

Presented by: The Manager  
Presented: 3/3/2025  
Drafted by: Law Department

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

**Serial No. 2025-22**

**An Ordinance Authorizing the Manager to Negotiate and Execute a  
Tidelands Lease for the Purpose of Waterfront Commercial Activities.**

WHEREAS, in August 2022 Huna Totem Corporation (HTC) acquired the upland parcel at the Subport from Norwegian Cruise Line Holdings; and

WHEREAS, in September 2022, Aak’w Landing LLC (“Aak’w”), a wholly owned subsidiary of HTC, applied to lease tidelands owned by the City and Borough of Juneau for the purpose of building a cruise ship dock; and

WHEREAS, the City and Borough of Juneau (CBJ) owns submerged lands in excess of 50 acres in ATS 3 including a four-hundred-foot swath seaward of the Coast Guard Dock and Subport; and

WHEREAS, in order to construct the Aak’w dock, Aak’w will need to acquire an interest in certain lands and tidelands, which includes the CBJ swath of tidelands and approximately 8 acres of unsurveyed tidelands currently owned by the State of Alaska, Department of Natural Resources (ADNR); and

WHEREAS, the City and Borough of Juneau has applied to the ADNR to have lands owned by the State conveyed for the purposes of this lease; and

WHEREAS, CBJC 53.20.020 authorizes the lease of lands owned by the City and Borough, including tidelands and submerged lands, by ordinance under such procedures and minimum terms and conditions as set forth in the ordinance; and

1           WHEREAS, maintaining year-round businesses and activities on the site is a shared  
2 priority of the CBJ and Aak’w; and

3           WHEREAS, shore power is a community priority throughout the port and it is the  
4 shared intention of the CBJ and Aak’w to electrify cruise ship docks to the degree that it’s  
5 feasible to do so; and

6           WHEREAS, the CBJ and Aak’w have a shared interest in honoring community priorities  
7 including all negotiated agreements between the CBJ and the cruise industry.  
8

9           BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

10          **Section 1. Classification.** This ordinance is a noncode ordinance.

11          **Section 2. Authorization to Lease.** The Manager is authorized to negotiate and  
12 execute a lease of tidelands as generally depicted on Exhibit A, subject to the following  
13 minimum essential terms and conditions:

- 14           (A) This lease signing is conditioned upon the conveyance of State tidelands south  
15 of the Subport to the City and Borough of Juneau from ADNRR;
- 16           (B) This lease is conditioned upon an appraisal providing legal boundaries and fair  
17 market value as required by CBJC 53.20.040 and 05 CBJAC 50.050;
- 18           (C) The leased property shall be used by Aak’w for waterfront commercial activities  
19 consistent with the application submitted to the Community Development  
20 Department January 25, 2023, Attachment 1;
- 21           (D) The lease shall be for a maximum term of 35 years (CBJC 53.20.080) effective  
22 upon signing of the lease by CBJ; the parties, upon mutual agreement and by  
23 ordinance, may execute one additional lease for a maximum term of 35 years;
- 24           (E) The annual lease rent for the first five-year period of the term shall be not less  
25 than fair market value plus sales tax. The annual rent due is divided into

1 twelve equal installments due at the beginning of each month. Rent shall accrue  
2 on the effective date of this lease. The Manager or designee shall review and  
3 adjust the annual rental payment every fifth year of the lease in accordance  
4 with CBJC 53.20.190(d) and CBJC 85.02.060(a)(5);

5  
6 (F) Aak'w shall be responsible for obtaining all necessary permits and approvals for  
7 its use and development of the leased property;

8 (G) Aak'w shall indemnify, defend, and hold harmless the City and Borough and its  
9 officers and employees for any claims related to or arising out of the Aak'w's  
10 use, operation, or maintenance of the leased property, equipment, and  
11 improvements, or any further development of the leased property or  
12 improvements by the Aak'w; and

13 (H) The lease shall include all provisions of the standard CBJ land lease form not in  
14 conflict with ordinance, any other provisions that the Manager determines to be  
15 in the public interest, and all conditions and parameters outlined in Conditional  
16 Use Permit, USE2023 0003, approved by the Planning Commission July 20,  
17 2023, Attachment 2.

18 (I) Additional Conditions:

19  
20 a. The dock may be used in case of emergency outside the specified CUP  
21 terms;

22 b. The dock may only accommodate lightering from a cruise ship at anchor  
23 in the case of an emergency, no matter what size the ship is.  
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