

**Minutes of Economic Development Committee Meeting  
Held on September 03, 2024**

**1. CALL TO ORDER:** Call to Order at 5:30PM

**2. ROLL CALL**

**PRESENT:** John DeRuyter, Jillian Privett, Austin O'Brien, Brian Ashton, Chair Bob Dalrymple

**ABSENT:**

STAFF: Kate Thomas, Matt Henson

**3. AMENDMENTS TO THE AGENDA:** NONE.

**4. CONFLICT OF INTEREST:** NONE.

**5. APPROVAL OF MINUTES:** NONE.

**6. CORRESPONDENCE:** NONE.

**7. PERSONS TO BE HEARD:** NONE.

**8. BOARD MEMBER REPORTS**

**9. DIRECTOR REPORT**

**a.** Economic Development Department Report August 2024

Director Thomas provided report.

**b.** Wrangell Development News Issue 1 (August 2024)

Director Thomas provided administrative report. Dalrymple commends Thomas on her efforts. Asked if new businesses, or filed business licenses, can be included in the monthly newsletter.

**10. UNFINISHED BUSINESS:** NONE.

**11. NEW BUSINESS**

**a.** Disposition (donation/gift) of Borough Property to the Wrangell Cooperative Association to develop a memorial at Alder Top Village identified as Lots 1 and 10.

***M/S: JP/JD move to recommend to the Borough Assembly approval of the conveyance of land identified as Lots 1 and 10 within Block 1 of the Shoemaker Bay Subdivision II from the City and Borough of Wrangell to the Wrangell Cooperative Association (WCA) to develop a memorial park within the Alder Top Village Subdivision following the final installation of the public utilities and subject to the approval of the final plat.***

Director Thomas provided administrative report.

Ed Caum stated his familial ties to this project. He also stated that these lots are adjacent to Rainbow Falls and can be utilized to create a new trailhead from the memorial. The tribe has actively been taking care and "sprucing" up their properties and this memorial would be no different.

Privett and Dalrymple shared concurring thoughts.

Brian Herman asked if there would still need to be a wetlands assessment and if these lots would impact any of those designations on that. Dalrymple stated that we are still waiting on the

interpretation of a recent SCOTUS ruling to determine that. Thomas stated that the SCOTUS ruling does not change any current policy. The mitigation of private lots or lots owned by WCA does not implicate the surrounding property.

***Approved unanimously by polled vote.***

**b. Wrangell Medical Center discussion and recommendations.**

Director Thomas provided administrative report.

Privett asked inquired about the structural report and findings. Thomas stated the general structure is sound, but the layout is unique to a hospital. There is asbestos present. If the borough were to retain the property, there would need to be a Brownsfield site created for prospective demolition. Mayor Gilbert says reports are available at the borough. Privett stated that she would like to see the building repurposed, and a critical community need be filled.

DeRuyter stated that he agrees that if the structure is good, there are many options of potential occupants in the future. He also stated that there are ways to mitigate the asbestos issue, and demolition is not the only solution.

O'Brien asked if there has been any further interest in education institutions taking over and partnering to build out the facility. Thomas stated not at this time but conversations with AvTech have concluded that the overall cost for an institution would be too high and there are many hurdles to complete this. They have stated that they are open to small, one-off, courses instead. She also stated that Wrangell needs to be considerate of the viability of a VoTech school. She provided the current property on Prince of Wales Island. O'Brien also asked if Tlingit and Haida wants to expand their head Start program and if they have expressed interest and what their long-term plans.

Ashton stated that he is currently studying the blueprints of the property. He stressed the need to understand what the investment cost will be to a potential partner. He asked the city to get a sample of the old, prefabricated roof, to test for asbestos and determine what needs to be done for remediation. He also stated that while the building structure is good, anyone looking at the facility needs to understand what the actual structure is. He will provide a color-coded map of the building to better identify what is critical.

Thomas asked what the most meaningful solution is for each board member. DeRuyter stated that job and industrial development is the foundation for any other growth. Through that, money will flow into the economy. Can the facility be used as a mechanism for growth. Caum (member of the public) stated that there is a need for "new money" - money from outside business and outside people. Caum suggested a business incubator model, looking to communities down south for successful comparisons. Requires significant grant funding.

Dalrymple stated that he is focusing on just the land. If the land were to be made available, it would need to be sold for the betterment of the community and allow a free market approach. However, he does not see a path forward using the existing structure.

Dalrymple stated that he believes the borough should continue to market the property heavily. He also believes that there should be another assessment of the building done to update information. He stated that the borough should make a decision on whether the six additional lots would be included in the final sale agreement and be marketed either way. Dalrymple stated that he does not believe the lots should be included in the initial offering. O'Brien agrees with

Dalrymple that the additional lots should not be included in the final package. Ashton stated that the six lots could be sold alongside the hospital property. Caum stated that the borough would need to assess whether they want to sell the additional lots and if they do, they need to act now to prepare the lots for sale.

Dalrymple stated that the EDB's original recommendation to the assembly was to have a formal process for the sale. He stated that that would likely be the recommendation the board again. He also stated that he would recommend revisiting the assessment.

Ashton stated that there should be a listing that states the information of the property and then a line of "or best offer". Thomas stated that the board needs to consider what the minimum sale price might be. Herman (member of the public) stated that Mr. Wayne Johnson's ask will likely become the new asking price.

Matt Henson read correspondence from Bruce and Nancy McQueen from the July 23rd regular assembly meeting.

Dalrymple stated that he had never thought about giving away the property for free.

Director Thomas summarized the board's conversation.

Recommendation from the Board to the Borough Manager and Assembly is as follows:

- ✓ Market the property for sale. Promote terms for selling property at less than market value. See Title 16 Disposal of Property for the purposes of Economic Development. If sale does not take place within a certain timeframe consider condemning the public, donating it to another agency/entity, or proceeding with process and funding for demolition.
- ✓ Priority is to create jobs and grow the economy.
- ✓ Continue marketing in-house utilizing the Borough public surplus site and marketing staff.
- ✓ Update condition assessment, specifically obtaining a core sample of the roof to determine range of contaminates if any.
- ✓ Retain 6 lots and deploy formal process for selling those lots through public surplus.
- ✓ Maintain minimum bid but include language for economic development offers.
- ✓ Bond on any terms of sale with demolition.

**c. Addressing Wrangell's Population Decline and Fostering Community Growth.**

Director Thomas provided administrative report.

Dalrymple stated that the information and report presented by Thomas are on the right track and provide a good path for discussion.

Director Thomas had the board partake in facilitated activity gauge challenges and benefits of living in and conducting business in Wrangell. Information collected from the activity will be prepared in a follow up document that will help guide discussion at the next meeting.

## **12.NEXT AGENDA ITEMS**

Dalrymple asked for a discussion item regarding transportation between other local islands.

## **13.ADJOURN:** Adjournment at 8:12

Next meeting scheduled for October 1st, 2024.

ATTEST: \_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chair