbor regulations in CBJ Administrative Code Title 05, the regulation that is more specific or restrictive shall take precedence.
- (c) *Duty to comply with harbor ordinances and regulations.* As a condition of use, each harbor user shall comply with all applicable requirements of Title 85 of the City and Borough Code and CBJ Administrative Code Title 05.
- (d) *General moorage management.* CBJ Administrative Code Title 05, Chapter 40 does not restrict the Port Director's authority to require the owner or operator of any boat, vessel, or floating structure to change from one mooring space to another, in the interests of safety, order, convenience and health, or to move any boat, vessel, or floating structure that is unoccupied and in violation of City and Borough harbor ordinances and regulations. It is the policy of the Docks and Harbors Board to manage the small boat harbors by using all harbor space as effectively as possible.
- (e) *Duty to register.* Every owner, master, operating or managing agent of any vessel using the small boat harbors shall register on a form provided by the Harbormaster. The owner, master operating, or managing agent of a vessel that is not registered shall register as soon as practical after the vessel enters and moors in any of the small boat harbors.
- (f) *Vessel size restrictions.* The Harbormaster will determine the maximum and minimum length and breadth of a vessel that is allowed to moor in the small boat harbors based on the size of the slip or moorage space available to ensure the maximum use of space available taking into account safety, maneuvering, and other factors. Except when approved by the Harbormaster on a case-by-case basis, no vessel, or part thereof, may extend more than ten feet beyond a finger or have a silhouette length less than three feet shorter than a finger in any slip or mooring space with a finger from 20 to 80 feet in length. For a slip or mooring space with a finger less than 20 feet in length and for side-tie moorage, the Harbormaster will establish the maximum and minimum vessel length on a case-by-case basis.
- (g) *Vessel salvage and disposal.*
  - (1) Prior to obtaining a moorage assignment pursuant to 05 CBJAC 40.035, 050, 055, or 065, the owner of a vessel must
    - (i) provide the Harbormaster with proof of current marine insurance showing, at a minimum, the owner's name, information identifying the vessel, and the dates of insurance coverage; or
    - (ii) pay a non-refundable moorage surcharge \$0.25 per foot per month.
  - (2) The funds collected from the moorage surcharge under this regulation will be used to pay for the unrecoverable costs attributable to vessel salvage and disposal activities in the small boat harbors.



- (3) This regulation does not relieve an owner from the responsibility to pay fees as set out in CBJ Ordinance Title 85 or regulations adopted thereunder, and does not constitute marine insurance.
- (h) *Moorage payments.* Except as noted in 05 CBJAC 20.020, the owner of a vessel may pay the daily or monthly moorage fee for moorage that is assigned by the Harbormaster as set out in 05 CBJAC 25, 35, and 40. If the owner fails to pay by the due date shown on an invoice for the moorage assignment, the Harbormaster shall forfeit the moorage assignment, notify the owner, and require the owner to move the vessel from the assigned moorage space within 72 hours of notice. If the owner does not move the vessel from the assigned space, the Harbormaster is authorized to move the vessel from the assigned space in accordance with CBJ Ordinance Title 85.
- (i) *CPI adjustment.* The fee(s) assessed in this section will be equal to the previous fiscal year's fee and adjusted by the Consumer Price Index - Urban Alaska (CPI) as reported by the Alaska Department of Labor for the calendar year preceding the start of the fiscal year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

(Amended 9-12-2005, eff. 9-20-2005; Amended 9-11-2006, eff. 9-19-2006; Amended 12-11-2006, eff. 7-1-2007; Amended 7-15-2013, eff. 7-23-2013 ; Amended 2-28-2022 , eff. 3-9-2022)



# Port of Juneau

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

*Carl J. Uchytel*  
**From:** Carl Uchytel, Port Director  
**To:** Docks & Harbors Board  
**Date:** February 22<sup>nd</sup>, 2023  
**Re:** AUKE BAY LOADING FACILITY – USE AREA

1. At the February Operations-Planning Committee meeting, Harbormaster Creswell provided a PowerPoint regarding the management of the ABLF. In summary, we have a leased area operated by Karl's Auto & Marine (boatyard) and an ask by Gastineau Guiding (charter boat operator) for continued use of the ABLF for regular maintenance. Earlier this fall, Docks & Harbors staff was notified of regulations which would preclude conducting routine maintenance outside the Boatyard, which is regulated through an ADEC issued Multi-Sector Use Permit/Stormwater Planning Prevention Plan (SWPPP). Detailed research is suggesting that there are regulatory workarounds that the charter boat operator could meet regulatory standards. If the charter boat operator meets the ADEC requirements, this potentially enables the charter boat operator use of the ABLF as they have enjoyed since approximately 2015.
2. The question before the Board is no longer: Can we allow the charter boat operator to continue regular maintenance of their fleet at the ABLF, but outside the lease area of the boatyard? The question is now "Should we allow the charter boat operator use of the ABLF for routine maintenance"
3. Based on the Committee questions of February 13<sup>th</sup>, we have compiled a list of FAQs:
  - a. Does the boatyard have a non-compete clause in the lease agreement preventing other commercial use at the ABLF? **No.**
  - b. What services does the boatyard provide? **Boat repair, pressure washing, self-service boat repair, boat storage, boat painting.**
  - c. How much does the boatyard pay in annual lease rent? **\$36,000**
  - d. How long has the charter boat operator been using ABLF? **7+ years**
  - e. What services does the charter boat operator use at ABLF? **Oil changes, pressure washing, zinc replacements**
  - f. Does Docks & Harbors charge for charter boat operators to use ABLF? **Docks & Harbors charges a "Miscellaneous – Work Zone Fee" of \$26.22 per haul out. A commercial launch permit is also required at a cost of \$262.25 per trailer.**

- g. How much revenue did Docks & Harbors collect from the charter boat operator in 2022?  
**Moorage = \$20,588.16**  
**Passenger for Hire = \$72,847.56**  
**Misc – Work Zone Fee = \$917.70**  
**Commercial Launch Permit = \$262.25**  
**Total = \$94,615.67**
- h. What permit has Docks & Harbors acquired to allow oil changes to occur at the ABLF but outside of the boatyard? **ADEC Certificate of No Exposure.**
- i. What permit and what conditions will be required for charter boat operator to pressure wash? **Multi Sector General Permit (MSGP) and Storm Water Pollution Prevention Plan (SWPPP).**
- j. How many times did the charter boat operator use the ABLF for oil changes/pressure washing in 2022?  
**35**
- k. How often does the charter boat operator expect to use the ABLF for maintenance in 2023?  
**Approximately 120 times.**
- l. What if the charter boat operator is not allowed to pressure wash at the ABLF? **One option is to tow their vessels to their Industrial Blvd facility for maintenance. This would requires a permit to tow the oversize load on the highway. Another option is for the bottoms of their vessels to be protected by anti-fouling paint which would reduce the need for pressure washing.**
- m. What is the financial impact? **The charter boat operator estimates a cost of \$40K-\$50K to use the boatyard in 2023.**
- n. How does the EPA/ADEC define boatyard/shipyard work? **Establishments primarily engaged in building and repairing boats. SIC 3732**

#

# AUKE BAY LOADING FACILITY (ABLF) OPERATIONS AND AUTHORIZED USE BRIEF

January 18<sup>th</sup>, 2023

# Leased Area and D&H Managed Area





# Property Lines and Right-of-Way



- The facility is currently used as a commercial boat yard, haul out facility and drive-down float for commercial users.
- Karl's has a Multi Sector General Permit (MSGP) and Storm Water Pollution and Prevention Plan that permits vessel repair and pressure washing within their leased area.
- Docks and Harbors does not have a MSGP. Therefore, no pressure washing, tank storage or vessel repair is authorized on our side of the facility. These activities have been taking place on a limited basis on the D&H side in the past but we have been informed by ADEC that these activities must cease since we are not permitted for them.

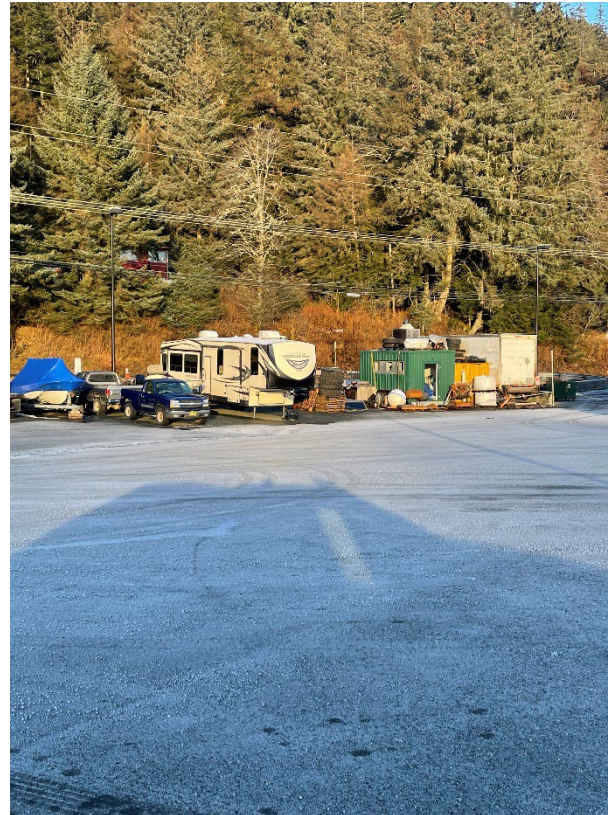
# WHAT'S NEXT?

- ▶ Does D&H want to require all operators to use the permitted boat yard (Karl's) to perform maintenance and pressure washing?
- ▶ Does D&H want to permit our side of the facility to allow these activities? This will require multiple permits as well as on-site staff supervision whenever permitted activities are taking place. With the recent increase of use, the D&H side of the facility is becoming increasingly congested and space is scarce.



# STORAGE

Currently the majority of the items stored belong to a single operator  
Multiple tanks are stored and staged at the facility between trips by this operator. Without permitting and secondary containment, these tanks will no longer be authorized.



# SELF-PROPELLED BOAT LIFT

- ▶ Purchased with a TIGER grant in 2012
- ▶ Maintenance issues plagued the machine throughout its life
- ▶ Technical support was difficult to find
- ▶ D&H surplused the machine in 2022 for \$225k
- ▶ MARAD has authorized us to use these funds for the purchase of a similar new lift
- ▶ Sourcing a new lift has proven to be difficult due to MARAD's buy American requirements
- ▶ D&H staff continues to work towards a solution





MEMORANDUM

TO: Juneau Docks and Harbors Board and Operations Committee

FROM: Karl and Shelly Leis, Karl's Auto and Marine

DATE: March 20, 2023

RE: Auke Bay Boatyard

We would like to voice our objection to granting special consideration to a tour business to perform oil changes on their boats outside of the Auke Bay Boatyard, and objection to the issuance of a SWPPP permit to allow pressure washing at the Auke Bay LOADING Facility.

CBJ granted an assignment of the lease of the Auke Bay Boatyard to Karl's Auto and Marine Repair ("KAM") on November 6, 2020. The lease states that services to be provided at the boatyard included hauling and pressure washing of boats, hull cleaning, zinc replacement, engine service and repair, outboard motors service and repair, among many others. KAM proceeded to apply for and received an MSGP permit to operate the boatyard on June 17, 2021.

KAM made the decision to operate the Auke Bay Boatyard in full faith that it would be operated as a full-service boatyard as stated in the Lease. Included in the Lease is a Sea-Lift Model 45 boat trailer owned by CBJ. The Sea-Lift boat trailer was plagued with ongoing problems, was only used once by KAM, and was eventually sold by CBJ. KAM made a large financial investment and in late 2020 commissioned to have a trailer built, and purchased the 50 foot Conolift boat trailer in the spring of 2021 to be used at the boatyard. KAM then had to purchase a larger truck that had the capacity to handle the boat trailer, the larger boats, and the steep incline of the boat ramp. The Sea-Lift was self-propelled and therefore did not require a heavy-duty truck for operation. Had KAM not purchased the trailer and truck, KAM would not have the ability to haul large boats, and there would not be any large boats stored at the boatyard. KAM has made a huge financial investment in the boatyard leased from CBJ and is far from ever breaking even on their investment.

At some point in time a tour boat business began improperly performing service on outboard motors and boat washing at the Auke Bay Loading Facility ("ABLF") without an MSGP permit to do so. ADEC became aware of this and requested that it stop occurring at the loading facility.

The mandate by the ADEC was discussed at the Docks and Harbors Operation meeting on January 18, 2023. KAM stated that all necessary boat servicing could be performed at the Auke Bay Boatyard. Bob Janes of Gastineau Guiding stated that he had worked with KAM before and was sure something could be worked out. A concern was raised about adequate space at the boatyard. KAM assured there is adequate space and it was confirmed that the tour businesses only haul out one boat at a time to service at the loading facility. (In fact, the original CBJ



SWPPP plan for the boatyard states that the boatyard can accommodate 20-25 40' vessels at any time.)

Bob Janes called Karl Leis to inquire what the charge would be to use the wash pad at the boatyard. Karl stated there would be a two-hour minimum charge due to the labor intensive clean-up required after using the wash pad. Bob Janes said he was not willing to pay for two hours. Karl requested that Bob tell him what he thought a reasonable charge would be, and Bob stated he would get back to Karl, which did not happen.

Karl Leis sent an email on February 28 to Bob Janes asking him to provide a counteroffer. Robie Janes responded and requested a meeting once his mom, Dawn returned to town, which occurred on March 7 with Robie and Dawn. Dawn stated they have 10 boats and that they wash them 8-10 times each per summer. Karl asked her what she would be willing to pay to have them washed on the wash pad at the boatyard and she said \$50.00. That amount is totally inadequate and would not even cover employees' time and the expenses associated with washing and cleaning the wash pad and system.

When asked how many boat washes occurred last year Dawn stated "that doesn't matter". She was advised that it is relevant so that an average could be used to offer bulk pricing based on their average. She stated she anticipates 80-120 washes this year.

According to the February 22, 2023 memo from Carl Uchtyl, Gastineau Guiding used the ABLF 35 times for oil changes/pressure washing in 2022 and they expect to use it 120 times in 2023. An increase from 35 times to 120 times in a year seems to be drastically inflated.

At the February 13, 2023 Operations/Planning Committee the issue was discussed again. The downtown boatyard was also discussed, and Mr. Grant stated that the committee should fully support the downtown boatyard, as it was a vital part of the community. Mr. Grant stated he finds it ironic that the committee is discussing this after being so supportive of the boatyard at the Fisherman's Terminal property. The Auke Bay Boatyard is also vital to the community and should also be fully supported by the committee.

Many questions and issues arise from this situation, including:

1. The ABLF is the Auke Bay LOADING Facility. What does boat maintenance and washing have to do with loading and unloading a boat?
2. If one business is granted the right to do this, won't other tour boat businesses, fishing boat operators and marine repair businesses want the same rights and who determines who can and cannot do boat maintenance at the Auke Bay loading facility? What will happen when Gastineau Guiding, Juneau Tours, Rocky's Marine, Broken Rudder, Lawless Marine, Melino's Marine Service, Mendenhall Marine, Betts Boat Repair, Seaside Diesel and other boat repair businesses, along with other tour boat businesses and fishing boat operators want the same rights to use the facility?



3. Why should certain businesses be given preferential treatment and be able to use the CBJ facility at little to no charge, while Karl's Auto and Marine pays for the right to do the same a few feet away?
4. If CBJ Docks and Harbors receives a fee for use of the facility for maintenance, aren't they in direct competition with Karl's Auto and Marine, who leases CBJ's facility adjacent to it?
5. Does CBJ Docks and Harbors have a fiduciary duty to Karl's Auto and Marine and therefore an obligation to act in KAM's best interest?
6. How would the scheduling for use of the loading facility for maintenance be handled and who would be responsible for the scheduling?
7. What kind of congestion would this cause in the loading facility area for use of the boat ramp? There would have to be staging lanes painted in the parking lot. There would need to be time limitations for use and monitoring. What would happen when there is a complication and the boat cannot be put back in the water and someone else is scheduled to use the area?
8. What did the tour businesses do for their oil changes and pressure washing prior to improperly doing them at the loading facility? At one point in time, they were previously done at the Harri's Marine Commercial facility, which is now the Karl's Auto and Marine Auke Bay boatyard. If they were done somewhere else offsite, such as at their own facility, they can easily return to doing the same thing.
9. An XP permit covering the hauling of oversized boats can be purchased at the cost of \$300 for six months.
10. The tour business claimed they would not have access to the boat yard for emergencies. Any boat with an "emergency" would have to be hauled off site anyway for repair and a routine oil change is not an emergency.
11. If the tour business received a SWPPP plan to put a wash mat in the loading facility area, that would cause major congestion in the loading facility area. The wash mats are large and heavy, and very time consuming and inconvenient to move around. How would this affect everyone else using the facility? That would limit the space available and limit the number of other users that could use the area. Would other businesses be offered the same option?
12. Who is going to be responsible and liable when there is an environmental spill?

There is no reason for the tour businesses to not use the boatyard. That is the purpose of having a boatyard that is accessible at a loading facility. Karl's Auto and Marine believes everyone can be accommodated at the boatyard. In the event the tour company businesses are not willing to work out a resolution, they have other options beside using the Auke Bay boatyard.

The Auke Bay Boatyard is vital to the community and should be fully supported by the Docks and Harbor Board. Karl's Auto and Marine has made huge financial investments into operating the Auke Bay Boatyard under assurances and the belief that the boatyard would be operated as a traditional boatyard and that eventually KAM would be able to recoup their financial investments.



MEMORANDUM

TO: Juneau Docks and Harbors Board and Operations Committee

FROM: Karl and Shelly Leis, Karl's Auto and Marine

DATE: March 29, 2023

RE: Auke Bay Boatyard – Supplement to March 20, 2023 Memo

The two-part question before the Board does not appear to be framed correctly, as one crucial item is being overlooked and brushed under the rug. That question is should oil changes and boat maintenance be allowed at the Auke Bay LOADING Facility? Just because it was done in the past does not make it right; it should not have been allowed and should not continue to be allowed. The second part of that question is should pressure washing be allowed and the answer is no it should not.

If one business is allowed to operate a portion of their business on CBJ property, it will not be long before others follow suite. It would get to the point of being so congested there would be safety issues that arise. Who would decide who can and cannot perform boat maintenance there? What would the criteria be for who can and cannot perform boat maintenance in the LOADING facility area? Who would be in charge of the scheduling and monitoring of the lot? In order to not promote favoritism, the use of the space at the LOADING facility would need to be available to everyone to perform their boat maintenance there, which would be a nightmare.

At the January 18, 2023 Planning Committee meeting Bob Janes stated they perform 250 oil changes in four months. In the February 22, 2023 memo to the Board from Carl Uchytíl, he stated Gastineau Guiding used the Auke Bay LOADING Facility for oil changes/pressure washing 35 times in 2022 and they expect 120 times in 2023.

The addition of a wash pad in the boat loading area would only add to the congestion. Routine boat maintenance can generally take 2-4 hours, until complications arise. Boat maintenance should be performed in the Auke Bay Boat Yard, off site at the place of business of the operators, at Smith's yard, or at another location off site secured for that purpose.

The lease between Karl's Auto and Marine and CBJ states the authorized use of the Leased Premises is "for operation of a boatyard service, repair, and storage facility, and marine haul-out." When the decision was made to take over the Auke Bay boatyard, it was under the belief that the boatyard would be used for these purposes, and there obviously was no concern that there would be another facility for the same services directly adjacent to the boatyard. KAM had two meetings with Carl Uchytíl and Matt Creswell in their office prior to deciding to take over the boatyard in which these exact concerns regarding the continued boatyard operation were discussed and were assured that it would continue to be operated in the same manner.



In the memo by Mr. Uchytel, he stated the amount of funds collected from Gastineau Guiding in 2022. The fees will still have to be paid to Docks and Harbors regardless of where the maintenance on their boat is performed. This is totally irrelevant to the matters at hand as "CBJ Docks & Harbors collects a fee for each passenger embarking on charter vessels which originates from Statter Harbor" as stated in the Docks and Harbors Issue Paper – Use of Marine Passenger Fees at Statter Harbor dated December 14, 2016. In the same document it states "the board was able to construct a separate commercial loading facility away from Statter Harbor (Auke Bay Loading Facility (ABLF), for commercial freight loading users and a dedicated drive-down float to aid the commercial fishing industry." Nowhere in that document does it state that boat servicing and repair was an intended use of the ABLF.

What KAM does or does not work out with Gastineau Guiding on the cost of using the Auke Bay Boatyard has nothing to do with the issues at hand. They always have the option of hauling their boat to their shop, which is less than a 15 minute trip from the Auke Bay Loading Facility and an XP permit covering the hauling of oversized boats can be purchased for \$300 for six months. They have requested a "bid" for pressure washing 25, 50 and 100 boats, but KAM has not agreed to bid on boat yard services. The number of pressure washes is revolving and has been 25, 35, 50, 100, and 120.

Karl's Auto and Marine has made a large unanticipated financial investment in the Auke Bay Boatyard and cannot begin to recover some of that investment when a part of the business is performed in a competing CBJ lot next to the boatyard. If KAM had not purchased a new boat trailer and truck, they would not have been able to haul out, service and store large boats at all in the Auke Bay Boatyard with the trailer provided in the lease being inoperable and then sold. KAM had to decline many large boat hauls last season due to the loss of the CBJ trailer.

What the environmentalist hired by Gastineau Guiding has to say about the use of a wash pad on the LOADING facility lot should have no relevance, as boat washing and service should not be allowed at the LOADING facility. Gastineau Guiding can use that information to secure and set up their own location off site for these purposes if they chose not to bring their boats to the Auke Bay Boat Yard. There is no reason they cannot set up a wash pad at their own facility.

There is no reason for the tour businesses to not use the boatyard. That is the purpose of having a boatyard that is adjacent to and accessible at a loading facility. Karl's Auto and Marine believes everyone can be accommodated at the boatyard. In the event the tour company businesses are not willing to work out a resolution, they have other options beside using the Auke Bay boatyard.

At the February 13, 2023 Operations/Planning Committee Meeting, the concern was raised that "it is ironic we are discussing this after being so supportive of the boatyard at the Fisherman's Terminal property". KAM has used the Auke Bay Loading Facility since it was opened. KAM has made huge investments of time and unanticipated money into continuing to make the Auke Bay Boat Yard a viable boat yard that is vital to the community and requests the Docks and Harbors Board honor their fiduciary duty and provide their full support.



**Mitigation Plan for Closed Loop System  
For Pressure Wash-Water Waste**

**for**

**Gastineau Guiding  
1330 Eastaugh Way Ste. 2  
Juneau, AK 99833  
907-586-2666**

Prepared by:  
Birchell Environmental

**Operator Contact Information:** Gastineau Guiding  
1330 Eastbaugh Way Juneau, AK 99801  
907-586-2666  
Robie Janes, GM Gastineau Guiding

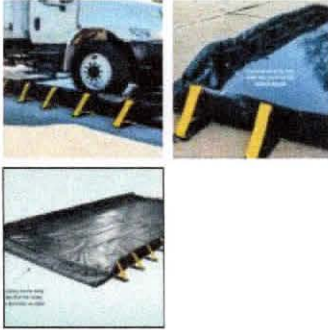
**Activity Location:** CBJ Auke Bay Loading Facility  
Juneau, AK 99801  
LAT 58.381985, LONG -134.69076

**Activity Description:** Vessel power washing will be done within a containment system. This system will be a closed loop system which will be portable and set up as needed. The containment system will consist of an approximately 12' x 50' x 12" drive in-drive out containment system that is equipped with a filter system to capture any organic debris and sediment before the wastewater is recycled in the closed loop system to be reused. The snout outlet on the drive in containment will be looped in to a catchment system that will store the wastewater for either reuse or disposal. Once power washing activity is completed the collected wastewater will be removed from the site and transported to a permitted wastewater facility for disposal. There will be no discharges from washing activities on site. Captured solids within the containment will be disposed of at the landfill. The complete system will be transported from the site and stored until further use is needed.

**Note:** A closed loop water system was recommended for this activity by Jim Rypkema, Program Manager, Storm Water & Wetlands, Wastewater Discharge Authorization Program Div. of Water, Alaska Dept of Environmental Conservation  
555 Cordova St; Anchorage, AK 99501-2617  
(907) 334-2288



[Home](#) / [Shop](#) / [Spill Containment](#) / Portable Containment Berms



## HardyBerm Drive-In & Drive-Out Containment

\$6,188.00

Optimized drive-in and drive-out capabilities. Patent-pending snoutlet design allows rainwater to drain fully from the containment. Custom sizes available. [Click to request a quote.](#)



Made in the USA

### Drive-In & Drive-Out Containment Sizes

BERM12501-SF-4SN: 12' x 50' x 12"

× Clear

**\*Not available for online ordering. Call 814-822-2004 to order.**

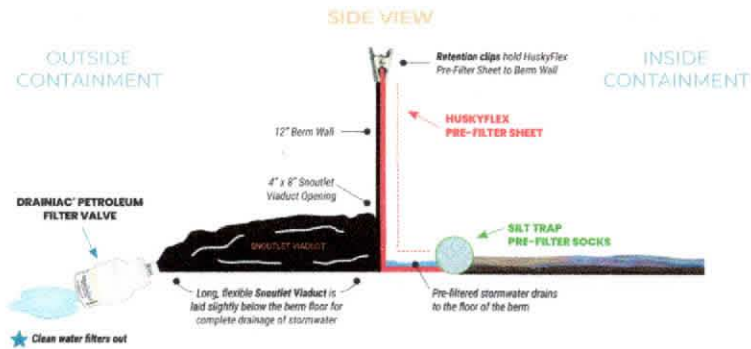
SKU: BERM12501-SF-4SN

Categories: [Portable Containment Berms](#), [Spill Containment](#)

Tags: [HardyBerm](#), [Portable Secondary Containment](#)

## Description





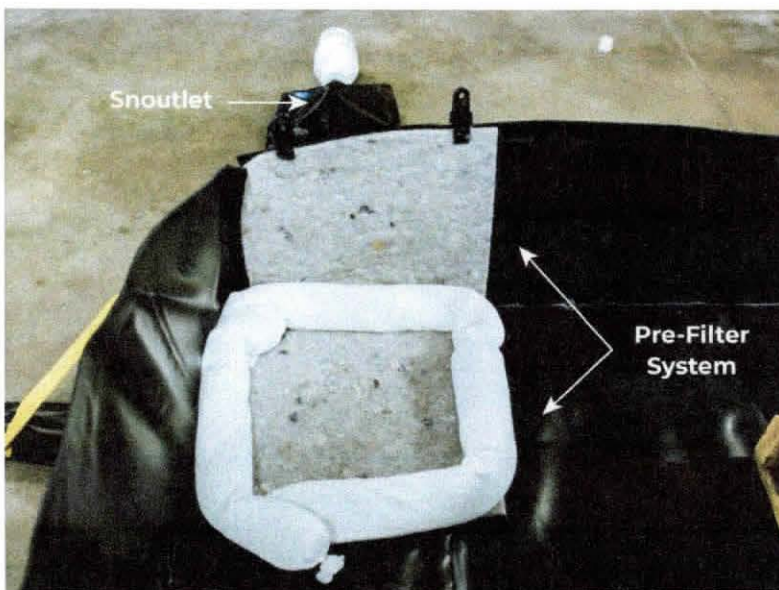
## HOW IT WORKS



Interior of the HardyBerm Snoutlet Drain sits flush with the containment berm's floor, allowing rainwater to drain completely.



Exterior of the HardyBerm Snoutlet Drain extends below the berm floor to allow for complete drainage.



Drainiac® Pre-Filter System captures debris and sediment before it enters the Snoutlet Drain.

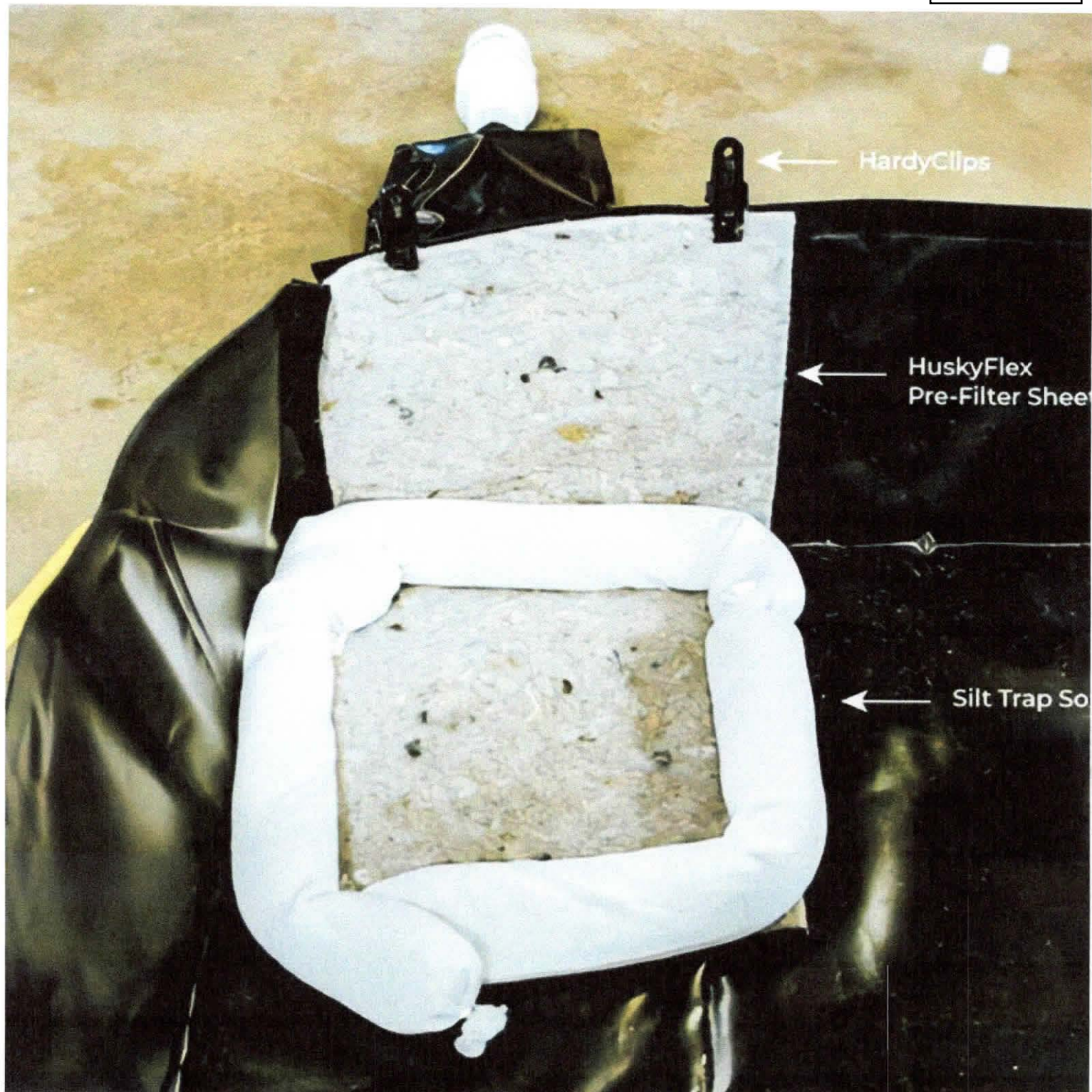


Drainiac® Petroleum Filter Valve attaches to the Snoutlet Drain, filters sheen from rain water and automatically shuts off during a spill.



[VIEW DETAILS](#)

Section H, Item 4.



Drainiac® Pre-Filter System for Portable Secondary Containment: SPL145

\$179.00

[ADD TO CART](#)