

## Port of Juneau

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From: Port Director

To: Lands & Resources Manager

**Date:** August 26<sup>th</sup>, 2022

**Re:** HANSEN-GRESS PROPERTY

1. After significant discussion and debate at the August 25<sup>th</sup> Docks & Harbors Board meeting, and by a vote of 5-2, the following was motion was approved:

TO ADVANCE THE HANSEN-GRESS PROPOSAL THAT INCLUDES EASEMENTS FOR FUTURE DOCKS & HARBORS DEVELOPMENT AS WELL AS FIRST RIGHT OF REFUSAL ON THE CONSOLIDATED LAND AND BUILDING SALE AS WELL AS THE EVALUATION OF PROPERTY BY THE DOCKS & HARBORS CONTRACTED APPRAISER THAT ASSUMES THE PROPERTY AS A SINGLE LOT.

2. The Docks & Harbors Board was deliberate in their examination of guidance under Title 85 in executing their charge to the Assembly and the citizens of Juneau. Specifically, 85.02.063(b):

Development of the land management plan, or a change to the plan, shall be guided by the following principles:

- (1) Multiple use should be encouraged;
- (2) A sound local economy will be promoted;
- (3) Adequate lands for public development and public use, including recreational beaches with appropriate uplands, should be reserved;
- (4) Tidelands should be leased only for specific water-dependent and water-related uses and not sold.

In the end, the Board weighed subparagraphs (1) and (2) against the principals contained in (4) to support the Hansen-Gress request for CBJ owned property.

- 3. The intent of the motion includes the following:
  - Docks & Harbors wishes to reserve easements which would allow for the future development of community needs, such as a Seawalk extension.

- Docks & Harbors wishes to have language in the purchase and sale agreement which would enable CBJ, the right of first refusal, to purchase back not only the consolidated property parcel but also any building improvements.
- In accordance with <u>53.09.200(e)</u> Sale Price Docks & Harbors wishes to instruct the appraiser to determine the fair market value by evaluating the parcel in whole and not limited by appraising only the strip of tide land.
- 4. Although the Docks & Harbors motion does provide some direction, it appears that 53.09.263 Negotiated sales, leases and exchanges would require the Assembly to approve a negotiated sales agreement with Hansen-Gress and CBJ ahead of an appraisal.
- 5. Docks & Harbors requests all revenue generated in this transaction be allocated to the Docks & Harbor Enterprise Harbor Fund Balance.