

Thursday, February 13, 2025Location: Borough Assembly Chambers5:30 PMCity Hall

- **1. CALL TO ORDER**
- 2. ROLL CALL
- 3. AMENDMENTS TO THE AGENDA
- 4. CONFLICTS OF INTEREST
- 5. APPROVAL OF MINUTES
- 6. DIRECTORS REPORT
- 7. CORRESPONDENCE
- 8. PERSONS TO BE HEARD

## 9. NEW BUSINESS

- <u>a.</u> Final Plat review of the Rooney Replat, a replat of Lot B of McCloskey/Rooney Replat (Plat No. 2015-4) creating Lots B1 B6, Zoned Rural Residential 1, requested and owned by Thomas and Mary Rooney.
- b. Request from Brian Schwartz to lease (rent) a portion of Borough-owned property identified as Lot 1A, Block 2A (APN 02-011-201) of the Wrangell Townsite, according to Plat No. 89-5, zoned Waterfront Development.
- <u>c.</u> Request from Mason Villarma to purchase Borough-owned real property identified as Lot 4 (APN 02-031-206) and Lot 5 (APN 02-031-208), Block 49 of the Wrangell Townsite, according to Plat No. 39-31, zoned Light Industrial.
- d. (PH) Conditional Use Permit Application request to operate a cottage industry business for a micro-bakery and pick up location on Lot G-2A (APN 03-003-429) of the Ryan Miller Subdivision, zoned Rural Residential according to Plat No. 03-11, owned by Jennifer Miller, requested by Calleigh Miller.
- e. Request from William Tonsgard of Tideline Construction, LLC. to purchase Boroughowned real property and tidelands identified as; APN 03-011-15, Lot 7, of the USS 3534 Subdivision according to Plat No. 29-20; and, APN 03-011-100, Survey USS 3000; and, a portion of APN 03-011-150, Lot 6, of the USS 3534 Subdivision according to Plat No. 29-20; and, a portion of APN 03-010-216, Lot 10, of the USS 3534 Subdivision, according to Plat No. 29-20; and, a portion of APN 03-011-200, of the ATS 1249 Subdivision, according to Plat No. 83-13.

- <u>f.</u> Discussion of Prospective Zoning of Borough Entitlement Lands.
- **10. UNFINISHED BUSINESS**

# 11. COMMISSIONERS' REPORTS AND ANNOUNCEMENTS

**12. ADJOURNMENT** 



## PLANNING AND ZONING COMMISSION Regular Meeting February 13, 2025 Staff Report

Agenda Item: New Business, Item 8A

From: Kate Thomas, Economic Development Director

**Subject:** Final Plat review of the Rooney Replat, a replat of Lot B of McCloskey/Rooney Replat (Plat No. 2015-4) creating Lots B1 – B6, Zoned Rural Residential 1, requested and owned by Thomas and Mary Rooney.

**Introduction:** This report concerns the final plat for the Rooney Replat, which proposes to subdivide a 4.5-acre parcel (Lot B of the McCloskey/Rooney Replat) into six lots (B1-B6). This follows the Commission's prior review (12.08.2022) and conditional approval of the preliminary plat. The proposed subdivision is located in an area zoned Rural Residential 1.

#### **Review Criteria**

<u>Title 19 – Subdivisions</u> Title 20.52 – Standards

#### Attachments

1.) Aerial Map, 2.) Final Plat

Background and Findings of Fact

#### PREVIOUS COMMISSION ACTION

The Commission previously reviewed the preliminary plat and recommended approval subject to the following conditions:

- **Easement Width Variance:** Approval of a 20-foot variance, reducing the required easement width from 60 feet (or two 30-foot easements) to a single 40-foot private access and utility easement. This variance was granted.
- Easement Maintenance Agreement: Requirement for a recorded Easement Maintenance and Use Agreement per WMC 19.30.020(H) to ensure ongoing maintenance responsibilities for the private access easement.
- **Plat Notes:** Inclusion of a reference to the recorded Easement Maintenance and Use Agreement within the plat notes.

- **Easement Identification:** Clear identification of the easement on the plat as a "private" access and utility easement dedicated to this plat.
- **Driveway Permit:** Requirement for an approved State driveway permit for each lot accessing Zimovia Highway.

#### **CURRENT STATUS**

The applicant has submitted a final plat that addresses the majority of the conditions the Commission outlined for the preliminary plat approval.

#### Staff has reviewed the final plat and confirms the following:

- Easement: The plat reflects the approved 40-foot private access and utility easement. This easement width required a 20-foot variance, which was granted by the Commission at their regular meeting on December 8, 2022.
- Easement Maintenance Agreement: The Easement Maintenance and Use Agreement has been prepared and is ready for recording.
- Plat Notes: The plat notes do not currently include a reference to the recorded agreement. This should be rectified before final plat approval.
- Easement Identification: The easement is marked as "access and utility easement" on the plat. While the intent is a private easement, the plat should explicitly state "private access and utility easement" for clarity.
- Driveway Permit: The applicant has indicated they are pursuing the necessary State driveway permit. Receipt of this permit is required before Assembly approval and plat recording.

## Findings of Fact Summarized from Previous Report 12.08.22

Lot Sizes: The proposed lots range from 29,000 to 39,000 square feet, exceeding the minimum lot size of 15,000 square feet for lots without municipal water and sewer services, as per WMC 20.52.090.

Flag Lot Configuration: The subdivision utilizes a flag lot configuration, requiring access via a private easement, as defined in WMC 19.08.045.

Easement and Access: The Commission's approval of the easement width variance addressed the initial non-conformity with WMC 19.30.020(G) regarding the number of lots served by a single easement.

Utilities: One lot will utilize a marine outfall; the remaining lots will require state-approved septic systems.

Topography: The subject property exhibits a gentle slope.

#### **Staff Recommendation**

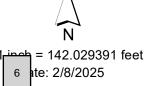
Staff recommends that the Planning and Zoning Commission grant final plat approval for the Rooney Replat, finding that the submitted plat substantially conforms to the approved preliminary plat and fulfills all previously established conditions.

#### **Recommended Motion**

Move to approve the final plat for the Rooney Replat, creating Lots B1-B6 from Lot B of the McCloskey/Rooney Replat, contingent upon confirmation of the recording of the Easement Maintenance and Use Agreement and receipt of copies of the approved State driveway permits.

# **CITY AND BOROUGH OF WRANGELL, ALASKA**





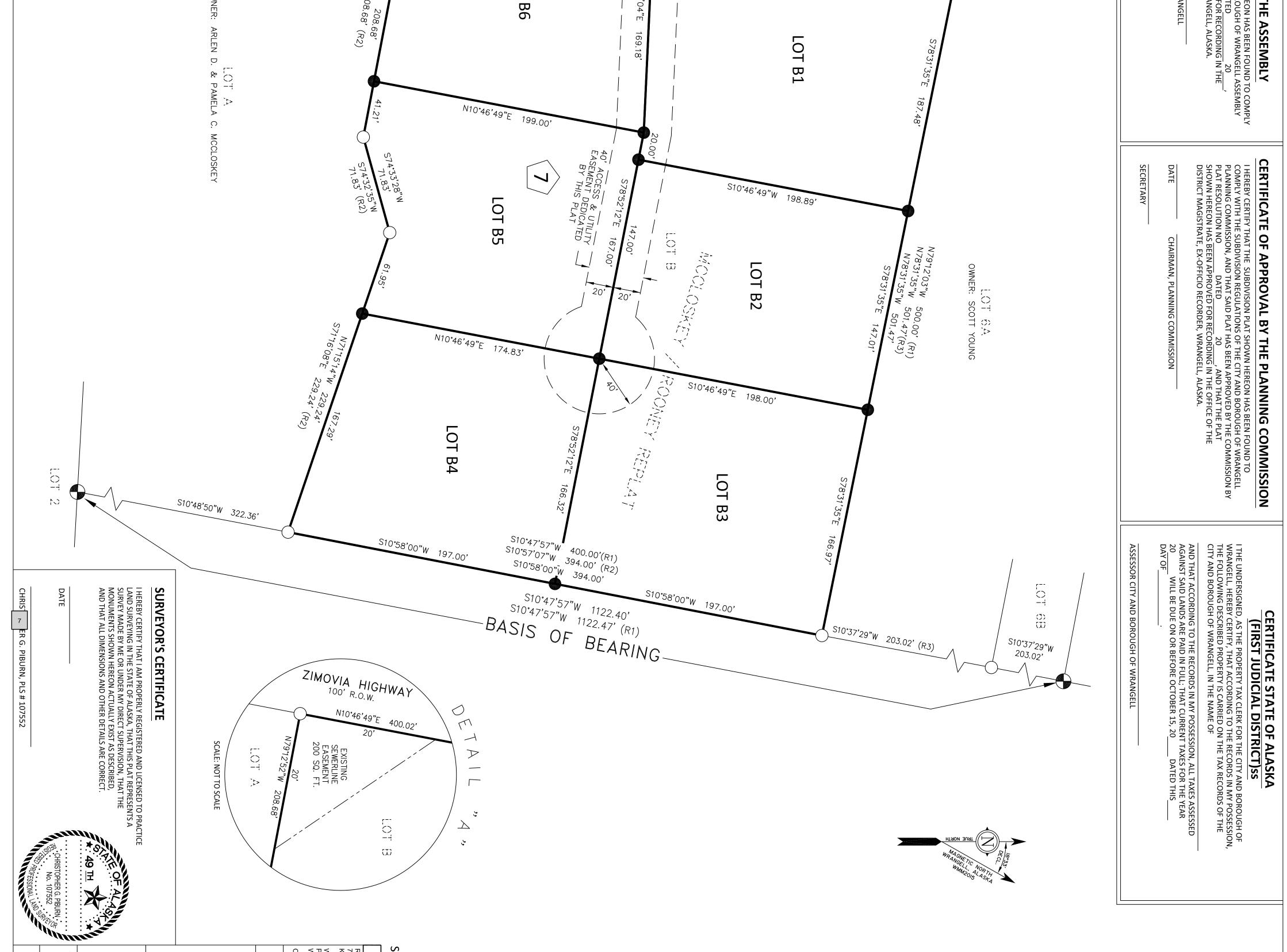
Public Map



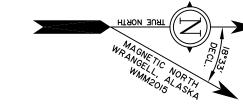
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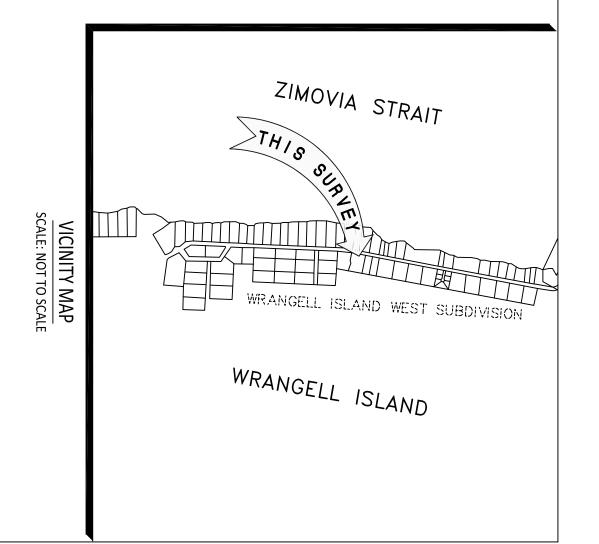
DISCLAIMER: THESE MAPS ARE FOR PLANNING PURPOSES ONLY. PROPERTY LINES ARE APPROXIMATE. AERIAL 2002.

	<ul> <li>(R2) RECORD PER PLAT 2015-4 (MCCLOSKEY / ROONEY REPLAT)</li> <li>(R3) RECORD PER PLAT 2020-1 (SMITH / YOUNG SUBDIVISION)</li> </ul>
	RECORD PER PLAT 83-1
	SURVEYED ROW CENTERLINE
	PRIMARY MONUMENT RECOVERED
	SECONDARY MONUMENT RECOVERED
	SECONDARY MONUMENT SET THIS SURVEY
OWNE	1 BLOCK NUMBER
	LEGEND
DETAIL "A" N79'12'52"W N79'13'45"W 208	
N10°46'49"E 17	<ol> <li>NOTES</li> <li>1. THE ERROR OF CLOSURE OF THIS SURVEY DOES NOT EXCEED 1:5000.</li> <li>2. ALL BEARINGS SHOWN ARE TRUE BEARINGS AS ORIENTED TO THE BASIS OF BEARING AND DISTANCES SHOWN ARE REDUCED TO HORIZONTAL FIELD DISTANCES.</li> <li>3. REFERENCE THE STATE OF ALASKA DEPARTMENT OF HIGHWAYS RIGHT-OF-WAY MAP, ALASKA PROJECT NO. S-0943(6).</li> </ol>
OVIA HIGH 100' R.O.W. 400.02' 0.02' (R2) 0.00' (R1)	<ol> <li>I. LOT B1, ROONEY REPLAT (39,484 SQ. FT)(0.906 ACRES)</li> <li>I. LOT B2, ROONEY REPLAT (29,172 SQ. FT)(0.670 ACRES)</li> <li>I. LOT B3, ROONEY REPLAT (32,912 SQ. FT)(0.756 ACRES)</li> <li>I. LOT B4, ROONEY REPLAT (30,866 SQ. FT)(0.709 ACRES)</li> <li>I. LOT B5, ROONEY REPLAT (30,442 SQ. FT)(0.699 ACRES)</li> <li>I. LOT B6, ROONEY REPLAT (31,318 SQ. FT)(0.719 ACRES)</li> </ol>
0°46'49"E 225.01'	OV ONEY I ONEY I ONEY I ONEY I
	OWNERSHIP STATUS 1. LOT B, MCCLOSKEY/ROONEY REPLAT (THOMAS D. ROONEY, SR. & MARY E. ROONEY)
	NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA MY COMMISSION EXPIRES
10°47'09"E 199.90' (R3)	THIS IS TO CERTIFY THAT ON THIS       DAY OF       , 20       , BEFORE ME,         THE UNDERSIGNED A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY       COMMISSIONED AND SWORN, PERSONALLY APPEARED         TO ME KNOWN TO BE THE IDENTICAL INDIVIDUAL(S) MENTIONED AND WHO EXECUTED THE       WITHIN PLAT AND       ACKNOWLEDGED TO ME THAT       SIGNED THE SAME         FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.       WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST         HEREIN WRITTEN.       WITTERN.
	NOTARY'S ACKNOWLEDGMENT
CITY CLERK	DATE MARY E. ROONEY
DATE MAYOR, CITY AND BOROUGH OF WRAN	DATE
<b>CERTIFICATE OF APPROVAL BY TH</b> I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREO WITH THE SUBDIVISION REGULATIONS OF THE CITY AND BOROU AS RECORDED IN MINUTE BOOK PAGE DATE AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FO OFFICE OF THE DISTRICT COURT, EX OFFICIO RECORDER, WRAN	<b>CERTIFICATE OF OWNERSHIP AND DEDICATION</b> WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.



TATE OF ALASKA
X CLERK FOR THE CITY AND BOROUGH OF
CARRIED ON THE TAX RECORDS OF THE E NAME OF
N MY POSSESSION, ALL TAXES ASSESSED
OBER 15, 20 DATED THIS

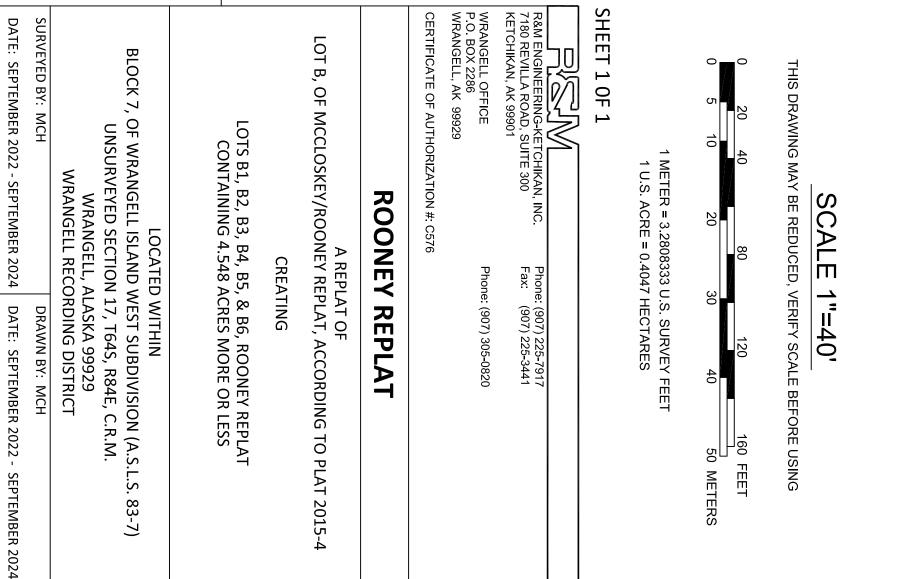




# TYPICAL SECONDARY MONUMENT SET THIS SURVEY

R&JENG- $\sim$ S702A2 85/L B2L B3 B4  $\cap$ 





SCALE:

1"=40'

CHECKED:

CGP

R&M PROJECT NO: 222765



#### PLANNING AND ZONING COMMISSION Regular Meeting February 13, 2025 Staff Report

Agenda Item: New Business, Item 8B

From: Kate Thomas, Economic Development Director

**Subject:** Request from Brian Schwartz to lease (rent) a portion of Borough-owned property identified as Lot 1A, Block 2A (APN 02-011-201) of the Wrangell Townsite, according to Plat No. 89-5, zoned Waterfront Development.

**Introduction:** Brian Schwartz has applied to lease a portion of Borough-owned property for the placement and operation of a mobile food truck.

#### **Review Criteria:**

<u>Chapter 16.10 – Public Lands – Real Property Leases</u> <u>Chapter 20.50 – Waterfront Development</u> Chapter 20.52 – Standards

#### **Background and Findings of Fact:**

Lot 1A, Block 2A, located on Front Street in the downtown corridor, is currently leased to Samson Tug & Barge. Samson Tug & Barge released a portion of this leased property back to the City and Borough under a land use agreement for the establishment of public restrooms, which are managed by Wrangell Parks & Recreation. Before a lease and/or use agreement with Brian Schwartz can be executed, this existing land use agreement with the City and Borough must be modified and approved by Samson Tug & Barge, the current lessee.

The lot offers convenient access to water, sewer, and electrical utilities, and meets the state requirement that mobile food trucks operate within 200 feet of both water and employee restrooms. While the property is zoned Waterfront Development (WFD), and a short-term lease for a mobile food truck operation may not fall explicitly under the zone's primary intent, adjacent properties are zoned similarly for commercial development. This existing commercial character contributes to the downtown economy and directly serves industries reliant on waterfront access, such as the visitor and cruise ship industries. The proposed mobile food truck business is intended to cater to these same industries.

Currently, there is a lack of a fully developed waterfront which has limited availability of suitable private property for seasonally operated businesses. The proposed short-term lease offers a potential opportunity to support local business activity. The Borough's Waterfront Development

Plan is currently awaiting funding for implementation, with funding requests listed on state and federal priority lists for FY26.

This site has been previously considered for mobile food truck placement. The P&R, Electrical and Public Works Directors have had an opportunity to weigh on the benefits and drawbacks of utilizing the site for the proposed intent.

#### **Attachments:**

1.) Application, 2.) Aerial Map of Properties, 3.) Plat No. 89-5, 4.) Land Use Agreement with Samson

#### **Recommendation:**

Staff recommends that the Planning and Zoning Commission approve a recommendation to the Borough Assembly to lease/rent a portion of Lot 1A, Block 2A as requested by Brian Schwartz for the placement and operation of a Mobile Food Truck, following notification to the Borough's current lessee, Samson Tug & Barge.

Staff recommends that any lease agreement include specific provisions addressing the following:

- 1. A comprehensive plan for managing consumer waste, including trash receptacles, recycling options, and regular removal schedules.
- 2. Measures to ensure pedestrian safety, including designated walkways, signage, and traffic flow management.
- 3. Strategies to manage vehicular traffic, including designated parking areas, loading zones, and clear access to and from the site.

#### **Recommended Motion:**

Move to recommend to the Borough Assembly approval to lease a portion of Lot 1A, Block 2A as requested by Brian Schwartz for the placement and operation of a Mobile Food Truck with the following conditions;

- 1. Approval of a modified Land Use Agreement between the Borough and Samson Tug & Barge.
- 2. Lease/land use agreement is established on a short-term basis not to exceed 12 months, with an option to renew at the Borough's discretion; and,
- 3. Connection to water, sewer and power are at the expense of the owner; and,
- 4. Terms of the lease include provisions addressing the following;
  - a. A comprehensive plan for managing consumer waste, including trash receptacles, recycling options, and regular removal schedules.
  - b. Measures to ensure pedestrian safety, including designated walkways, signage, and traffic flow management.
  - c. Strategies to manage vehicular traffic, including designated parking areas, loading zones, and clear access to and from the site.

# CITY & BOROUGH OF WRANGELL OFFICE OF THE BOROUGH CLERK

PO BOX 531 WRANGELL, AK, 99929 | +1 (907) 874-2381 205 BRUEGER STREET WRANGELL, AK, 99929



СНЕСК

CASH

# PUBLIC LAND & TIDELANDS LEASE APPLICATION

<u>WMC 16.08.010 - 16.08.210 & WMC 16.10.010 - 16.10.210</u>

APPLICATION FEE: \$250.00 NON-REFUNDABLE - MUST BE PAID AT TIME OF FILING

OFFICIAL USE ONLY RECEIVED BY DATE RECEIVED PAYMENT
CREDIT CARD

Applications for tidelands leases shall be submitted to the planning and zoning and port commissions before being presented to the borough assembly for consideration. Applications for real property leases shall be submitted to the borough manager and the planning and zoning commission for review before being presented to the borough assembly for consideration.

The applicant shall provide additional information, including a development plan, designs, and specifications, as the planning and zoning and/or port commissions may request. The planning and zoning and port commissions may require the applicant to amend its development plan. All fees associated with the lease shall be paid by the applicant. Such fees include but are not limited to an application fee, survey, assessment, public notices, and recording fees.

# **SECTION I.**

APPLICANT'S FULL NAME		EMAIL ADDRESS	PHONE NUMBER
Brian Andrew Schwartz		Brianschwartz123@yaho	9076607511
APPLICANT'S PHYSICAL ADDRESS			
916 High Field St, Wrangell, A	K 99929		
APPLICANT'S MAILING ADDRESS			
P.O. Box 1957, Wrangell, AK S	99929		
SECTION II.			
REQUEST TO LEASE TIDELANDS OR	REAL PROPERTY		TIDELANDS 🗌 REAL PROPERTY 🗎
PLEASE PROVIDE THE PARCEL ID NU PROPERTY.	IMBER AS WELL AS	S <u>EITHER</u> THE PHYSICAL ADDRE	SS OR LEGAL DESCRIPTION OF THE
PARCEL ID NUMBER	PHYSICAL ADDR	ESS	
02-011-201	101 Front St		
	LOT: 1A	BLOCK: 2A	SUBDIVISION:
PROPOSED TERM OF LEASE (YEARS)	)		···· 01 YEARS
<sup>10</sup> <b>FE 1 OF 3</b>	REV	/ISION 20240308	CONTINUED ON PAGE 2

# CITY & BOROUGH OF WRANGELL PUBLIC LAND & TIDELANDS LEASE APPLICATION

**CONTINUED FROM PAGE 1** 

## SECTION II. (CONT)

CURRENT ZONING OF PROPERTY

WFD

CURRENT USE OF PROPERTY

PUBLIC RESTROOMS/SAMSON TUG AND BARGE

## **SECTION III.**

INCLUDE AND LIST HERE ANY SUPPORTING DOCUMENTS (I.E. MAPS).

STATE THE PURPOSE AND PROPOSED USE OF THE PROPERTY.

My family and I would like to utilize the discussed property as an ideal location for our seafood trailer.

## DESCRIBE THE IMPROVEMENTS THAT WILL BE ADDED TO THE PROPERTY.

We plan to have power/water tie-ins constructed at the site, making it usable for us and any following vendors.

WHEN WILL THE PROPOSED CONSTRUCTION IMPROVEMENTS BEGIN AND WHEN WILL THEY BE COMPLETED?

START DATE:02/25

END DATE:03/25

WHAT IS THE ESTIMATED COST OF IMPROVEMENTS THAT WILL BE ADDED TO PROPERTY?

**COST: \$1000** 

LOT SIZE

7058 SF

DESCRIBE THE EFFECTS THAT THE PROPOSED USE WILL HAVE ON PUBLIC STREETS, PUBLIC FACILITIES, PUBLIC SERVICES, PUBLIC UTILITIES, TRAFFIC, AND PARKING. INCLUDE A PLAN FOR MITIGATING ADVERSE EFFECTS ON STREETS, PUBLIC FACILITIES, PUBLIC SERVICES, PUBLIC UTILITIES, TRAFFIC CONGESTION, AND PARKING, AND A PLAN FOR PAYING ALL ASSOCIATED COSTS.

At this time we do not foresee any issues with our trailer/business impacting any public activities or services. Our trailer will be parked in front of the public restrooms provided by the city, but we will have signage posted to help direct any member of the public towards them. All associated costs will be paid upon first notice.

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Item b.

# CITY & BOROUGH OF WRANGELL PUBLIC LAND & TIDELANDS LEASE APPLICATION

CONTINUED FROM PAGE 2

# SECTION IV. ACKNOWLEDGEMENT

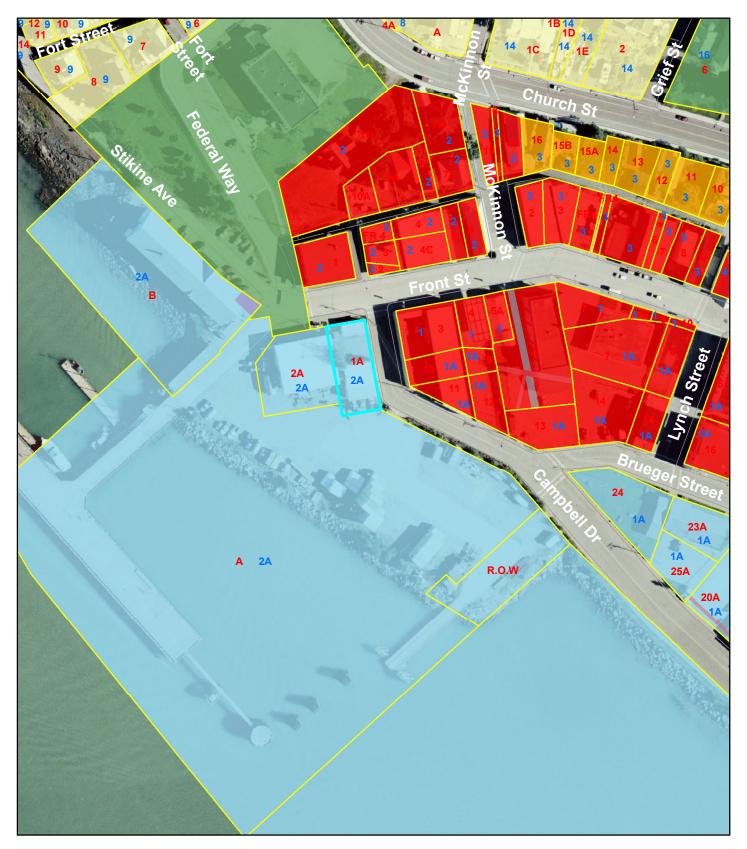
I hereby affirm all the information submitted with this application is true and correct to the best of my knowledge. I also agree to fulfill the tenants of any permits or approvals required by the City and Borough of Wrangell. I understand that incomplete applications will not be accepted and that all fees must be paid prior to review of this application.

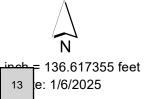
#### SIGNATURE OF APPLICANT

1/2/

26DEC2024

# CITY AND BOROUGH OF WRANGELL, ALASKA

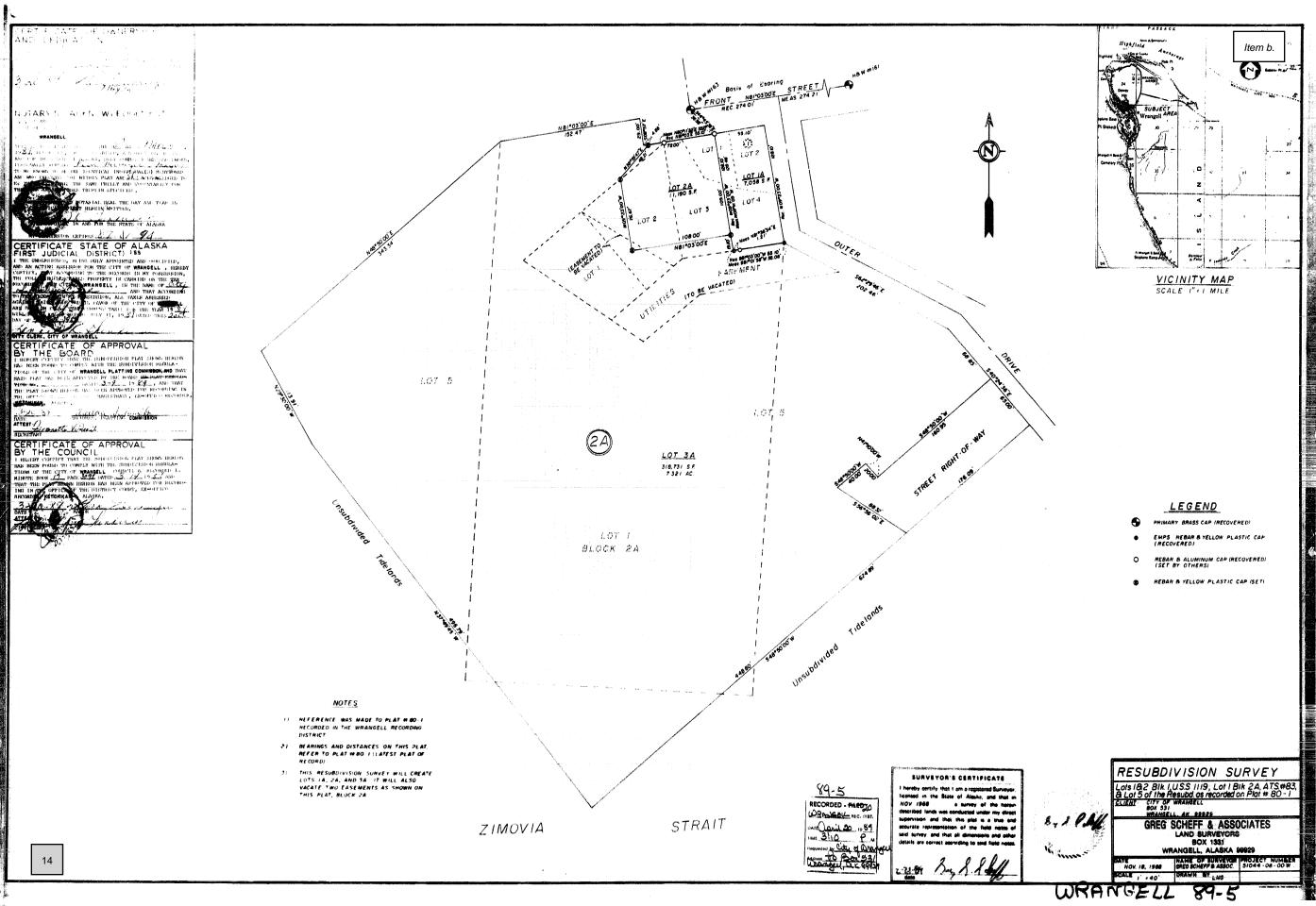




Public Map



DISCLAIMER: THESE MAPS ARE FOR PLANNING PURPOSES ONLY. PROPERTY LINES ARE APPROXIMATE. AERIAL 2002.



Return to: City & Borough of Wrangell P.O. Box 531 Wrangell, AK 99929 Wrangell Recording District

Page 1 of 4

#### Land Use Agreement

This Agreement is made and entered into this <u>day of</u>, 2023 between the City and Borough of Wrangell, Alaska (the "Borough") and Samson Tug and Barge Co., Inc. ("Samson") (collectively, the "Parties").

#### Recitals

WHEREAS, the Borough desires to access and utilize certain real property owned by Samson, which is identified in detail in Exhibit A to this Agreement, for the purpose of installing temporary public restroom facilities to accommodate summer visitors;

WHEREAS, Samson agrees to grant a temporary permit and easement to the Borough for the portion of its real property identified in Exhibit A for this purpose;

WHEREAS, in consideration of this temporary permit and easement, the Borough agrees to temporarily reduce Samson's monthly space rent for its use of the Borough's port barge landing area;

NOW, THEREFORE, in consideration of these mutual promises, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

#### Agreement

The Parties incorporate by reference and agree to the accuracy of the above Recitals and further agree as follows:

#### 1. Temporary Permit and Easement.

Samson hereby provides a temporary permit and easement to the Borough for the portion of its real property identified in Exhibit A (the "Premises"). This temporary permit and easement allows the Borough to access and utilize the Premises to install temporary public restrooms and any related structures and to operate and maintain the temporary public restrooms. Samson agrees that this temporary permit and easement allows the Borough to invite the general public to access and use the Premises for the purpose of utilizing the restroom facilities.

#### 2. Facilities to be Constructed.

The Borough may construct or install temporary public restroom facilities on the Premises. The Borough agrees to construct a temporary fence or other physical barrier along the side and rear boundaries of the Premises for the purpose of preventing the general public from entering the adjacent real property owned by Samson.

#### 3. Consideration.

In consideration of and for Samson's grant to the Borough of the temporary land use permit and easement discussed herein, the Borough agrees to temporarily reduce Samson's monthly space rent for its use of the Borough's port barge landing area. During the Effective Term of this Agreement, the Borough will reduce the square footage by which Samson's monthly space rent is calculated from 8,600 (eight thousand six hundred) square feet to 6,628 (six thousand six hundred and twenty eight) square feet.

#### 4. Effective Term.

This Agreement is effective as of <u>Today</u> and terminates on <u>to be determined</u> (the "Effective Term").

#### 5. Removal of Facilities.

The Borough agrees that within 10 (ten) days of the expiration of the Effective Term of this Agreement, the Borough will remove all facilities it constructed or installed on the Premises and that it will leave the Premises in the same condition as before the Effective Term of this Agreement.

#### 6. Indemnity.

To the fullest extent permitted by law, the Borough shall indemnify, defend, and hold harmless Samson and its officers and employees, from and against any suit, action, claim, damages, or liability of any kind and of any nature, including death, arising out of any act, error or omission or any claim of, or liability for, negligent acts, errors, and omissions of the Borough on the Premises during the Effective Term of this Agreement. Pursuant to this section, the Borough is not required to indemnify, defend, or hold harmless Samson for a claim of, or liability for, the independent negligent acts, errors, and omissions of Samson. If there is a claim of, or liability for, a joint negligent act, error, or omission of Samson and the Borough, the indemnification, defense, and hold harmless obligation of this section shall be apportioned on a comparative fault basis. In this section, "Samson" and "Borough" include the employees, agents, and subcontractors who are directly responsible, respectively, to each.

#### 7. Insurance.

The Borough agrees to provide proof of comprehensive general liability insurance coverage, including contractual, property damage, bodily injury, premises operations including explosion, collapse, and underground; products and complete operations, broad form property damage and personal injury coverages in amounts no less than \$1M per occurrence and \$2M aggregate.

#### 8. Interpretation and Enforcement

This Agreement is being executed by the parties following negotiations between them. It shall be construed according to the fair intent of the language as a whole, not for or against any party.

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The titles of sections in this Agreement are not to be construed as limitations or definitions but are for identification purposes only.

#### 9. Jurisdiction and Choice of Law

The laws of the State of Alaska and the Wrangell Municipal Code shall govern this Agreement, and any legal action brought thereon shall be filed and adjudicated in the Superior Court for the State of Alaska, First Judicial District at Wrangell, Alaska.

#### 10. Integration

This instrument and all appendices, exhibits, and amendments hereto embody the entire agreement of the Parties. There are no promises, terms, conditions, or obligations other than those contained herein; and this Agreement shall supersede all previous communications, representations or agreements, either oral or written, between the Parties.

#### 11. Severability

If any section or clause of this Agreement is held invalid by a court of competent jurisdiction, or is otherwise invalid under the law, the remainder of this Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Agreement:

) ss.

## CITY AND BOROUGH OF WRANGELL

rest Patty Gilbert, Borough Mayor

STATE OF ALASKA

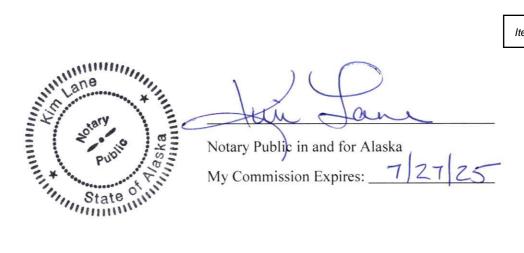
08.10.2023

Date

FIRST JUDICIAL DISTRICT )

On this <u>D</u> day of <u>August</u>, 2023, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Patricia Gilbert, Borough Mayor, known to me to be the identical individual(s) who executed the foregoing instrument, and they acknowledged to me that they executed the same as the free and voluntary act of said company, with full authority to do so and with full knowledge of its contents, for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day and year last above written.



SAMSON TUG & BARGE, INC.

By: Cull Begg Its: Vize President

8/1/2023 Date

Date

#### **ACKNOWLEDGMENT**

STATE OF ALASKA

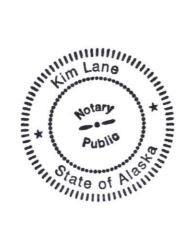
) ss.

)

FIRST JUDICIAL DISTRICT )

On this 18- day of August, 2023, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared <u>loce //a</u> Sphier of Samson Tug and Barge, Inc, known to me to be the identical individual(s) who executed the foregoing instrument, and they acknowledged to me that they executed the same as the free and voluntary act of said company, with full authority to do so and with full knowledge of its contents, for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day and year last above written.



Notary Public in and for Alaska My Commission Expires: <u>7-27-25</u>



## PLANNING AND ZONING COMMISSION Regular Meeting February 13, 2025 Staff Report

Agenda Item: New Business, Item 8C

From: Kate Thomas, Economic Development Director

**Subject:** Request from Mason Villarma to purchase Borough-owned real property identified as Lot 4 (APN 02-031-206) and Lot 5 (APN 02-031-208), Block 49 of the Wrangell Townsite, according to Plat No. 39-31, zoned Light Industrial.

#### Introduction:

Mason Villarma has applied to purchase two (2) Borough-owned lots zoned for Light Industrial use. His application proposes clearing each parcel for the construction of a 40 ft. x 60 ft. shop building; one for personal storage and the other for prospective fabrication business. Mr. Villarma estimates improvement costs of \$250,000 per lot and has not identified any anticipated adverse effects on public streets, facilities, services, traffic, or parking.

This report addresses the proposed sale of Lots 4 and 5, Block 49. While the parcels are viable for public sale and use, certain challenges related to access, utilities, and future development require careful consideration. Although it is not best practice to sell municipal land without immediate development plans, the proximity of this parcel to an existing right-of-way coupled with the potential benefit to the tax base justifies exploring this option, provided the limitations of Borough responsibility and potential burdens on the property owner are clearly understood and documented.

This report outlines these challenges and recommends specific conditions for any potential sale to mitigate future complications.

#### **Review Criteria:**

<u>Chapter 15.04 Water</u> <u>Chapter 15.08 Sewer</u> <u>Chapter 16.12 - Disposition of Public Lands and Tidelands</u> <u>Chapter 20.51 - LI District - Light Industrial</u> <u>Chapter 20.52 - Standards</u>

#### **Background and Findings of Fact**

Lots 4 and 5 are located near the intersection of Pine and Etolin Streets. While platted access exists via the Wrangell Avenue right-of-way, this right-of-way is currently undeveloped in this area, presenting a significant challenge. An alternative access point exists via the developed right-of-way on Pine and Etolin Streets.

The undeveloped Wrangell Avenue right-of-way poses a key challenge. While Tlingit and Haida (T&H) were previously granted permission to install a driveway and utilities within this right-ofway for Lot 1A (due to geological constraints on Etolin Street and to minimize initial Borough infrastructure investment), this decision was made with the understanding that further land sales along Wrangell Avenue would be postponed until demand justified full road development. Revisiting this decision is necessary based on the recent application to purchase land in the immediate area. Further piecemeal development within the Wrangell Avenue right-of-way, like the T&H agreement, risks complicating future comprehensive road development and could lead to conflicts with road alignments, utility placement, and overall infrastructure planning.

Adjacent undeveloped municipal lands to the east and northeast of the subject parcels must be considered. If these lands are subsequently sold and developed with access from Pine Street, the Borough will likely be required to assume ownership of the road and install utilities to Borough specifications, as suggested by the Public Works Director. Such an investment would only be financially justifiable with the sales and development of multiple lots, maximizing the return on infrastructure improvements.

Providing water service to the property line is not anticipated to be a major obstacle given existing locations. Sewer service presents more significant challenges due to the main being located on the opposite side of the road and the property's elevation being substantially lower than the road. A site survey is necessary to make a determination, but it is highly probable that a grinder pump will be required, installed at owners' expense. While municipal water and sewer traverse the Pine and Etolin Streets right-of-way, it is possible that the electrical pole is located on the corner of Lot 5. This infrastructure needs to remain in place as it is in line with the overhead utilities along this corridor. If the pole is within Lot 5's boundaries, an easement agreement must be established to protect municipal infrastructure.

These lots are subject to Wetland Mitigation requirements through the Army Corps of Engineers. Given limited ditching along Pine Street and potential drainage issues, development plans should include on-site runoff control to prevent adverse impacts on neighboring parcels.

#### Attachments

1.) Application, 2.) Aerial Map of Properties, 3.) Plat No. 39-31

#### **Staff Recommendation**

While staff acknowledge the potential benefits of the public sale of these lots, staff recommend a cautious approach. Staff recommend against the sale of Lots 4 and 5 until a comprehensive development plan is in place addressing access, utilities, and right-of-way construction.

If the Commission supports the sale, staff recommends the Borough develop a written plan addressing the above access, utility, and long-term development considerations. Any sale agreement *must* include a clear contingency outlining the Borough's potential (or lack thereof)

future requirements for road improvements and utility installation, including cost-sharing mechanisms or assessments for benefiting property owners.

#### **Recommended Motion**

Move to recommend to the Borough Assembly approval of the sale of Lot 4 and Lot 5 of Block 49 as requested with the following conditions;

- 1. Property shall be sold with the clear understanding that there are no current plans to improve or extend the roadway in this area along its road frontage; and,
- 2. All future road and utility development considerations are shared with the applicant; and,
- 3. Applicant shall submit a site plan to include approximate location of buildings and utility layout to ensure compatibility with public infrastructure; and,
- 4. Any sale agreement should include a clear contingency outlying the Borough's potential future requirement (or lack thereof) for road improvements and utility installation.

11000,000.4365

# CITY & BOROUGH OF WRANGELL OFFICE OF THE BOROUGH CLERK

PO BOX 531 WRANGELL, AK, 99929 | +1 (907) 874-2381 205 BRUEGER STREET WRANGELL, AK, 99929



# PUBLIC LAND & TIDELANDS PURCHASE APPLICATION

WMC 16.12.010 - 16.12.180

APPLICATION FEE: \$250.00 NON- REFUNDABLE - MUST BE PAID AT TIME OF FILING

OFFICIAL USE ONLY

RECEIVED BY	DATE RECEIVED	PAYMENT TYPE	CHECK
Rane	12-19-24	CREDIT CARD	CASH 🔀

Applications to purchase borough-owned real property or borough-owned tidelands shall be submitted to the borough clerk. The borough clerk shall submit the application to the planning and zoning commission and if borough-owned tidelands, to the port commission for comments in favor or against the sale.

After the report(s) have been received by the borough clerk from the planning and zoning commission or the port commission (if borough-owned tidelands), the borough clerk shall place the request for purchase on an upcoming regular borough assembly agenda, as a public hearing item, for the assembly to approve moving forward with the sale. All property owners within 300 feet shall be notified by mail regarding the public hearing.

# SECTION I.

APPLICANT'S FULL NAME		EMAIL ADDRESS	PHONE NUMBER		
Mason Felix Villarma		mason.felix.villarma@gmail.com	(360) 981-1010		
APPLICANT'S PHYSICAL ADDRESS					
223 Stikine Avenue, Wrar	igell, Alaska	99929			
APPLICANT'S MAILING ADDRESS					
PO Box 92, Wrangell, Ala	ska 99929				
SECTION II.					
REQUEST TO PURCHASE OR EXCHAN	PURCHASE EXCHANGE				
REQUEST TO PURCHASE TIDELANDS OR REAL PROPERTY			TIDELANDS 🔲 REAL PROPERTY 🔳		
PLEASE PROVIDE THE PARCEL ID NUMBER AS WELL AS <u>EITHER</u> THE PHYSICAL ADDRESS OR LEGAL DESCRIPTION OF THE PROPERTY.					
PARCEL ID NUMBER	PHYSICAL ADD	RESS			
02-031-206 & 02-031-208	N/A				
	LOT: 4&5	вьоск: 49	subdivision: N/A		
LEGAL ACCESS TO LOTS (STREET NA	ME)				
Wrangell Avenue/Etolin S	treet				
CURRENT ZONING OF PROPERTY			LOT SIZE		
Light Industrial			17,000sqft		
<sup>26</sup> GE 1 OF 3	R	EVISION 20240308	CONTINUED ON PAGE 2		

# CITY & BOROUGH OF WRANGELL PUBLIC LAND & TIDELANDS PURCHASE APPLICATION

CONTINUED FROM PAGE 1

## SECTION III.

INCLUDE AND LIST ANY SUPPORTING DOCUMENTS (I.E. MAPS).

See attached exhibit A. The parcels are marked by a red (02-031-206) and green (02-031-208) "X" respectively.

## STATE THE PURPOSE AND PROPOSED USE OF THE PROPERTY.

To clear the parcel and construct a 40'x60' shop on each property; one for personal storage and one for a fabrication business venture.

## DESCRIBE THE IMPROVEMENTS THAT WILL BE ADDED TO THE PROPERTY.

40'x60' shop/garage on each lot.

WHEN WILL THE PROPOSED CONSTRUCTION IMPROVEMENTS BEGIN AND WHEN WILL THEY BE COMPLETED?

START DATE 8/1/2024

end date 8/1/2025

WHAT IS THE ESTIMATED COST OF IMPROVEMENTS THAT WILL BE ADDED TO PROPERTY?

DESCRIBE THE EFFECTS THAT THE PROPOSED USE WILL HAVE ON PUBLIC STREETS, PUBLIC FACILITIES, PUBLIC SERVICES, PUBLIC UTILITIES, TRAFFIC, AND PARKING. INCLUDE A PLAN FOR MITIGATING ADVERSE EFFECTS ON STREETS, PUBLIC FACILITIES, PUBLIC SERVICES, PUBLIC UTILITIES, TRAFFIC CONGESTION, AND PARKING, AND A PLAN FOR PAYING ALL ASSOCIATED COSTS.

No adverse impacts to be mitigated are apparent at this time.

27

# CITY & BOROUGH OF WRANGELL PUBLIC LAND & TIDELANDS PURCHASE APPLICATION CONTINUED FROM PAGE 2

# SECTION III. (CONT.)

If the applicant wishes to purchase real property or tidelands for the purposes of economic development, the assembly may determine, in its sole discretion, that it is in the best interest of the Borough to dispose of the property, which has a value of \$1,000,000 or less, without requests for proposals or sealed bid procedures and at less than fair market value. In determining the best interests of the borough under the Wrangell Municipal Code, the assembly may consider any relevant factors, which may include:

- i. The desirability of the economic development project.
- ii. The actual or potential economic benefits to the borough, its economy and other businesses within the borough.
- iii. The contribution of the proponent to the economic development project in terms of money, labor, innovation, expertise, experience and otherwise.
- iv. The business needs of the proponent of the project in terms of integration into existing facilities and operations, stability in business planning, business commitments, and marketing.
- v. Actual or potential local employment due to the economic development project.
- vi. Actual and potential enhancement of tax and other revenues to the borough related to the project.
- vii. Existing and reasonably foreseeable land use patterns and ownership.

# SECTION IV. ACKNOWLEDGEMENT

I hereby affirm all the information submitted with this application is true and correct to the best of my knowledge. I understand that incomplete applications will not be accepted and that all fees must be paid prior to review of this application.

## SIGNATUBE OF APPLICANT

SIGNATOR OF	Arrugan	
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1 1/ aten	1 / Villion	
1 tost.	7. Marris	

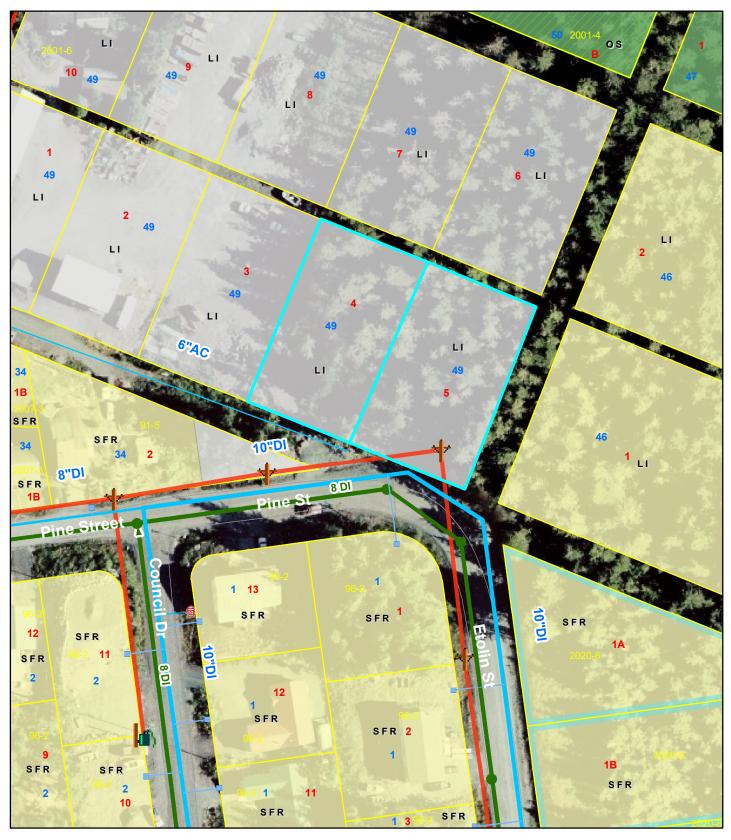
DATE		
12/19/	2024	

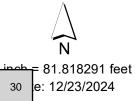
Item c.



Exhibit A.

# CITY AND BOROUGH OF WRANGELL, ALASKA





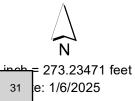
Public Map



DISCLAIMER: THESE MAPS ARE FOR PLANNING PURPOSES ONLY. PROPERTY LINES ARE APPROXIMATE. AERIAL 2002.

# CITY AND BOROUGH OF WRANGELL, ALASKA

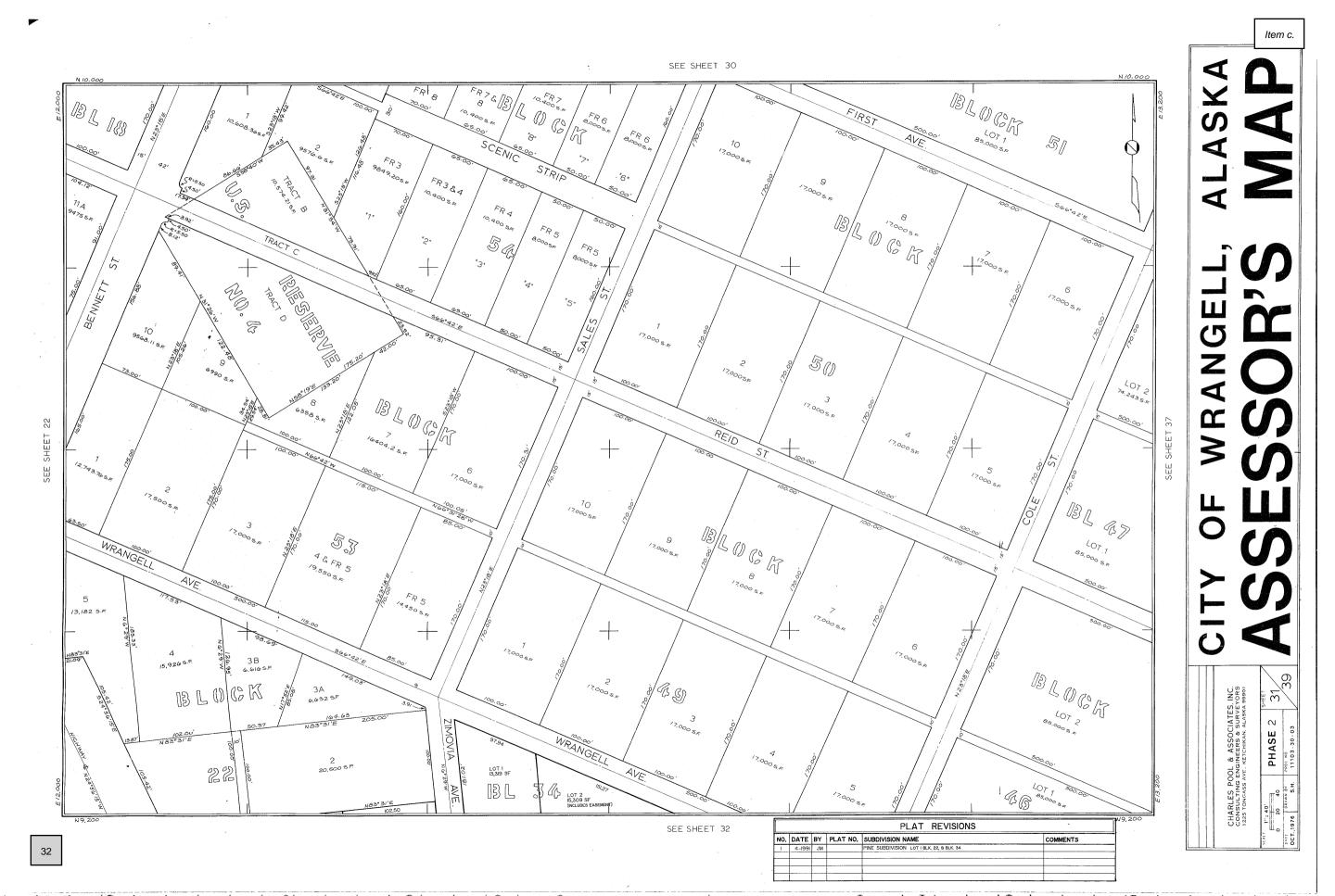




Public Map



DISCLAIMER: THESE MAPS ARE FOR PLANNING PURPOSES ONLY. PROPERTY LINES ARE APPROXIMATE. AERIAL 2002.





#### PLANNING AND ZONING COMMISSION Regular Meeting February 13, 2025 Staff Report

Agenda Item: New Business, Item 8D

From: Kate Thomas, Economic Development Director

**Subject:** (PH) Conditional Use Permit Application request to operate a cottage industry business for a micro-bakery and pick up location on Lot G-2A (APN 03-003-429) of the Ryan Miller Subdivision, zoned Rural Residential according to Plat No. 03-11, owned by Jennifer Miller, requested by Calleigh Miller.

**Introduction:** This report addresses a Conditional Use Permit application for a cottage industry at 2.25 Mile Zimovia Highway within the Rural Residential (RR) zoning district. The applicant, Calleigh Miller, residing at the property owned by her mother, Jenn Miller Yancey, seeks to operate a micro bakery pickup location using a non-permanent structure in the driveway. Staff has reviewed the application against the relevant criteria and recommends approval, subject to conditions outlined below.

#### **Review Criteria:**

Chapter 20.08: Definitions Chapter 20.28: Rural Residential District Chapter 20.52: Standards Chapter 20.68: Conditional Use Permits

#### Attachments:

1. Aerial Map of Property, 2. Conditional Use Permit application.

#### **Background and Findings of Fact:**

Calleigh Miller has applied for a Conditional Use Permit to operate a small-scale, home-based micro bakery, which is classified as a "Cottage Industry" business. Cottage Industry means "a small-scale home-based business, similar to a home occupation, allowing up to two employees, involving the on-site manufacture and/or sale of goods or services or the retailing, wholesaling, and renting of real or personal property provided such activities are permitted uses and are not, in the determination of the planning commission, detrimental to surrounding properties. A day sightseeing trip to a remote piece of property is considered a cottage industry."

#### Conditions of approval for conditional use applications include:

1. Minimal impacts on adjacent neighbors from noise, traffic, appearance, yards, etc.:

The proposed micro bakery pickup location, utilizing a non-permanent structure in the driveway, is anticipated to have minimal impact on adjacent properties. Customer pickups will be scheduled and staggered, further minimizing any potential traffic congestion. The scale of the business is small and home-based, consistent with the character of the cottage industry.

2. Provisions of sewer and water:

The property is connected to municipal water and sewer services, adequate for the proposed use.

3. Entrances and off-street parking available without safety issues:

The property has existing driveway access and sufficient off-street parking to accommodate both residents and short-term customer pickups without creating safety issues or impacting onstreet parking. No additional parking is required for the proposed use.

**Staff Recommendation:** Staff recommends approval of the Conditional Use Permit for a micro bakery pickup location at 2.25 Zimovia Highway (APN 03-003-429) subject to the following conditions:

- 1. The business operation shall be limited to the sale and pickup of pre-ordered baked goods. On-site baking or food preparation is prohibited from within the structure.
- 2. The pickup location shall utilize a non-permanent structure in the driveway, easily removable if necessary.
- 3. Customer pickups shall be scheduled and managed to minimize any potential traffic or parking impacts along the highway.
- 4. The hours of operation for customer pickups shall be limited to 8:00AM- 10:00PM.
- 5. The applicant shall comply with all applicable health and safety regulations related to food sales.

**Recommended Motion:** Move to approve the Conditional Use Permit application submitted by Calleigh Miller for a micro bakery pickup location at 2.25 Zimovia Highway (APN 03-003-429) subject to the findings of fact and following conditions:

- 1. Two off-street parking places must be provided; and,
- 2. The business operation shall be limited to the sale and pickup of pre-ordered baked goods. On-site baking or food preparation is prohibited from within the structure.
- 3. The pickup location shall utilize a non-permanent structure in the driveway, easily removable if necessary.
- 4. Customer pickups shall be scheduled and managed to minimize any potential traffic or parking impacts along the highway.
- 5. The hours of operation for customer pickups shall be limited to 8:00AM- 10:00PM.
- 6. The applicant shall comply with all applicable health and safety regulations related to food sales.

# **CITY & BOROUGH OF WRANGELL** PLANNING DEPARTMENT

PO BOX 531 WRANGELL, AK, 99929 | +1 (907) 874-2381 205 Brueger Street Wrangell, AK, 99929



,			JN
		<u>MC 20.68.010 - 20.68.100</u> :E: \$100.00 / AFTER THE FACT: \$	\$300.00
		LE - MUST BE PAID AT TIME OF	
		DATE RECEIVED	
OFFICIAL USE ONLY	Erin	1-8-25	
nature, should receiv	e commission review in eac ty of the proposed location.	tential impact on neighboring propertie h case. In this manner, detailed consid These conditional uses are specified w	deration can be given to factors
use would have an achedges or other safe adverse effect. B. Pro C. Exits and entrance congestion on public governmental and civ	dverse affect upon neighbor guards shall be provided by ovisions for sewage disposa es and off-street parking for streets. D. In addition to the vic buildings and other public	en the appearance, traffic generated, r ring properties, additional yards, site ar the conditional use in a manner which I and water service shall be acceptable the conditional use shall be located to a conditions of subsections (A) through c uses shall meet the following condition ate maximum benefit and service to the	rea, uncleared buffer strips, fences, is sufficient to prevent any such e to all applicable health regulations. prevent traffic hazards or (C) of this section, schools, on: The proposed location of the use
SECTION I.			
APPLICANT'S FULL N	AME		PHONE NUMBER
Calleigh Miller		clmiller16@live.com	907-305-0925
APPLICANT'S MAILIN		• • • • •	
PO Box 1725 V	Vrangell, AK 99929		
APPLICANT'S PHYSIC			
2.25 Mile Zimov	via Highway Wrange	ell, AK 99929	
LEGAL OWNER'S FUL	L NAME (IF DIFFERENT THA	AN APPLICANT)	PHONE NUMBER
Jennifer Miller			907-305-0926
LEGAL OWNER'S MA	ILING ADDRESS		
PO Box 1899 V	Vrangell, AK 99929		
SECTION II.			
LEGAL DESCRIPTION			PARCEL ID NUMBER
	2- mm		
LOT: G-2A	BLOCK:	SUBDIVISION: Ryan Miller Subdivision	03-003-429

# CITY & BOROUGH OF WRANGELL

CONDITIONAL USE APPLICATION

CONTINUED FROM PAGE 1

## SECTION III.

#### CURRENT ZONING OF PROPERTY

RR1

## SECTION IV.

## DESCRIBE THE REQUESTED USE FOR THE PROPERTY (I.E. SHORT TERM RENTAL, RADIO AND CELL TOWERS)

I would like to put a non-permanent structure in my driveway to serve as a pickup location for my cottage micro bakery.

# SECTION V.

CONSTRUCTION SCHEDULE NO CONStruction (quired.

BEGINNING DATE: NA

END DATE: NIA

# SECTION VI. ACKNOWLEDGEMENTS

When necessary to determine compliance with existing conditions, the planning administrator shall request a specific and detailed plan. The plan shall show existing and proposed structures, driveways, parking areas, and roadways, existing and proposed grading. Additional information shall be furnished upon request of the planning administrator.

I understand that incomplete applications will not be accepted and that all fees must be paid prior to review of this application. If more than one owner or if more than one parcel is involved, attach all signatures on a separate piece of paper identifying which parcels are owned by which persons. Written authorization of the property owner must be submitted with this application if the applicant is other than the owner.

#### SIGNATURE OF APPLICANT

-		
ľ	18	125

#### SIGNATURE OF OWNER (IF, DIFFERENT THAN APPLICANT)

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mp 1. Mol		8

36

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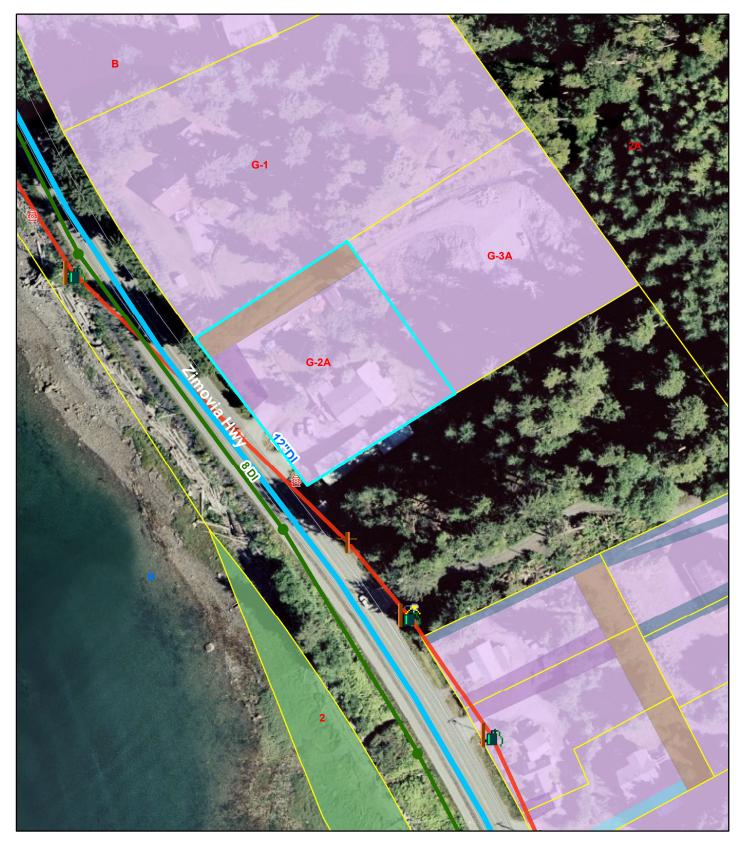
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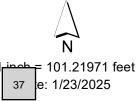
DATE

DATE

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# CITY AND BOROUGH OF WRANGELL, ALASKA





Public Map



DISCLAIMER: THESE MAPS ARE FOR PLANNING PURPOSES ONLY. PROPERTY LINES ARE APPROXIMATE. AERIAL 2002.



#### PLANNING AND ZONING COMMISSION Regular Meeting February 13, 2025 Staff Report

Agenda Item: New Business, Item 8E

From: Kate Thomas, Economic Development Director

**Subject:** Request from William Tonsgard of Tideline Construction, LLC. to purchase Boroughowned real property and tidelands identified as; APN 03-011-15, Lot 7, of the USS 3534 Subdivision according to Plat No. 29-20; and, APN 03-011-100, Survey USS 3000; and, a portion of APN 03-011-150, Lot 6, of the USS 3534 Subdivision according to Plat No. 29-20; and, a portion of APN 03-010-216, Lot 10, of the USS 3534 Subdivision, according to Plat No. 29-20; and, a portion of APN 03-011-200, of the ATS 1249 Subdivision, according to Plat No. 83-13.

**Introduction:** Tideline Construction, LLC, proposes to purchase approximately 9.7 acres on the southern end of the Deep-Water Port Industrial Site, a key waterfront property acquired by the Borough in 2022. Tideline's proposal involves continuing and expanding existing scrap collection operations (currently managed by their sister company, Channel Construction), adding scrap metal processing, and potentially developing vehicle processing infrastructure. This development aligns with community support for multi-use site development and the property's WFD zoning, offering potential economic benefits and job creation. This report summarizes the proposal, relevant planning documents, and existing site conditions.

#### **Review Criteria**

Chapter 16.12: Disposition of Public Lands and Tidelands Chapter 20.50: Waterfront Development District

#### Attachments

1. Application, 2. Proposal, 3. Map, 4. Lease Termination Letter, 5. Memo from Port Commission, 6. Propose Use Map from Feasibility Study, 7. Aerial Map, 8. Plat Maps

IMPORTANT RESOURCE: <u>CLICK HERE FOR LINK to Borough Website providing the Deep</u> Water Port Property Assessment and Feasibility Study.

#### **Background and Findings of Fact**

The Deep-Water Port Industrial Site, formerly a logging mill (Alaska Pulp Corporation, then Silver Bay Logging Company), operated from the 1950s until 2009, employing over 200 workers

at its peak. Following mill closure, most buildings were removed, and environmental cleanup was completed in 2014. The Borough purchased the property in 2022 and has been actively seeking grant funding and prospective developers for the site. Tideline's proposed purchase focuses on the southern portion of the property.

Tideline Construction, whose sister company, Channel Construction, currently leases the property for scrap collection, proposes to continue and expand this use. Their plan includes not only continuing the existing scrap metal collection point for Southeast Alaska, with an estimated 1-2 bulk scrap barge loads exported annually, but also adding scrap metal processing capabilities and eventually installing infrastructure for vehicle processing. Maintaining existing waterside access is crucial for these operations. Tideline also intends to construct a shop for equipment maintenance, basing all its equipment assets in Wrangell under a new DBA, Stikine Recycling. This development is projected to create jobs for Wrangell residents at the recycling yard as operations expand and potentially add 1-2 mechanics and several equipment operators/laborers once the shop is built.

Community input has consistently supported multi-use development of the site. While municipal waste management/recycling presents risks, private sector involvement, as demonstrated by Tideline/Channel's current operations, offers greater potential for success. The proposed purchase area is within a planned second phase of development, further from existing utilities. Wrangell's Comprehensive Plan (2010) and Waterfront Master Plan (2015) prioritize water-related industrial and commercial uses, supporting job creation and economic development.

The property is zoned Waterfront Development District (WFD), permitting water-dependent uses like the proposed scrap metal facility requiring marine access for the import and export of materials. No zoning amendments are required. WFD development standards include a 35-foot height limit (with variance), a 25-foot visual buffer, and responsible waste handling. No minimum lot coverage is specified.

Municipal water and sewer extend only to approximately 600 feet north of the northernmost boundary of the Deep-Water Port property, considerably further than Tideline's proposed purchase area at the southernmost end. The property previously used private water and sewer systems. Electrical service includes a decommissioned but still-in-place.

A subdivision survey will be required, adhering to Wrangell municipal code and state law. A legal boundary survey will be necessary. While direct frontage on a dedicated right-of-way may not be required due to the parcel's location, a driveway permit from the State of Alaska for access from Zimovia Highway is likely.

#### **Staff Recommendation**

Staff recommends the sale with further discussion with Tideline Construction to obtain a detailed development plan, clarify specific parcels involved for subdivision planning, negotiate terms of sale (including consideration for site cleanup and infrastructure development), and address utility extension requirements. Staff also recommends review of potential environmental impacts related to the existing conditions and expanded operations.

#### **Recommended Motion**

Move to recommend to the Borough Assembly the sale of a portion of the Deep-Water Port Industrial Site to Tideline Construction, LLC, subject to the following conditions:

- 1. Prior to the sale, Tideline Construction shall provide a detailed development plan for the proposed use of the property, including specifics on building placement, processing operations, and site layout.
- 2. The specific parcels to be included in the sale shall be clearly delineated and agreed upon by both Borough and Tideline Construction for the purposes of subdivision planning and legal description.
- Negotiations for the terms of sale shall include considerations for site cleanup, infrastructure development (including road access and utility extensions), and fair market value for the land.
- 4. A comprehensive review of potential environmental impacts associated with both the existing site conditions and Tideline Construction's proposed expanded operations shall be conducted, and mitigation measures identified as necessary.
- 5. Prior to the sale closing, a subdivision plat, reflecting the agreed-upon parcel boundaries and meeting all applicable Borough and State regulations, shall be reviewed and approved by the Planning and Zoning Commission and recorded with the appropriate agency.

# CITY & BOROUGH OF WRANGELL OFFICE OF THE BOROUGH CLERK

PO BOX 531 WRANGELL, AK, 99929 | +1 (907) 874-2381 205 BRUEGER STREET WRANGELL, AK, 99929



## **PUBLIC LAND & TIDELANDS PURCHASE APPLICATION**

WMC 16.12.010 - 16.12.180

APPLICATION FEE: \$250.00 NON- REFUNDABLE - MUST BE PAID AT TIME OF FILING

 OFFICIAL USE ONLY
 RECEIVED BY
 DATE RECEIVED
 PAYMENT TYPE
 CHECK

 CREDIT CARD
 CREDIT CARD
 CASH

Applications to purchase borough-owned real property or borough-owned tidelands shall be submitted to the borough clerk. The borough clerk shall submit the application to the planning and zoning commission and if borough-owned tidelands, to the port commission for comments in favor or against the sale.

After the report(s) have been received by the borough clerk from the planning and zoning commission or the port commission (if borough-owned tidelands), the borough clerk shall place the request for purchase on an upcoming regular borough assembly agenda, as a public hearing item, for the assembly to approve moving forward with the sale. All property owners within 300 feet shall be notified by mail regarding the public hearing.

#### **SECTION I.**

APPLICANT'S FULL NAME Tideline Construction		address @tidelineak.com	PHONE NUM	<u>1BER</u> 9-8397		
APPLICANT'S PHYSICAL ADDRESS						
2685 Channel Drive,	Juneau, AK,	99801				
APPLICANT'S MAILING ADDRESS						
PO Box 32121, June	au, AK, 99803	3				
SECTION II.						
REQUEST TO PURCHASE OR EXCHAI		····· PURCHASE	EXCHANGE			
REQUEST TO PURCHASE TIDELANDS OR REAL PROPERTY			TIDELANDS	REAL PROPERTY		
PLEASE PROVIDE THE PARCEL ID NUMBER AS WELL AS <u>EITHER</u> THE PHYSICAL ADDRESS OR LEGAL DESCRIPTION OF THE PROPERTY.						
PARCEL ID NUMBER	PHYSICAL ADDRESS					
See attached map	Mile 6 Zimovia Hwy					
	LOT: see attached	BLOCK:	SUBDIVISION:			
LEGAL ACCESS TO LOTS (STREET NAME)						
Zimovia Hwy						
CURRENT ZONING OF PROPERTY			LOT SIZE			
Industrial			see atta	iched		
<sup>41</sup> FE 1 OF 3	REVISIO	N 20240308	CONT	INUED ON PAGE 2		

### CITY & BOROUGH OF WRANGELL PUBLIC LAND & TIDELANDS PURCHASE APPLICATION

CONTINUED FROM PAGE 1

#### SECTION III.

INCLUDE AND LIST ANY SUPPORTING DOCUMENTS (I.E. MAPS).

See attached for map

#### STATE THE PURPOSE AND PROPOSED USE OF THE PROPERTY.

Proposed use will initially be a scrap metal recycling area and staging area for scrap barges and construction equipment. As infrastructure is built, it will likely also evolve into processing of vehicles for the scrap operation as well as a heavy equipment repair shop.

#### DESCRIBE THE IMPROVEMENTS THAT WILL BE ADDED TO THE PROPERTY.

If an agreement is made on a purchase, our first improvement to the property will likely be establishing utilities such as water, sewer and electricity. Eventually for the vehicle processing, an oil water separator system will need to be installed as well as contained tank areas for temporary fluid storage. A heavy equipment repair shop is likely to be eventually built on the property.

WHEN WILL THE PROPOSED CONSTRUCTION IMPROVEMENTS BEGIN AND WHEN WILL THEY BE COMPLETED?

START DATE TBD

END DATETBD

соят: \$500000

DESCRIBE THE EFFECTS THAT THE PROPOSED USE WILL HAVE ON PUBLIC STREETS, PUBLIC FACILITIES, PUBLIC SERVICES, PUBLIC UTILITIES, TRAFFIC, AND PARKING. INCLUDE A PLAN FOR MITIGATING ADVERSE EFFECTS ON STREETS, PUBLIC FACILITIES, PUBLIC SERVICES, PUBLIC UTILITIES, TRAFFIC CONGESTION, AND PARKING, AND A PLAN FOR PAYING ALL ASSOCIATED COSTS.

No adverse effects on traffic, parking or other utilities are expected in this property investment.

## CITY & BOROUGH OF WRANGELL PUBLIC LAND & TIDELANDS PURCHASE APPLICATION

#### **CONTINUED FROM PAGE 2**

#### SECTION III. (CONT.)

If the applicant wishes to purchase real property or tidelands for the purposes of economic development, the assembly may determine, in its sole discretion, that it is in the best interest of the Borough to dispose of the property, which has a value of \$1,000,000 or less, without requests for proposals or sealed bid procedures and at less than fair market value. In determining the best interests of the borough under the Wrangell Municipal Code, the assembly may consider any relevant factors, which may include:

- i. The desirability of the economic development project.
- ii. The actual or potential economic benefits to the borough, its economy and other businesses within the borough.
- iii. The contribution of the proponent to the economic development project in terms of money, labor, innovation, expertise, experience and otherwise.
- iv. The business needs of the proponent of the project in terms of integration into existing facilities and operations, stability in business planning, business commitments, and marketing.
- v. Actual or potential local employment due to the economic development project.
- vi. Actual and potential enhancement of tax and other revenues to the borough related to the project.
- vii. Existing and reasonably foreseeable land use patterns and ownership.

#### SECTION IV. ACKNOWLEDGEMENT

I hereby affirm all the information submitted with this application is true and correct to the best of my knowledge. I understand that incomplete applications will not be accepted and that all fees must be paid prior to review of this application.

#### SIGNATURE OF APPLICANT

 William Tonsgard III
 Digitally signed by William Tonsgard III
 1

 Date: 2025.01.24 13:45:18 -09'00'
 1

date 1/24/25

**REVISION 20240308** 

ltem e.

#### Proposal to Purchase Mill Property Parcels from the City of Wrangell



Date: January 3, 2025 Address: 205 Brueger St, Wrangell, AK 99929 From: William Tonsgard III Owner, Tideline Construction, LLC Address: PO Box 32121, Juneau, AK 99803 Contact: will@tidelineak.com, (907) 209-8397 Subject: Proposal to Purchase Parcels

Tideline Construction LLC is pleased to submit this proposal to purchase part of the old mill property located next to Zimovia Highway, from the City of Wrangell. We believe this land investment will be mutually beneficial and contribute to the economic development of the area.

#### **Company Overview**

Tideline Construction, LLC is a family-owned and operated construction business based in Juneau, Alaska. Founded in 2019 by William Tonsgard III, the company specializes in civil construction, including excavation, slope stabilization, material placement, road building, demolition, and rock crushing. Tideline has successfully completed numerous small-scale projects in Southeast Alaska and has supported larger contractors through material production, including in Juneau, Hoonah, Sitka, Prince of Wales and at the Kensington Gold Mine. As of 2025, Tideline is a certified DBE with the State of Alaska, is SDVOSB with SBA and is progressing towards an 8a certification with SBA which we expect will result in additional workload for at least 8 years once certification is achieved.

#### **Background and Intentions**

Channel Construction, our sister company, currently leases the property for the use of scrap collection. Tideline intends to continue use of the site as scrap metal collection point for most of SE Alaska but expand the use into processing of scrap metal into different categories and eventually install infrastructure necessary to process vehicles.

We estimate that 1-2 bulk scrap barge loads per year would continue to be loaded and exported from the site as Channel has been doing since leasing the property. Additionally, when needed, equipment would be transferred to/from the site when needed for construction work. It is therefore highly important that our current waterside access is maintained so that this can continue, otherwise the operations will not make sense to implement.

We also plan to construct a shop at the location for the purpose of maintaining the construction and recycling equipment. This development will mean Tideline would base all equipment assets from Wrangell, form a new DBA (Stikine Recycling), and a certain number of jobs for Wrangell residents would be available at the resulting scrap recycling yard as operations grow. Additionally, once a shop is constructed, Tideline would likely hire 1-2 mechanics to staff the shop and a certain number of operators/laborers on its construction projects.

#### **Community Benefit**

Construction and subsequent scrap operations will create numerous job opportunities for residents. The proposed scrap operation would eventually result in 2-3 full-time jobs for

residents of Wrangell as we will need to cut and sort different grades of scrap metal, while the shop and construction jobs will vary dependent on the volume of work Tideline acquires through bids and the construction season. We are expecting to grow our capabilities and thus our workload in both construction and recycling over the next 5 - 10 years, which will result in additional job opportunities.

Our private operation of a scrap metal collection point in Wrangell will also decrease the costs for the Public Works department in dealing with the scrap metal.

#### Services Offered

Tideline Construction offers a range of services, including:

#### 1. Civil Construction:

- Excavation and grading
- Slope stabilization and erosion control
- Road and utility construction
- Demolition and site preparation
- o Material placement, including crushed rock and riprap

#### 2. Rock Crushing and Aggregates:

- On-site rock crushing for use in road building and other construction projects
- Aggregate production for sale to the public and commercial use

#### 3. Recycling and Remediation:

- Recycling of scrap metal, including vehicles, marine vessels, and heavy equipment
- Environmental cleanup and remediation
- Asbestos Abatement

#### 4. Future Services Planned

• Waste Shredding (tires, wood, building debris, metals, plastics)

#### **Proposal Offer**

We propose to purchase the parcels 03-011-100, 03-011-152. Additionally, small portions of parcels 03-011-200, 03-011-150 and 03-010-216 are of interest to us and would be desired to run our operations effectively, either through subdivision of them and sale or long-term leasing/lease purchase. The financial offer would be \$250,000 for the two full parcels referenced above. Tideline would finance the purchase of these parcels of property through its bank. This offer is based on current assessed valuations available and our assessment of known current conditions

of the land, including past fill types that exist on the parcels we are interested in. Regarding the need for partial use of three larger parcels, please find our attached map and our following proposal.

In exchange for the additional portions and tideland areas shown on our attached map, Tideline would remove the large chip pile from the waterfront North of our proposed area and grade that area to match the immediate surrounding elevation. The saw dust chips would be moved to the South end of the property that we are proposing to purchase and would be spread out and used as fill, after which that area would be capped with crushed or shot rock.

With that being said, we are open to negotiating the terms of sale on the other portions to reach a mutually agreeable arrangement for the remaining area we would need. Additional items that we would be open negotiating into the sale would be demo/disposal of buildings on site such as the remaining mill buildings.

#### Conclusion

Tideline Construction, LLC is excited about the opportunity to contribute to the growth and development of Wrangell. We are confident that our proposal will bring significant benefits to the community and look forward to working with the City of Wrangell to make this vision a reality.

Thank you for considering our proposal. I am available to discuss this further at your earliest convenience if clarifications are needed.

Sincerely,

William Tonsgard III Owner, Tideline Construction, LLC

## Mill Area - Purchase Proposal

Area which will suit our needs for implementing proposed operation. This area is approximately 11 acres.



Item e.

TL land purchase

Barge Landing-to be Maintained

Planned Driveway

General Area to spread chip pile for fill

Zinovahuv



N

City of Wrangell

205 Brueger St

Wrangell, AK

99929

1/31/25



Channel Construction, Inc.

PO Box 33359

Juneau, Alaska

99803

## Subject: Wrangell 6 Mile Mill Property Lease

#### Mason,

This letter is regarding Tideline Construction, LLC's recent proposal to purchase parcels of the property to include parcels that Channel is currently leasing. Our operations align with Tideline, and I fully support the proposal my son has put forth to purchase the property. Should the proposal be accepted and the City of Wrangell does move forward with a sale, Channel will agree to terminate its lease of the barge landing area upon closing of the sale. Because of Tideline's relationship with Channel, we would also plan to work alongside Tideline to further develop the property that will be economically beneficial to the Borough.

Sincerely,

William Tonsgard, Jr.

President, Channel Construction, Inc.

## MEMORANDUM

# TO: HONORABLE MAYOR AND MEMBERS OF THE ASSEMBLY OF THE

#### CITY AND BOROUGH OF WRANGELL

FROM: Steve Miller Port Director

SUBJECT: TIDELINE CONSTRUCTION LLC REQUEST TO PURCHASE PARCELS 03-011-100, 03-011-152 AS WELL AS A SMALL PORTION OF PARCELS 03-011-200, 03-011-150, AND 03-010-150.

DATE: February 7, 2025

#### **BACKGROUND:**

At its regular meeting on February 6, 2025, the Port Commission reviewed Tideline Construction LLC's request to purchase approximately 10 acres of property at the former 6-mile mill site. Currently, a lease agreement with Channel Construction is in effect; however, Channel Construction has provided a letter of support for the sale and agreed to terminate its lease of the barge landing area upon closing.

Further, Tideline's commitment to removing and repurposing existing materials on-site will help improve the area's overall condition at no cost to the City. The continued use of the barge landing area for industrial purposes aligns with Wrangell's long-term infrastructure and business needs. Tideline Construction LLC will be responsible for all costs associated with necessary surveys and any required environmental assessments, ensuring there is no financial burden on the City.

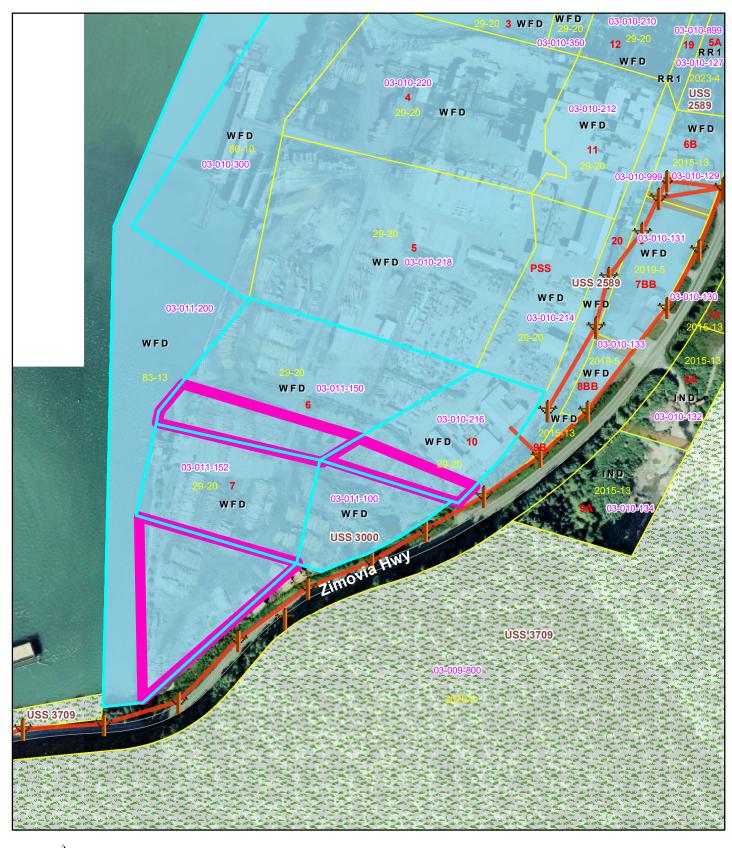
#### **RECOMMENDATION:**

The Port Commission voted unanimously to recommend that the Assembly and Planning and Zoning proceed with the sale to Tideline Construction LLC.



#### Figure 2. Conceptual Site Plan Option A

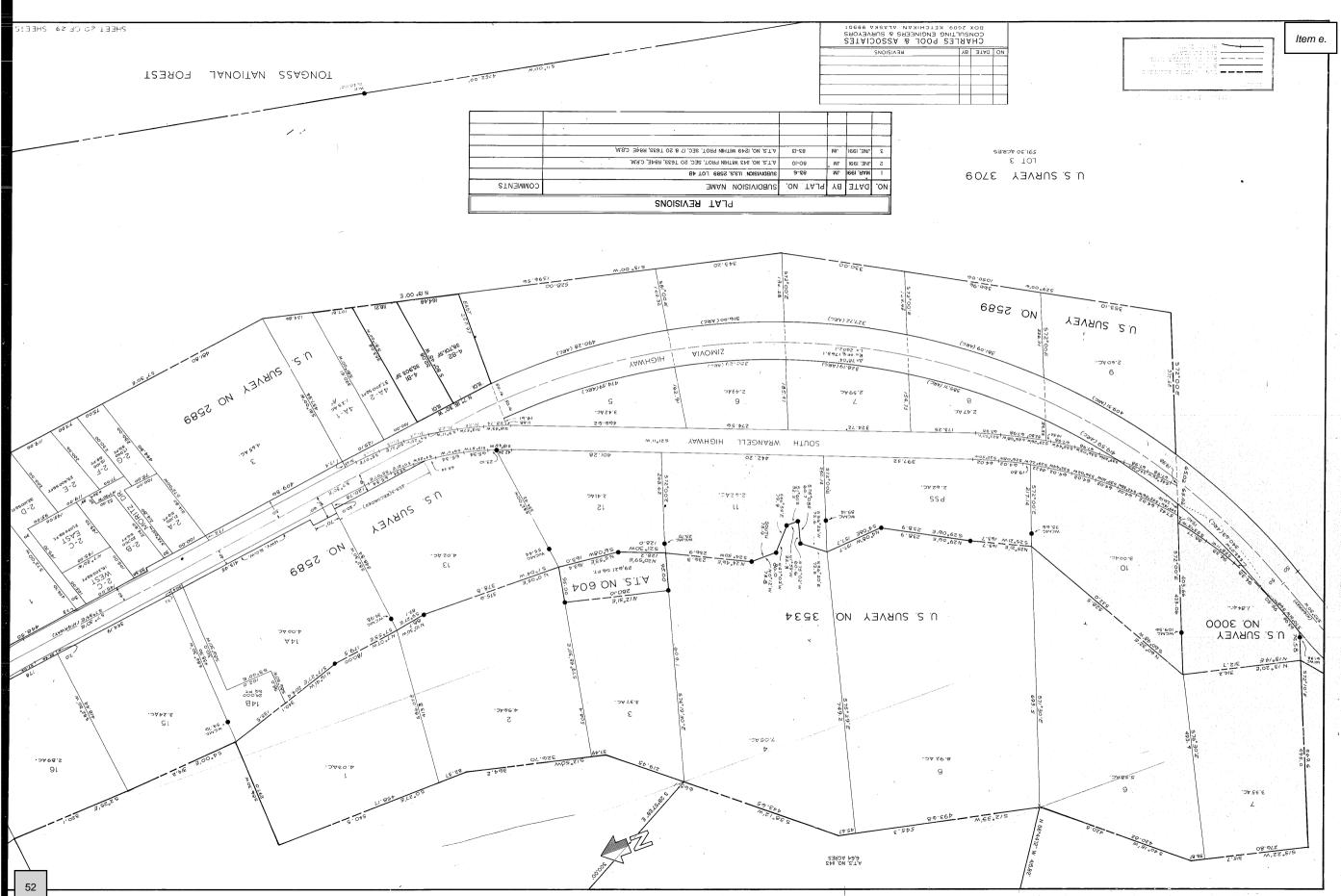
## **CITY AND BOROUGH OF WRANGELL, ALASKA**

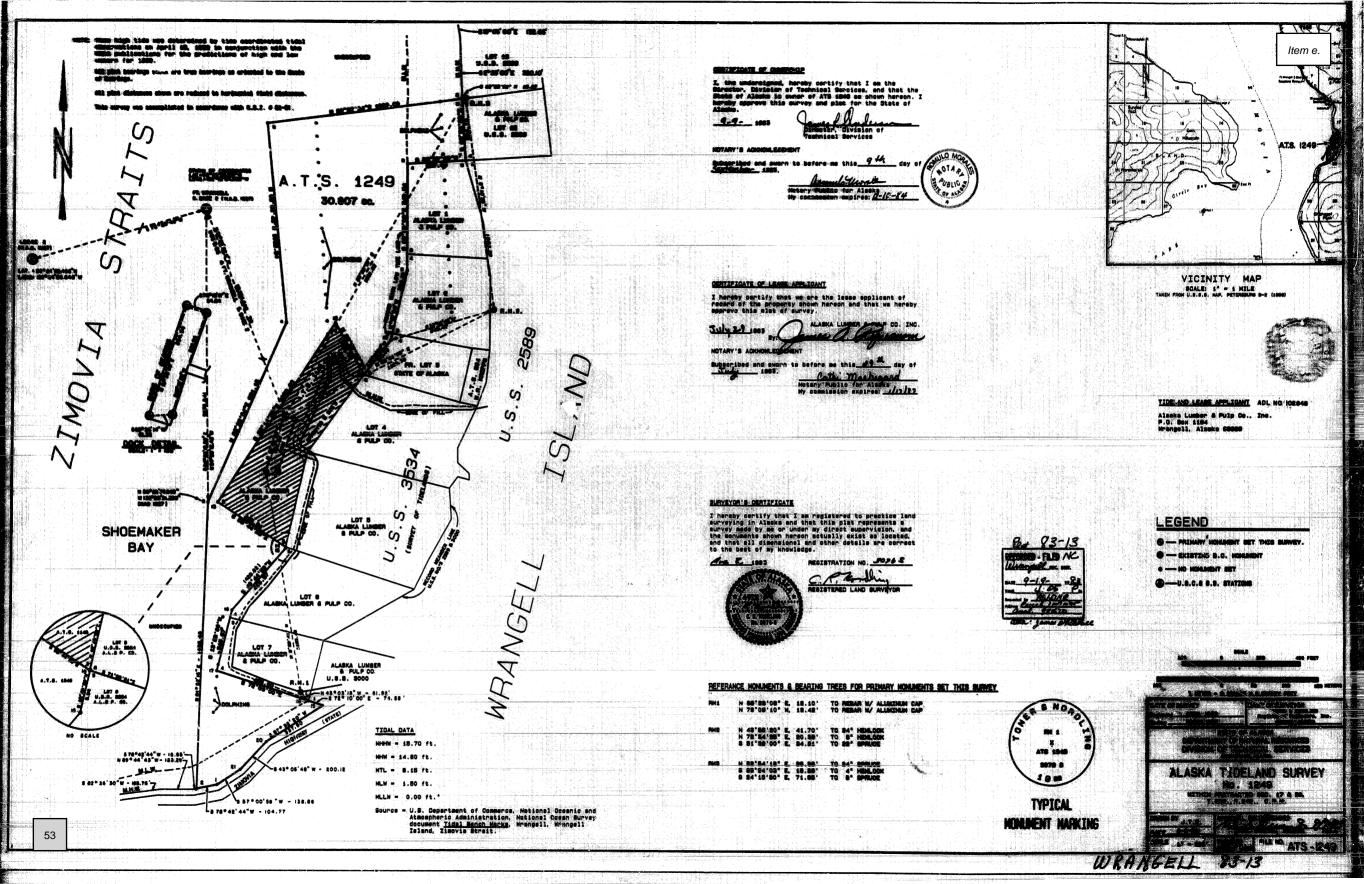


Public Map



DISCLAIMER: THESE MAPS ARE FOR PLANNING PURPOSES ONLY. PROPERTY LINES ARE APPROXIMATE. AERIAL 2002.









#### PLANNING AND ZONING COMMISSION

Regular Meeting February 13, 2025 Staff Report

Agenda Item: New Business, Item 8F

From: Kate Thomas, Economic Development Director

Subject: Discussion of Prospective Zoning of Borough Entitlement Lands.

#### Introduction:

The Borough Assembly and Manager seek to utilize entitlement lands for various purposes such as timber sales, land sales, or subdivision development to bolster Wrangell's economy and infrastructure. Their immediate focus is on potentially designating these lands, rich in timber resources, under a Timber Management zoning district to facilitate sustainable timber sales. This initiative is viewed as a means to rejuvenate Wrangell's timber industry, generate local employment opportunities, and stimulate private sector investment in value-added processing activities. They are requesting that the Planning Commission do the following:

- Conduct a comprehensive review of all entitlement lands under Borough ownership to ascertain their suitability for Timber Management zoning.
- Formulate specific zoning designations and suggest appropriate boundaries for areas to be designated as Timber Management.
- Present a detailed report to the Borough Assembly, summarizing findings and recommendations, by Tuesday, March 18th, 2025.

#### **Background Information**

In 2008, the City and Borough of Wrangell was granted the right to select 9,006 acres of state land. Following a multi-year process, the Borough finalized its land selections in 2015. The Borough now seeks to determine appropriate zoning for these entitlement lands. Preliminary discussions in 2016 with the Economic Development Committee and Planning and Zoning Commission identified potential land uses.

Municipality	Certified Entitlement	Patented	Approved	Conditional Approval	Selected	Estimated Entitlement Remaining
City and Borough of Wrangell	9,006	2,410	6,968	0	0	0

Area Name	Total Acreage	Patent	Survey Determination
Thoms Place	1306.69	No	Yes
Olive Cove	463.82	Yes	Yes
Wrangell Island West	696.32	No	Yes
Wrangell Island East	874.91	Yes	Yes
Earl West Cove	895.29	No	Yes
Crittenden Creek	405.79	No	Yes
Mill Creek	148.57	No	Yes

No

Yes

Attached herein is a recently executed Memorandum of understanding which outlines a collaborative partnership between the Alaska Mental Health Trust (MHT) and the City and Borough of Wrangell (CBW). The purpose of this partnership is to pool resources for the inventory, stratification, valuation, and harvesting of marketable timber in the Wrangell area. The two organizations will develop the infrastructure required for timber export and explore the development of subdivisions to meet community housing needs after timber harvest activities. MHT brings expertise in timber harvest activities as well as significant acreage of timberland. CBW also brings timberland to the table, as well as infrastructure and the Wrangell deepwater port.

2507.62

1631.9

Both MHT and CBW are significant landowners in the area with substantial timber potential. The collaboration will create economies of scale and potentially maximize revenue for both parties. The MOU establishes a joint committee to plan and analyze developments, pursue state and federal funding opportunities, and engage other partners to encourage investment in timber harvest and economic development in Wrangell.

The Borough will be holding a work session of the Assembly on February 25 to review the local Timber Management Plans, along with a review of existing entitlement lands, their status, and prospective zoning. This work session will inform the Assembly in advance of a joint agency timber meeting to be held on March 3-5. Agencies include Borough, Trust Land Office, Governors Office, Pool Engineering, Alcan Timber, AIDEA, and USFS.

#### SUMMARY OF PROSPECTIVE USE FROM PREVIOUS DISCUSSIONS (2016)

Given that this summary is from discussions in 2016, it is crucial to acknowledge that some of the content may no longer be relevant. Therefore, the uses described in this document should be carefully reviewed and updated as needed based on new conditions and opportunities.

For instance, the closure of the Alaska Crossings program. This program was expected to provide support and integration with some of the uses outlined in the document. The absence of this program may necessitate adjustments in the proposed uses to ensure their feasibility and alignment with current conditions and objectives.

#### THOMS PLACE

Sunny Bay

Zarembo

- ✓ Planning Recommendations: Some logging in specific areas away from existing residential areas; residential development with larger lot sizes; allow commercial lodges/cabins; recreation; protect Thoms Creek habitat and cultural sites.
- ✓ Economic Development Recommendations: Same as planning recommendations; protect Thoms Creek; utilize road access.

Yes

Yes

#### OLIVE COVE

- ✓ Planning Recommendations: Protect the habitat area of the stream. New area allows the same uses as RMU-O.
- ✓ Economic Development Recommendations: Same as planning recommendations.

#### WRANGELL ISLAND WEST

- ✓ Planning Recommendations: Residential development for a portion of the area; address concerns about slides; new area allows the same uses as RR1; work with the USFS to open the former road behind existing lots in Wrangell Island Sale.
- Economic Development Recommendations: Same as planning recommendations; provide some additional industrial land near the existing Allen sawmill along the roadway.

#### WRANGELL ISLAND EAST

- Planning Recommendations: Address current road access issues; residential development; commercial recreation; larger lots; analyze steep slopes and remaining timber; recreation.
- ✓ Economic Development Recommendations: Large lots; maintain space between developments; commercial recreation cabins/lodges; analyze timber lands.

#### EARL WEST COVE

- Planning Recommendations: Address habitat issues along fish streams; home sites; recreation; commercial recreation; selective harvesting when adjacent landowners might have sales.
- Economic Development Recommendations: Determine the location of the DOT road easement to the mainland; maintain development area for the road; recreation; commercial recreation; residential development along the shoreline.

#### CRITTENDEN CREEK

- Planning Recommendations: Recreation; selective logging along the shoreline residential development; cultural sites; habitat for fish; potential logging coinciding with adjacent landowners; long-term forestry (LTF) use with the State.
- ✓ Economic Development Recommendations: Residential development; future uses as necessary for DOT road easement; no commercial use; keep the timber option open if the federal/state governments have a sale.

#### MILL CREEK

- Planning Recommendations: Recreation; cultural sites nearby; fish habitat.
- ✓ Economic Development Recommendations: Recreation; habitat; minimal commercial recreation uses.

#### SUNNY BAY

- ✓ Planning Recommendations: Recreation; define uses for Alaska Crossing; habitat.
- ✓ Economic Development Recommendations: Productive fishing grounds; mariculture; recreation; commercial recreation; continue Alaska Crossing use; leave the option open for some timber harvesting, but not a priority use.

#### ZAREMBO

- Planning Recommendations: Residential development with view lots and shoreline lots; timber harvest potential to fund development costs; community dock/boat launch and access roads; adjacent mineral claims - provide land for development of mineral resources.
- Economic Development Recommendations: Farming, pastureland; large 20-40 acre tracts; residential development; recreation; commercial recreation; smaller lots along the shoreline; shallow bay - restricted access to some shorelines.

#### ZONING DESIGNATIONS

The Borough Assembly is interested in exploring the potential of Timber Management (TM) zoning for some of its entitlement lands. They have requested the Planning Commission to review these lands and recommend areas suitable for this designation. This review is important for the Assembly to make informed decisions about land use and resource management. The Borough Assembly recognizes the potential of its entitlement lands for both timber management and long-term, diverse uses. Therefore, they are requesting the Planning Commission to consider zoning appropriate areas for Timber Management (TM) while also evaluating the suitability of these lands for future uses beyond timber harvesting. This dual approach acknowledges the immediate economic benefits of timber harvest while also planning for the long-term sustainability and diversification of Wrangell's economy and land use.

Timber Management zoning, as defined in the Wrangell Municipal Code (WMC 20.40), is designed to allow for the sustainable management and harvesting of timber, along with other resource-based activities like mineral extraction and recreation. The primary goal is to balance economic opportunities with the protection of watersheds, critical wildlife habitats, and the remote, rural character of the area. While timber harvesting is a principal permitted use, the zoning also allows for compatible, low-density cabin sites and other uses that align with resource management. Development within a TM zone must prioritize minimizing impacts on other resources and public services. The code outlines specific permitted uses, accessory uses, and conditional uses, ranging from timber harvest and recreation sites to mineral extraction, commercial lodges, and even certain types of licensed marijuana establishments. Specific standards related to lot size, setbacks, building height, and environmental protection also apply within TM districts.

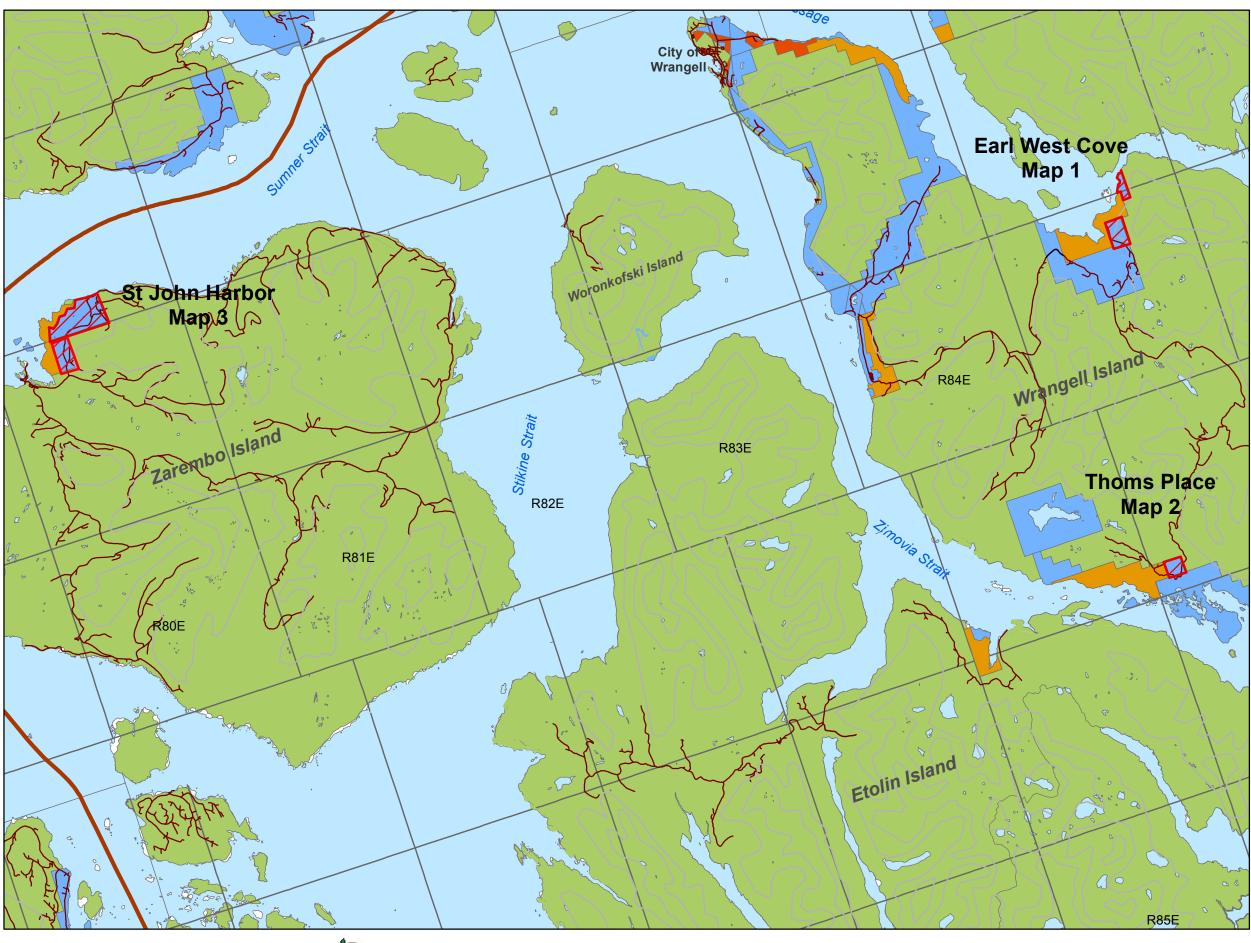
Existing Remote Mixed Use (RMU) zoning districts, recognizing the established patterns of lowimpact development and resource-based lifestyles in many areas. The RMU zoning districts, as defined in the Wrangell Municipal Code, are designed for remote areas with limited road access and infrastructure. They prioritize maintaining the historical character of these areas and support activities like residential dwellings, cabins, agriculture, cottage industries, and subsistence living. Each RMU subarea (e.g., Farm Island, Meyers Chuck, Olive Cove, Thoms Place, Union Bay, Wrangell Island East, and General Isolated Parcels) has specific regulations tailored to its unique characteristics and existing land use patterns. Permitted uses within RMU districts can include one- and two-family dwellings, home occupations, small-scale commercial activities, community facilities, and resource-based activities like portable sawmills and animal establishments. The Assembly wishes to understand how TM zoning can coexist with or transition to these RMU designations in the future, ensuring a balanced approach to resource management and community development.

#### **Staff Recommendation**

Staff recommends the Planning Commission consider Timber Management (TM) zoning for all entitlement land areas, prioritizing those with high accessibility and return on investment for timber harvest. Each area should be evaluated for its potential for timber harvest alongside its suitability for other long-term uses, including residential development and uses consistent with existing remote mixed-use districts. This comprehensive review will ensure the Borough maximizes the economic and community value of these lands while also planning for future diversification and sustainable resource management.

#### Attachments

1.) Memo, 2.) MOU with Mental Health Trust Land Office, 3.) Wrangell Entitlement Lands Overview





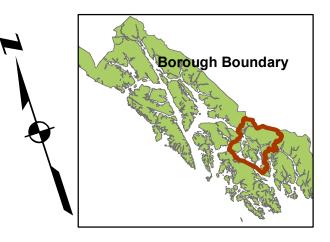
This map is for graphic representation only. It is intended to be used as a guide only and may not show the exact location of existing surveyed parcels or show all easements and reservations. Source documents remain the official record.



## City & Borough of Wrangell Selections

ADL 108133





Created by: SOA-DNR-DMLW-Municipal Entitlements (M.E.)

Final Finding and Decision





Date: Monday, February 3<sup>rd</sup>, 2025

- To: Members of the City and Borough of Wrangell Planning and Zoning Commission, and Kathleen Thomas, *Economic Development and Planning & Zoning Director*
- From: Mason F. Villarma, *Borough Manager*

RE: Assembly Direction to Zone Entitlement Lands to TM

#### Background:

The City and Borough of Wrangell holds management rights to 9,006 acres of entitlement lands, conveyed by the State of Alaska when Wrangell transitioned to Borough status in 2008. Of these lands, 2,410 acres are fully patented, encompassing areas such as Olive Cove, Wrangell Island East, and Zarembo. These lands are currently unzoned, representing a significant yet underutilized resource for the Borough. Thoughtful management of these lands is essential to advance Wrangell's long-term strategic planning, economic growth, and infrastructure needs.

This memo outlines efforts to prepare entitlement lands for potential uses such as timber sales, land sales, or subdivision development. With much of the land containing rich timber resources, the Borough Assembly is considering designating these areas under a Timber Management zoning district as a first step to enable sustainable timber sales. Timber sales are viewed as a way to reignite Wrangell's timber industry, create local jobs, and stimulate private investment in value-added processing activities. Proceeds from timber sales are intended to support recapitalization of critical infrastructure and incentivize future economic development in the region.

The principal uses envisioned for a Timber Management zoning district are:

- 1. Timber Harvest
- 2. Parks and Recreation Sites

By strategically managing these entitlement lands, the Borough aims to unlock their full potential, fostering sustainable economic growth, job creation, and long-term community benefits. To further these goals, the Borough has entered into a memorandum of understanding with the Alaska Mental Health Trust Land Office, a partnership aligned with the shared vision of maximizing land value and advancing Wrangell's development objectives. Establishing a dedicated zoning designation for these entitlement lands is a crucial first step to ensure responsible management, meet the needs of the community, and strengthen this collaboration with our new partner.

An overview of entitlement land status can be found below:

#### CITY AND BOROUGH OF WRANGELL MUNICIPAL ENTITLEMENT LAND OVERVIEW

#### Summary

Municipality	Certified Entitlement	Patented	Approved	Conditional Approval	Selected	Estimated Entitlement Remaining
City and Borough of Wrangell	9,006	2,410	6,968	0	0	0

#### Detail

Area Name	Total Acreage	Patent	Survey Determination
Thoms Place	1306.69	No	Yes
Olive Cove	463.82	Yes	Yes
Wrangell Island West	696.32	No	Yes
Wrangell Island East	874.91	Yes	Yes
Earl West Cove	895.29	No	Yes
Crittenden Creek	405.79	No	Yes
Mill Creek	148.57	No	Yes
Sunny Bay	2507.62	No	Yes
Zarembo	1631.9	Yes	Yes

#### Directive:

The Planning and Zoning Commission is directed to:

- 1. <u>Conduct a Comprehensive Review:</u> Assess all entitlement lands under Borough ownership to determine their suitability for Timber Management zoning. This assessment should include:
  - Current and potential land uses.
  - Environmental considerations.
  - Alignment with the Borough's Comprehensive Plan (if commented on)
- 2. <u>Draft Zoning Recommendations:</u> Develop specific zoning designations and propose appropriate boundaries for areas to be designated as Timber

Management. Include recommendations for any necessary protections or restrictions to balance economic development and environmental stewardship. If Timber Management is not recommended for a specific parcel, please provide an alternative zoning designation with sufficient justification.

- 3. <u>Report Findings:</u> Submit a detailed report to the Borough Assembly summarizing your findings and recommendations no later than Tuesday, March 18<sup>th</sup>, 2025. The report should include:
  - Maps of proposed Timber Management zones.
  - Justifications for the recommended zones.
  - Any anticipated impacts on other land uses or Borough resources.

#### Conclusion:

Zoning these lands for Timber Management is an opportunity to support sustainable resource development, contribute to Wrangell's economic resilience, and ensure responsible stewardship of our natural assets. I trust the Planning and Zoning Commission to lead this effort thoughtfully and efficiently.

Please contact my office if you require additional resources or clarification on this directive.

Sincerely,

Mason F. Villarma

Mason F. Villarma

#### MEMORANDUM OF UNDERSTANDING

#### I. Purpose

This Memorandum of Understanding (MOU) is entered into by and between the Alaska Mental Health Trust Authority, a public corporation within the State of Alaska, Department of Revenue (AS 47.30.011 et seq.), acting through the State of Alaska, Department of Natural Resources, Trust Land Office (TLO), pursuant to AS 37.14.009, AS 38.05.801 and 11 AAC 99, (collectively referred to as the Trust) and the City and Borough of Wrangell, Alaska (the Borough). The Trust and the Borough are collectively referred to as the "Parties." The purpose of this MOU is to pool shared resources for the inventory, stratification, valuation, and harvesting of marketable timber in the Wrangell area and to advance the development of infrastructure required for the export of timber in the area. Additionally, the Parties will explore the strategic development of subdivisions to address the growing housing needs of the Wrangell community following timber harvest activities.

#### **II. Background**

A. The TLO manages Alaska Mental Health Trust Land on behalf of the Alaska Mental Health Trust Authority (the Trust). Under AS 38.05.801, Trust Land is managed consistent with the trust principles provided for in the 1956 Alaska Mental Health Enabling Act. Due to AS 38.05.801 and the 1956 Enabling Act, the TLO's management decisions are guided by private trust principles – as explained by the Alaska Supreme Court in State v. Weiss, 706 P.2d 681, fn. 3 (Alaska 1985) – and thus all decisions are made in the best interest of the trust beneficiaries for mental health programs. The primary purpose of the TLO is to generate maximum revenues from Trust Land over time while protecting the values and long-term productivity of Trust Land.

B. The Trust owns approximately 4,047 acres of fee simple estate within the Borough.

C. In accordance with its comprehensive plan, the Borough manages its land to meet the general land use needs of its residents, including public, residential, commercial, and industrial uses. Additionally, the Borough strives to create and maintain a quality of life that aligns with the long-term vision of the community. The Borough has 3,027 acres of municipally owned land and 9,006 acres of entitlement lands (12,733 acres total).

D. Both the Trust and the Borough are significant landowners in the Wrangell area, with properties in close proximity that have substantial timber potential. The TLO brings valuable expertise in planning and implementing commercial timber harvest activities, while the Borough offers additional timber resources, local support infrastructure, and the Wrangell Deepwater Port for reprocessing and exporting timber.

E. By coordinating their efforts, the Trust and the Borough can achieve cost-effective use of shared and complementary resources to further mutual goals. The Parties are authorized to enter into this MOU under AS 38.05.801 for the Trust and by approval of the Wrangell Borough Assembly as to the Borough.

#### **III. Agreements**

1. **Term**: The term of this MOU will be five (5) years from the effective date and may be extended for subsequent five-year periods upon written agreement of the Parties.

#### 2. Collaboration:

- The Parties will work cooperatively, where reasonable, to align their respective land management and development plans to support collective objectives, including timber inventory, valuation, harvesting, the development of infrastructure in support of timber harvest and value-added activities, and the strategic development of subdivisions to meet housing needs. The joint ventures that will stem from this MOU are being pursued due to the shared value of pooling resources and expertise. The intention is to create greater economies of scale and maximize revenue for the parties, with respect to their individual missions.
- The Parties will explore, advocate, and pursue State and Federal funding opportunities, where reasonable, for timber export upland support infrastructure development, logging road construction, subdivision planning and implementation, and other activities aligned with the interests set forth in this MOU.
- The Parties, where reasonable, will actively engage other public, private and tribal partners to encourage further investment into timber harvest (including the infrastructure needed for effective and efficient timber harvest), subdivision development, and other economic development opportunities in the Wrangell area that are synergetic with the interests set forth in this MOU.
- 3. **Joint Committee:** Upon execution of this MOU, the Parties will form a steering committee to plan and analyze current and future developments. The committee will be composed of the Borough Manager, Borough Mayor, TLO Executive Director, TLO Deputy Director, and one at-large member of the community of Wrangell. The committee will convene virtually or physically, no less than semi-annually.
- 4. **Development Planning**: The Parties will collaborate, where reasonable, on site-specific development plans, feasibility studies, and subsequent site development and construction. Obligations for expenditures will arise only after entering into separate agreements that clearly define objectives, deliverables, and cost-sharing procedures.
- 5. Legal Compliance: The Parties will adhere to all applicable State and Federal laws, regulations, policies, and procedures.
- 6. **Confidentiality**: To the extent legally permissible, information generated under this MOU may be kept confidential upon written request by either Party. Any released information must credit its source.

- 7. **Public Relations**: The Parties may issue joint press releases on matters related to this MOU and will coordinate responses to media inquiries where reasonable.
- 8. **Notices**: Notices related to this MOU will be sent to:
  - TLO: Executive Director, Alaska Mental Health Trust Land Office, 2600 Cordova St, Anchorage, AK 99503
  - **Borough**: Borough Manager, City and Borough of Wrangell, P.O. Box 531, Wrangell, AK 99929.
- 9. **Termination**: This MOU may be terminated by either Party with thirty (30) days' written notice.
- 10. Modification: This MOU may be modified upon the written consent of the Parties.
- 11. **Non-binding**: This MOU expresses the parties' willingness to work collaboratively on the land management issues outlined herein. The parties acknowledge that this MOU is not a binding and enforceable contract and shall not give rise to any obligations on the part of any party to this MOU.
- 12. Additional Parties: Other entities may become parties to this MOU with the written consent of the original Parties.
- 13. Effectiveness: This MOU will be effective upon execution by both Parties.
- 14. **Indemnity**: Each Party will be responsible for its own actions under this MOU and indemnifies the other Party against liabilities arising from those actions.

#### **IV. Execution**

#### **City and Borough of Wrangell**

Signature: Mason F. Villarma	Date: 1/16/2025
------------------------------	-----------------

<u>By:</u> Mason F. Villarma <u>Its:</u> Borough Manager

#### Alaska Mental Health Trust Land Office



<u>By:</u> Jusdi Warner Its: Executive Director