



City and Borough of Wrangell
Economic Development Board
AGENDA

Wednesday, December 20, 2023
5:30 PM

Location: Borough Assembly Chambers

1. CALL TO ORDER

2. ROLL CALL

3. AMENDMENTS TO THE AGENDA

4. CONFLICT OF INTEREST

5. APPROVAL OF MINUTES

- a. Approval of the Economic Development Board meeting minutes from September 7th, 2023.

6. CORRESPONDENCE

7. PERSONS TO BE HEARD

8. BOARD MEMBER REPORTS

9. DIRECTOR REPORT

10. UNFINISHED BUSINESS

11. NEW BUSINESS

- a. Nomination and appointment of Chair and Vice Chair for the Economic Development Board.
- b. Approval of the 2024 regular meeting schedule to include the work session in January.
- c. Review and approval of the Alder Top Village land sale proposal.

12. NEXT AGENDA ITEMS

13. ADJOURN



**Minutes of Economic Development Committee Meeting
Held on September 07, 2023**

1. CALL TO ORDER: Call to order at 5:30pm.

2. ROLL CALL

PRESENT: Chair Bob Dalrymple, Brian Ashton, John DeRuyter, Jillian Privett, Caitlin Cardinell

ABSENT: NONE

STAFF PRESENT: Kate Thomas, Matt Henson

3. AMENDMENTS TO THE AGENDA: NONE

4. CONFLICT OF INTEREST: NONE

5. APPROVAL OF MINUTES

a. Approval of the Economic Development Board meeting minutes from June 15th, 2023.

M/S: JP/JR move to approve the regular meeting minutes from June 15th, 2023.

Approved by polled vote.

6. CORRESPONDENCE: NONE

7. PERSONS TO BE HEARD: NONE

8. BOARD MEMBER REPORTS

Board members presented oral reports.

- Alaska Housing Finance Corporation
- SASS-FM Update
- Alaska Industrial Development and Export Authority, North Pole Model
- Drone/ Aviation Programming
- Transportation, Emergency Access Road

9. DIRECTOR REPORT

a. Economic Development Department Report for July and August

Director presented report.

10. UNFINISHED BUSINESS: NONE

11. NEW BUSINESS



- a. Review and discussion of the public survey results and the Six-Mile Deep-Water Port preliminary workplan.

Cardinell stated that there is need from the public side to keep the Borough moving and not stagnant on this project. Wants to look at how to turn discussion items into actionable items.

Director Thomas discussed Thriving Communities Work Plan

12. NEXT AGENDA ITEMS

The board determined that the Alder Top Village development will be discussed at the next meeting in a Work Session.

13. ADJOURN

Next meeting is scheduled for: November 7th, 2023.

Adjourned at 7:50pm

ATTEST: _____
Matt Henson, Secretary

Bob Dalrymple, Chair

Agenda Item A Items of Business

Nomination and Appointment of Officers

**Economic Development Committee
AGENDA ITEM
December 20th, 2023**

INFORMATION:

Nomination and appointment of officers. As per the municipal code the Economic Development Board will establish a Chair and Vice Chair position. The Chair will preside over all meetings of the Board and serve as the chief spokesperson for the Board. The Vice Chair will assist the Chair and act as the Chair in the Chair's absence. Members of the Board may choose to nominate a peer for the Chair or Vice Chair position, or they may choose to self-nominate.

ATTACHMENTS:

None

RECOMMENDED MOTION:

Motion to approve nominations for the Chair and Vice Chair as discussed.

Agenda Item B Items of Business

Board Meeting Schedule for 2024

Economic Development Committee AGENDA ITEM December 20th, 2023

INFORMATION:

As per the municipal code the Economic Development Board shall hold their regular meeting at least once every quarter as follows: March, June, September, and December. The Director or two members of the board request additional meetings, if necessary.

Proposed meeting schedule: 1st Tuesday of every month.

- Tuesday, March 5th, 2024
- Tuesday, June 4th, 2024
- Tuesday, September 3rd, 2024
- Tuesday, December 3rd, 2024

Staff recommend that the Board consider establishing a work session in January to review and update the Annual Workplan priorities for 2024.

ATTACHMENTS:

None

RECOMMENDED MOTION:

Motion to approve the 2024 regular meeting schedule as presented to include the January work session on (insert date).

Agenda Item C Items of Business

Alder Top Land Sale Proposal

**Economic Development Committee
AGENDA ITEM
December 20th, 2023**

INFORMATION:

The public process and planning leading up to the proposal herein on lot sales at Alder Top Village included a series of internal staff meetings, two public surveys and a community work session with the Economic Development Board, Borough Assembly, and pertinent staff, along with members of the public.

Based on the feedback staff have received the proposal has taken final shape. A summary of the proposal has been provided along with comments from the public in the latest survey, which purpose was to vet the proposal as modified from previous input. The public has rated the proposal with a 3.5-star rating, with the majority of participants indicating that they are “satisfied” (within Likert scale of very dissatisfied to very satisfied) with the proposal as written.

Following review and approval from the Economic Development Board, staff will draft the final resolution, non-codified ordinance, purchase agreement and protective covenants for the Borough Assembly to review and approve in the New Year.

ATTACHMENTS:

1. Alder Top Land Sale Proposal Summary
2. Summary of Alder Top Survey #2
3. Open Ended Responses of Alder Top Survey #2
4. Preliminary Plat
5. Example Protective Covenants (for reference only)

RECOMMENDED MOTION:

Motion to approve recommendation to the Assembly on the methods of sale, protective covenants, financing, sale terms and participation eligibility as presented for lot sales at Alder Top Village.

CITY AND BOROUGH OF WRANGELL

**Alder Top Village Land Sale
Economic Development Board Proposal
December 2023**

1. **Public Surplus:** Lots with the highest value will be sold through an auction process. They will be competitively bid, with each lot going to the highest bidder. This includes Lots 2-9, 21 and 22. These lots hold significant value due to their unobstructed water views along the highway. Bids will start at Fair Market Value as per the appraisal. Notice of the auction will be provided 30 days in advance of the opening bids. The property shall be made available for not less than 30 days on the public surplus auction website site. Bidders shall be required to register in advance of the online auction and pay a \$500 registration fee. Property not sold in the initial timeframe in which the auction was listed shall be relisted on the auction site in increments of thirty (30) days until sold. They shall be listed at full appraised value as listed above.

2. **Land Lottery:** Lots 11-20 will be sold through a lottery system following the initial auction/surplus sale. These lots offer limited views of the water. Lots will be sold for no less than Fair Market Value as per the appraisal. Notice of the sale will be given at least 30 days before the opening of the application period. Participants may purchase up to 10 applications in the amount of \$100 per application. There are no limitations in how many lots can be purchased by individual participants. Applications will be combined for a drawing, with lots allocated one by one. Participants will have the opportunity to choose their lot in the order their application is selected. Property not sold at the lottery shall be listed in increments of (30 days on the public surplus auction website until sold.

3. **Protective Covenants:** Lots within Phase 1 of construction fall under the Single-Family Medium Density zoning district, which comes with defined permitted, accessory and conditional land uses as per the Wrangell Municipal Code. The City and Borough of Wrangell will reinforce those regulations through the establishment of Protective Covenants which will accompany all sale agreements. Including the zoning regulations, additional covenants may include dwelling size and quality, mobile homes, factory dwellings, easements, storm-water management, nuisances, temporary residences, garbage disposal, and refuse management.

Note that lots may only be accessed from within the subdivision. All property owners are prohibited from establishing access via the state right-of-way along Zimovia Highway. Likewise, lots may not be used for storing vehicles, boats, machinery or otherwise. Nor any part thereof be used for dumping or storage ground for refuse or rubbish of any kind.

4. **Borough Financing/ Sale Terms:** The Borough does not plan to finance lot sales due to project scope and funding sources (tax revenues). Instead, it is committed to establishing a resource portfolio for public access, including potential financing, planning, and construction assistance. To gather information and educate the public, a real-estate planning symposium involving regional and state funding agencies is developing as an avenue for public engagement.

Winners of the public surplus auction shall sign a purchase agreement within three (3) days of the closing of the terms of the sale. The property may be purchased with 20% of the winning amount as

down payment, payable within ten (10) business days from the signing of the purchase agreement, with the balance due to the Borough in sixty (60) days. If the bidder/applicant does not pay in full within the times specified in this section, they shall forfeit their \$500 deposit and the parcel shall be offered to the next highest bidder.

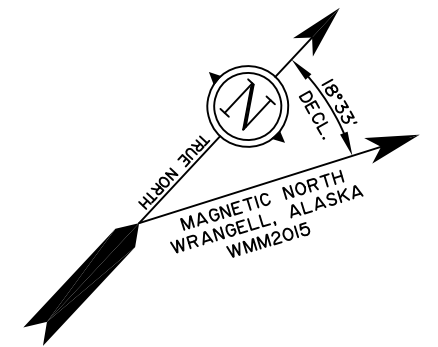
The lottery winner shall sign a purchase agreement within three (3) days of the lottery closing. The property may be purchased with 5% of the winning amount as down payment, payable within ten (10) business days from the signing of the purchase agreement, with the balance due to the Borough in sixty (60) days.

Failure to pay within the deadlines outlined in this section constitutes default and the property shall be sold per Section J of this non-code ordinance. If the winning bidder has paid their 5% within the allowed timeline and does not pay within the sixty (60) business day timeline, they shall forfeit \$500.00 of their 5% down and the balance shall be refunded to them.

5. **Criteria of Sale/Eligibility:** While staff have explored the idea of introducing eligibility criteria for the lottery, such as Alaska residency, absence of current land ownership, or a commitment to the use the lot as a primary residence, these stipulations raise concerns about accessibility and fairness, potentially increasing liability for the Borough. Moreover, the proposed has inherent limitations addressing certain public concerns, including part time residency, competitive bidding, and preventing concentration of land ownership in the hands of a single individual.

Eligibility for participating in the public surplus auction or lottery shall be persons eighteen (18) years of age or older with the following exceptions, no person who is delinquent on any property tax, utility payment or other financial obligation with the Borough may participate in the auction.

U.S.S. No. 3403

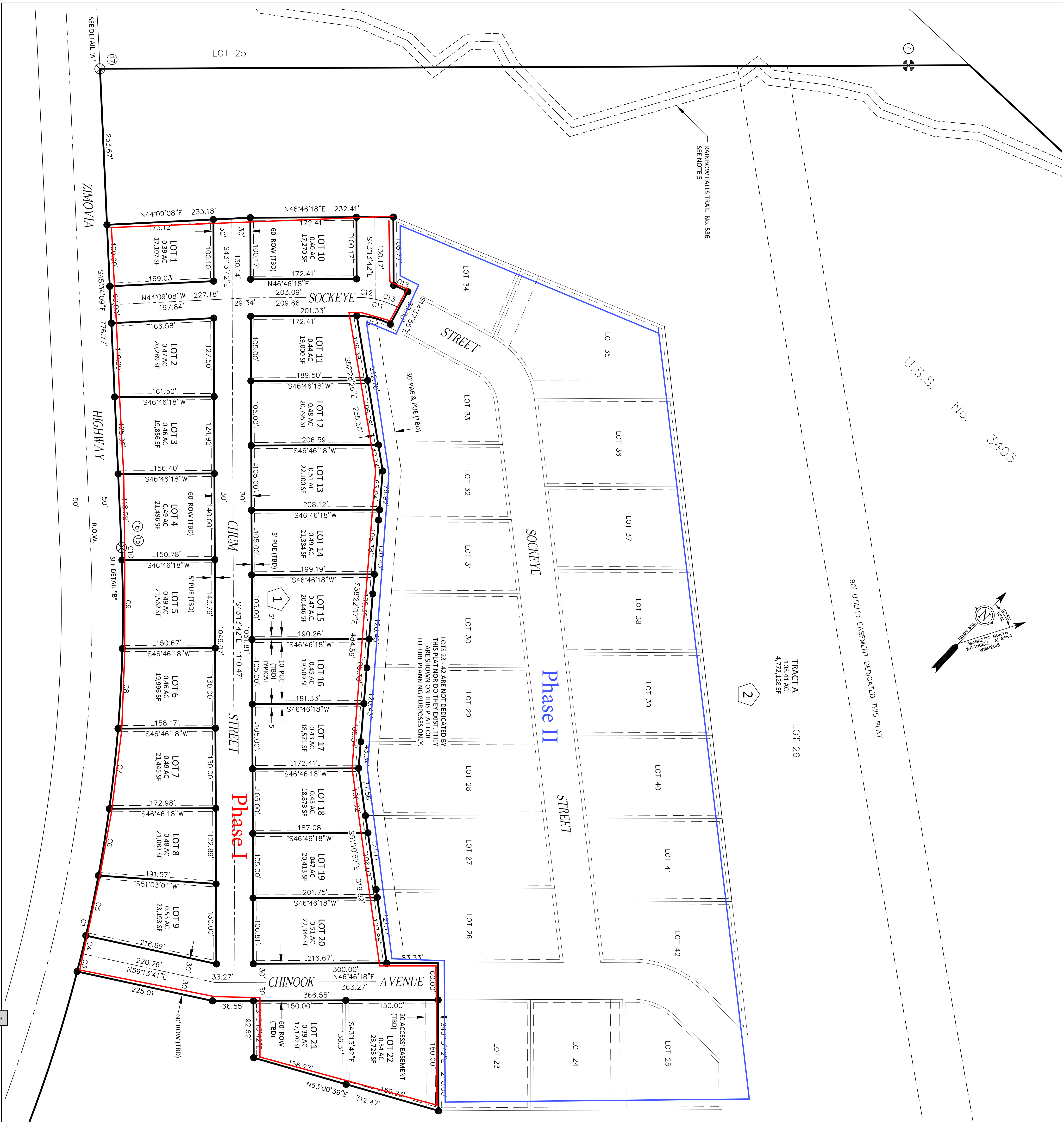


80' UTILITY EASEMENT DEDICATED THIS PLAT

TRACTA A
108.41 AC
4,772,128 SF

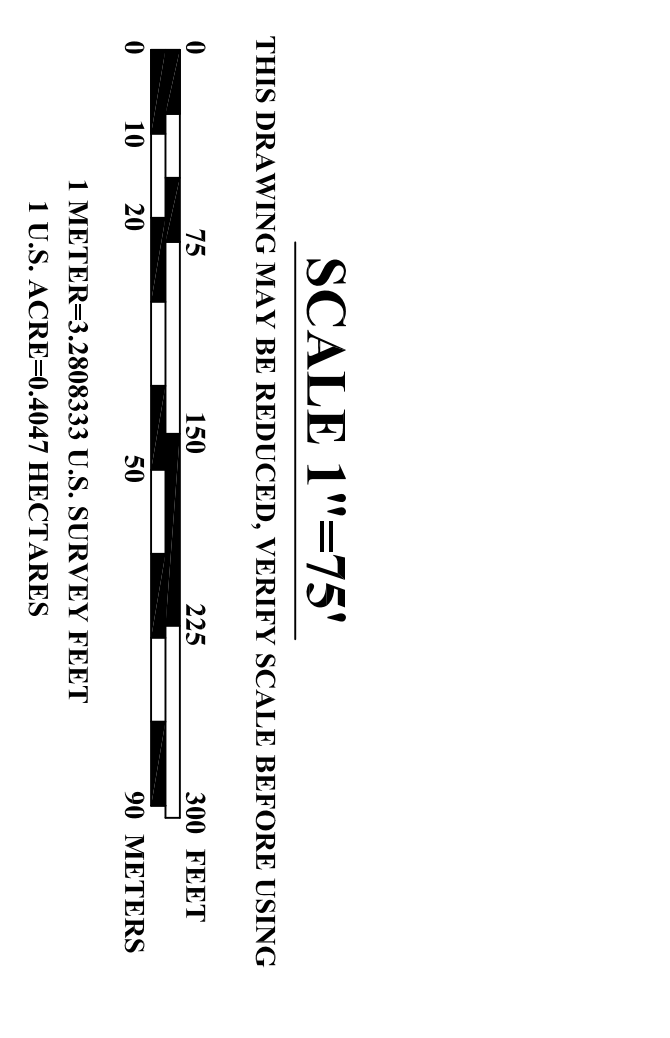
2

RAINBOW FALLS TRAIL, No. 536
SEE NOTE 5



LEGEND	
	BLOCK NUMBER
	PRIMARY MONUMENT REMOVED THIS SURVEY
	FOUND BLM/GLO MONUMENT
	SECONDARY MONUMENT SET THIS SURVEY
	SECONDARY MONUMENT RECOVERED
	MONUMENT NUMBER
	SET PRIMARY MONUMENT THIS SURVEY
	FOUND PRIMARY MONUMENT
	UNSURVEYED
	SURVEYED
	ROW CENTERLINE
	OVERHEAD ELECTRICAL LINE
(R1)	RECORD PER U.S. No. 3709 (PLAT 65-250)
(R2)	RECORD PER SHOEMAKER BAY SUBD. (PLAT 87-9)
(R3)	RECORD PER U.S. No. 3403 (SUBD. OF LOT 4, U.S.S. No. 3403)
(R4)	RECORD PER TRUST LAND SURVEY No. 2018-10 (PLAT 2020-5)
XX	MEASURED DATA
P/AE	PUBLIC ACCESS EASEMENT
P/E	PUBLIC UTILITY EASEMENT
(TBD)	TO BE DEDICATED TO THE PUBLIC BY THIS PLAT

CURVE TABLE					
CURVE DELTA	RADIUS ARC CHORD	CH.	BEARING		
C1	30°09'57"	2343.15	1233.65	N80°29'13"W	
C2	13°07'45"	2343.15	536.93	S21°58'08"E	
C3	0°44'02"	2343.15	30.02	S28°54'01"E	
C4	0°44'01"	2343.15	30.01	S29°38'03"E	
C5	2°26'16"	2343.15	99.70	S31°13'12"E	
C6	2°41'32"	2343.15	110.10	S33°47'06"E	
C7	3°11'59"	2343.15	130.84	S36°43'52"E	
C8	3°11'04"	2343.15	130.22	S39°55'23"E	
C9	3°30'57"	2343.15	143.76	S43°16'24"E	
C10	0°32'19"	2343.15	22.03	N45°18'02"W	
C11	28°35'47"	143.49	71.62	70.88	S61°04'11"W
C12	12°04'04"	143.49	30.22	30.17	S52°48'20"W
C13	16°31'43"	143.49	41.39	41.25	S67°06'14"W
C14	28°35'47"	113.49	56.64	56.06	S67°04'11"W
C15	8°21'49"	173.49	25.33	25.30	S71°11'11"W
C16	0°00'02"	5614.08	0.06	0.06	N45°34'09"W
C17	0°02'27"	2343.15	1.67	1.67	S45°32'58"E



PRELIMINARY



SHEET 2 OF 4

R&M ENGINEERING & SURVEYING, INC.
1000 W. BROADWAY, SUITE 300
ANCHORAGE, AK 99501
Phone: (907) 252-9917
Fax: (907) 252-9411
Phone: (907) 506-4830

CERTIFICATE OF AUTHORIZATION #: CS76

SHOEMAKER BAY SUBDIVISION II

A SUBDIVISION AND REPLAT OF
LOT 26, OF U.S.S. No. 3403;
BLOCKS 1 - 3, & TRACT A, OF SHOEMAKER BAY SUBDIVISION (PLAT 87-5);
PUBLIC RIGHT-OF-WAY AND UTILITY EASEMENT VACATIONS
AND
CREATING
LOTS 1 - 22 WITHIN BLOCK 1, AND TRACT A WITHIN BLOCK 2,
SHOEMAKER BAY SUBDIVISION II
CONTAINING 121.86 ACRES MORE OR LESS

LOCATED WITHIN
SECTIONS 8 & 12, TOWNSHIP 63 SOUTH, RANGE 84 EAST
COPPER RIVER MERIDIAN, ALASKA
WHALEWELL RECORDING DISTRICT

DRAWN BY: MCH
DATE: AUGUST 2020

CHECKED: CGP
SCALE: 1"=75'
R&M PROJECT NO.: 202725

Please explain any pertinent changes you would implement to the above plan. Please provide any additional comments you wish to share.

4 2-9 should also be lottery.

I am a 35 year Alaskan resident. My wife was born and raised in Wrangell and she too has remained in Alaska her entire career--her family has never left Wrangell. We fully intend to retire in Wrangell and are having difficulty finding suitable property. Prohibiting us from bidding on this property because we are not local community residents would be limiting and damaging to both us and the city seeking to promote development. Please do not discourage fiduciary viability. The towns in SE Alaska are semblances of what they once were. Please support growth--this is an amazing opportunity to promote your community.

We would be interested in purchasing two or more lots if permissible

Like most land sales in the state the city could finance these properties and make interest on these lots . A sealed bid option seems most fair to not over price these 3 lots

More of a point of interest than a proposed change, so to speak. Please correct me if I am wrong but does the sale of Borough owned properties, that hold a value of \$1,000,000.00 or more, (which the combined value of the raw land does), not need to be brought to a vote of the people prior to the liquidation of said properties?

If at all possible I would like to arrange a time in which I can speak directly to the Economic Development Director as I have many questions surrounding the proposed liquidation process proposed by the borough, which I was unable to have addressed at the public meeting which took place in November of 2023. I can be reached at the attached email address, or directly at 907-305-0987. Thank you in advance for your time on this matter.

I believe that prior to all of the lots being put up for auction and lottery, I think Phase 1 should be 100% complete. This way there will be less confusion and more clarity about the physical characteristics of the each lot, better understanding of the lot lines, etc. I understand that everyone wants to get the lots made available as soon as possible for development, but I think Phase 1 should be complete prior to sale. It's only natural that once someone purchases the lot, they will want to get out there and look at it very closely and if Phase 1 construction is still underway, I can envision issues between the contractor and the landowner. As in most contracts, once you assume ownership or "buy the job", then it is yours and you accept responsibility for it is. If the lots are still under final construction, I think this could easily lead to some issues between the 2 parties. Waiting until the job was complete 4 should reduce or eliminate these potential issues.

The criteria of residency and land ownership status is fair if we want to view this in terms of classism. The timeline also doesn't allow for low income families a 3 sufficient enough time to plan for how to finance the property.

Can a stipulation be added that the purchaser must live on the land for xxx amount 4 of years prior to selling?

Veterans preference and disability levels should be addressed to encourage those 3 eligible parties to apply.

Another housing authority set of buildings would be beneficial to the community and help alleviate the housing shortage and keep rental costs down, yet competitive.

I would like the city to offer financing on all stages, only until a traditional loan or mortgage can be obtained. The city should be a last ditch place to get such financing and much like the state a denial paper from financial institutions should be required. 3

If any lots have a dumpsite under the surface that would hinder development the city should either 1 of 2 options. 1-disclose where the site is and offer a deeply discounted rate. 2- clean up all waste that lies under the surface and develop the effected areas to have a build ready site, the money to clean up the trash would come from federal superfund and the end user would only pay for the lot as if it were in an undeveloped state.

3 Alaska/Wrangell residents only, to build homes or even rental units only

<p>4 Underground power would be amazing</p>	<p>Would a landowner be prohibitive from buying two lots and making it one property..?</p>
<p>The City could finance the land, acting as seller/owner and raise some money on 2 interest.</p>	<p>If the City were serious about expanding housing in Wrangell, The City could simply long term lease the lots therefore the new owner could start to build equity on the building only, the City would get a payment on the leased land. This is not a new idea. Cities who care about first time owners have been doing this for twenty years. When the ownership changes the new owners pay Wrangle the lease....forever. The seller recovers their equity on the buildings and Wrangell has a steady income.</p>
<p>If you want low income families to afford land. You must offer low interest financing. I have purchased land from the city in the past and they financed it for 2 3 years and let me make payments.</p>	<p>For the lottery lots. Do a 5 year finance with 10% down. 2% interest. Have income limits to qualify for these rates. This will help people get a good start on land ownership.</p>
<p>Allowing a single person to buy up several lots will just have them reselling for a profit down the road. The lottery should be more geared towards people starting 3 out, looking for ways out of the trailer courts and low cost housing.</p>	
<p>Suggest a timeline for building on all lots so they are not used for investment purpose only- contact City of Petersburg for history on one of their land sales that 5 has this issue</p>	
<p>Eligibility for lottery: Requiring Alaska residency and the primary residency needs to be requirements. If this is not implemented, I have a fear of large organizations, governmental agencies or out of state individuals will benefit instead of those individuals locally or in Alaska who wish to plant roots or move back to Wrangell.</p> <p>I read that requirements such as the ones I listed above may not be fair or could potentially put the Borough in a position of liability. Receiving two sentences addressing this is not sufficient. I expect more information provided by the Borough 2 on the how and why this cannot be implemented.</p>	<p>I highly recommend that there is a time limit added to the covenant on when the home is to be completed and what that entails. An example would be "within 3 years the foundation of the home will be completed after purchase. With in 7 years the home must be completed."</p>

<p>The cost/sq ft seems lower than lots that are being (or have been recently) offered for sale in Wrangell. I would like to see the minimum sqft price cover at least 110% of the total cost of development.</p>	<p>I don't believe the borough should be involved in land development for private sale...but given the fact that the borough is involved this seems like a reasonable plan (as long as ALL development cost are fully recovered through the sale).</p>
<p>4</p>	<p>Your going to let a couple rich people buy up all the lots is pretty much what your going to do, thanks</p>
<p>Include a caveat/plan for any lots not sold through public auction- do they become part of lottery or just remain for general sale at appraised value? Same for lottery- if they are not all sold, then what? Would want to ensure people know they won't be sold at less than appraised value if not sold right away so they are not concerned about leftover lots being sold cheaply and depreciating value.</p>	

Alder Top Village Survey #2

33

Responses

19:22

Average time to complete

Active

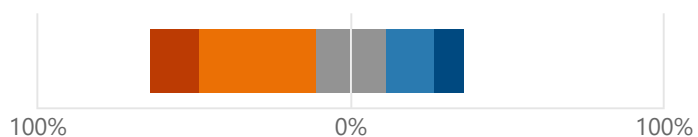
Status

- 1. Auction/Public Surplus Lots Definition:** A municipal land auction is a public process through which a local government or municipality sells parcels of land to the highest bidder. These auctions are typically held to generate revenue for the municipality, promote land development and ensure that unused or surplus land is put to productive use.

Summary of Proposal: Lots with the highest value will be sold through an auction process. They will be competitively bid, with each lot going to the highest bidder. This includes Lots 2-9, 21 and 22. These lots hold significant value due to their unobstructed water views along the highway. Bids will start at Fair Market Value as per the appraisal. There are no additional requirements to be eligible other than the bidder must be 18 years of age or older. Notice of the auction will be provided 30 days in advance of the opening bids.

■ Very Satisfied
 ■ Satisfied
 ■ Neutral
 ■ Dissatisfied
 ■ Very Dissatisfied

Please indicate your level of satisfaction with the above proposal.



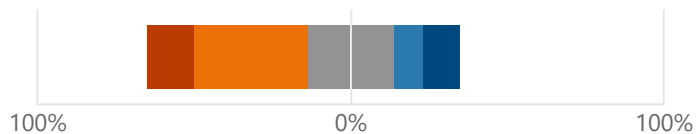
Item c.

2. **Land Lottery Definition:** A municipal land lottery, also known as a land lotter or land allocation lottery, is a process used by some local governments or municipalities to distribute parcels of land to individuals or entities within the community. The lottery system is typically employed when there is high demand for a limited number of available land lots and the goal is to ensure fair and equitable distribution of these lots among interested parties.

Summary or Proposal: Lots 11-20 will be sold through a lottery system following the initial auction/surplus sale. These lots offer limited views of the water. Lots will be sold at Fair Market Value as per the appraisal. Notice of the sale will be given at least 30 days before the open application period. Participants can submit up to 10 applications. There are no limitations in how many lots can be purchased by individual participants. Applications will be combined for a drawing, with lots allocated one by one. Participants will have the opportunity to choose their lot in the order their application is selected.

Very Satisfied Satisfied Neutral Dissatisfied Very Dissatisfied

Please indicate your level of satisfaction with the above proposal.



3. **Protective/Restrictive Covenants Definition:** Protective covenants refer to legally binding restrictions and conditions imposed on the use and development of property that is being sold by a municipality. These covenants are designed to ensure that the property is used in a manner that aligns with the municipality’s goals, zoning regulations and community interests.

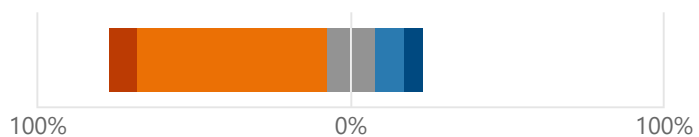
Protective covenants serve various purposes including preserving the character of a neighborhood or area, protecting natural resources, maintaining property values, and addressing specific community concerns. They can cover a wide range of issues such as land use, architectural guidelines, environmental protections, maintenance obligations and more. Covenants often require the property owner to adhere to existing zoning regulations or any future changes to code and ordinances. Furthermore, covenants may require specific standards of maintenance and upkeep on a property.

Protective covenants may have varying durations, some lasting indefinitely and others under a timeline. The municipality is responsible for enforcing the protective covenants. Violations can result in penalties, fines, or legal action.

Summary or Proposal: Lots within Phase 1 of construction fall under the Single Family Medium Density zoning district, which comes with defined permitted, accessory and conditional land uses as per the Wrangell Municipal Code. The City and Borough of Wrangell will reinforce those regulations through the establishment of Protective Covenants which will accompany all sale agreements. Including the zoning regulations, additional covenants may include dwelling size and quality, mobile homes, factory dwellings, easements, storm-water management, nuisances, temporary residences, garbage disposal, and refuse management.

■ Very Satisfied
 ■ Satisfied
 ■ Neutral
 ■ Dissatisfied
 ■ Very Dissatisfied

Please indicate your level of satisfaction with the above proposal.

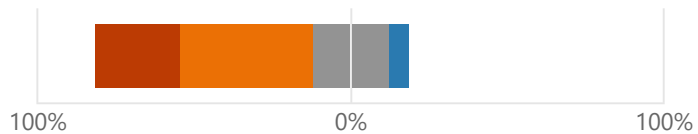


Item c.

4. **Borough Financing Proposal:** The Borough does not plan to finance lot sales due to project scope and funding sources (tax revenues). Instead, it is committed to establishing a resource portfolio for public access, including potential financing, planning, and construction assistance. To gather information and educate the public, a real-estate planning symposium involving regional and state funding agencies is developing as an avenue for public engagement.

Very Satisfied Satisfied Neutral Dissatisfied Very Dissatisfied

Please indicate your level of satisfaction with the above proposal.

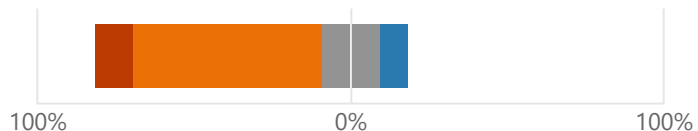


5. **Timeline of Procedures, Events and Sale Proposal:** A timeline for the sale has not been determined, although a prospective schedule goes as follows:

- January- Approve Methods of Sale
- February- Host Real Estate Planning symposium
- March- Open notice of land sale auction
- April- Open public auction
- May- Close public auction
- June- Notice land sale lottery
- July-Facilitate lottery
- August- Finalize sale agreements.
- September- Construction complete for phase 1
- October- Access to lots granted to new owners

Very Satisfied Satisfied Neutral Dissatisfied Very Dissatisfied

Please indicate your level of satisfaction with the above proposal.

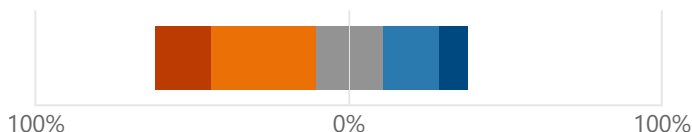


Item c.

6. Criteria of Sale/Participation Eligibility: While staff have explored the idea of introducing eligibility criteria for the lottery, such as Alaska residency, absence of current land ownership, or a commitment to the use the lot as a primary residence, these stipulations raise concerns about accessibility and fairness, potentially increasing liability for the Borough. Moreover, the proposed has inherent limitations addressing certain public concerns, including part time residency, competitive bidding, and preventing concentration of land ownership in the hands of a single individual.

■ Very Satisfied
 ■ Satisfied
 ■ Neutral
 ■ Dissatisfied
 ■ Very Dissatisfied

Please indicate your level of satisfaction with the above proposal.



7. Please rate your overall satisfaction with the proposed plan. Five star rating being the best.

3.56
Average Rating

