



# Port of Juneau

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**From:** Port Director  
**To:** Assembly  
**Via:** (1) Docks & Harbor Board  
(2) City Manager  
**Date:** September 14<sup>th</sup>, 2024  
**Re:** DIRECT NEGOTIATION LAND SALES, LEASES & EXCHANGES - NATIONAL GUARD DOCK

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Franklin Dock Enterprises is requesting, in consideration for an easement along the Franklin Dock area, a lease of the National Guard Dock property, owned by CBJ and managed by Docks & Harbors. This property exchange would facilitate CBJ Engineering advancing its efforts to construct a Seawalk from the AJ Dock to the South Franklin Street Dock. The Assembly has previously considered and agreed with this plan at its May 30<sup>th</sup> COW and at the September 9<sup>th</sup> LHED Committee meetings.

In order to develop a lease, the Assembly must authorize the manager to commence negotiations: *Title 53.09.260(a) – Negotiated Sales, Leases and Exchanges states that “the proposal shall be reviewed by the assembly for a determination of whether the proposal should be further considered and, if so, whether by direct negotiation with the original proposer or by competition after an invitation for further proposals. Upon direction of the assembly by motion, the manager may commence negotiations...”*

If supported by Assembly motion, negotiations with Franklin Dock Enterprises will commence and a new lease will be returned to the Assembly for adoption by ordinance via the Docks & Harbors Board. There are no monetary commitments by CBJ with this motion for direct negotiations with Franklin Dock Enterprises.

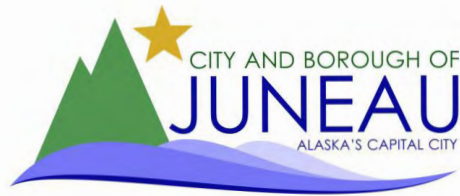
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Encl:

- (1) Property map
- (2) Memo to LHED dated September 5<sup>th</sup>, 2024
- (3) Memo to COW dated May 30<sup>th</sup>, 2024
- (4) Proposed Seawalk Extension Plans



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## **MEMORANDUM**

**DATE:** September 5, 2024  
**TO:** Assembly Lands, Housing and Economic Development Committee  
**FROM:** Alexandra Pierce, Visitor Industry Director  
**SUBJECT:** Franklin Dock Land Exchange

Reed Stoops, representing the Franklin Dock, has requested to trade the National Guard Dock for an easement on Franklin Dock property. The easement is valued at \$164,500, and the National Guard Dock is valued at \$306,000. Both appraisals are included in the packet. Both parties accept the appraised value of the properties. Mr. Stoops is motivated to complete the land exchange because will allow the Franklin Dock group to clear up encumbrances on the land caused by the access to the National Guard Dock and facilitate development. For CBJ, the easement through Franklin Dock property is critical for Seawalk construction.

The National Guard Dock has a very small uplands footprint. Mr. Stoops is also interested in leasing the adjoining tidelands from CBJ. He proposes to make up the difference in property values in credit towards lease payments. The National Guard Dock is the property between the Franklin Dock and the Petro Marine property, it has difficult access through the Franklin Dock property. The dock is in disrepair and is a liability to CBJ - the only recent uses are the Tagish, which sank at the dock, and the Sea Pro spill response boats. Docks & Harbors is able to relocate Sea Pro.

Petro Marine and Franklin Dock Enterprises have a shared interest in constructing a float that could accommodate a small number of yachts or other mid-size vessels, as represented in Attachment A.

The Docks & Harbors Board discussed the proposal on August 21 and did not object to the proposal. The Docks & Harbors Board will submit a letter to the Assembly asking for a Negotiated Sale/Lease/Exchange per §53.09.260.

**Recommended action:** Forward the proposed land exchange to the full Assembly for approval.

### **Attachments:**

Attachment A – Labeled Seawalk Rendering

Attachment B – Aerial View of Property

Attachment C – Appraisal of Franklin Dock Property

Attachment D – Appraisal of National Guard Dock Property



## **MEMORANDUM**

**DATE:** May 30, 2024  
**TO:** Assembly Committee of the Whole  
**FROM:** Alexandra Pierce, Visitor Industry Director  
**SUBJECT:** Seawalk Update

The Assembly has not received a formal update on the seawalk in over a year, and the body will need to make several key decisions on this important community project over the coming months. At this juncture, staff is looking for guidance on some key questions around financing options and for Assembly direction to start work on a land swap with the Franklin Dock. The project components are outlined below.

### **Franklin to A.J. Dock Connection**

This is a complex project with multiple stakeholders. All relevant parties have hired PND Engineers to develop a design that accounts for our mutual needs (Attachment A – note that this plan is the latest iteration and is not yet finalized).

### **Franklin Dock**

Reed Stoops, representing the Franklin Dock, has requested to trade the National Guard Dock for an easement on Franklin Dock property. The easement is valued at \$164,500, and the National Guard Dock is valued at \$306,000. The trade would clear up encumbrances on Franklin Dock property and facilitate construction of the seawalk. The National Guard Dock has a very small uplands footprint. Mr. Stoops is also interested in leasing the adjoining tidelands from CBJ. He proposes to make up the difference in property values in credit towards lease payments. The National Guard Dock is the property between the Franklin Dock and the Petro Marine property, it has difficult access through the Franklin Dock property. Mr. Stoops is very motivated to complete the land trade because it will allow the Franklin Dock group to clear up encumbrances on the land caused by the access to the National Guard Dock and facilitate development. The dock is in disrepair and is a liability to CBJ - the only recent uses are the Tagish, which sank at the dock, and the Sea Pro spill response boats. Docks & Harbors is able to relocate Sea Pro.

Petro Marine and Franklin Dock Enterprises have a shared interest in constructing a float that could accommodate a small number of yachts or other mid-size vessels, as represented in Attachment A.

Pending Assembly direction, the next step is to begin work on the land swap.

### **Petro Marine**

Petro Marine also has redevelopment plans for its property. There are plans to replace the fuel dock. The challenge of the seawalk development has long been how we get past the fuel dock, due to security concerns with cruise ship passengers and active fueling. We believe we have reached a solution with a gate that would close off the seawalk for approximately 30 minutes at a time while crews connect and disconnect the fuel lines. Petro Marine is interested in coordinating with the city on common needs

## ***5/30/2024 Seawalk Update Memo to Assembly COW***

including permitting efficiencies and other creative solutions that make this project a good deal for both CBJ and Petro Marine.

The next step is to meet with the Coast Guard to discuss safety requirements and to discuss and determine what both parties need to proceed with 30% design and with initial permitting.

### **A.J. Dock**

The only A.J. Dock property affected by the project is a small triangle of land at the property line. CBJ proposes to purchase that land at appraised value of \$23/square foot.

The next step is to finalize the design and determine the exact value of the land required for construction.

### **Project Cost:**

The most recent estimate for the work was prepared in August 2019 for approximately \$18 million (about \$25 million at today's construction costs). The scope was slightly different and more complicated, but the Assembly should think of this as a \$20-25 million project.

### **Deck-overs**

These are the seawalk "holes" between the Marine Park Garage and the Tram. CBJ is currently working with a rough estimate of \$4 million to complete the deck over projects. The next steps are to determine the exact scope of the project and get an updated estimate, including revisiting the Assembly discussion of which areas should be decked over.

### **Fishermen's Memorial**

The Fishermen's Memorial is slowly falling into the water and the supporting structure needs repair. There are no recent cost estimates for this work, but we can anticipate needing to fund this work within the next few years. The next steps are to determine the exact scope and get a cost estimate.

### **Financing:**

We currently have \$5,692,481 in the Seawalk CIP. I recommend that we pursue debt financing using Marine Passenger Fees to complete all of the above projects or just the Franklin to A.J. connection. This will come back to the Assembly for final review and approval.

### **Assembly Action:**

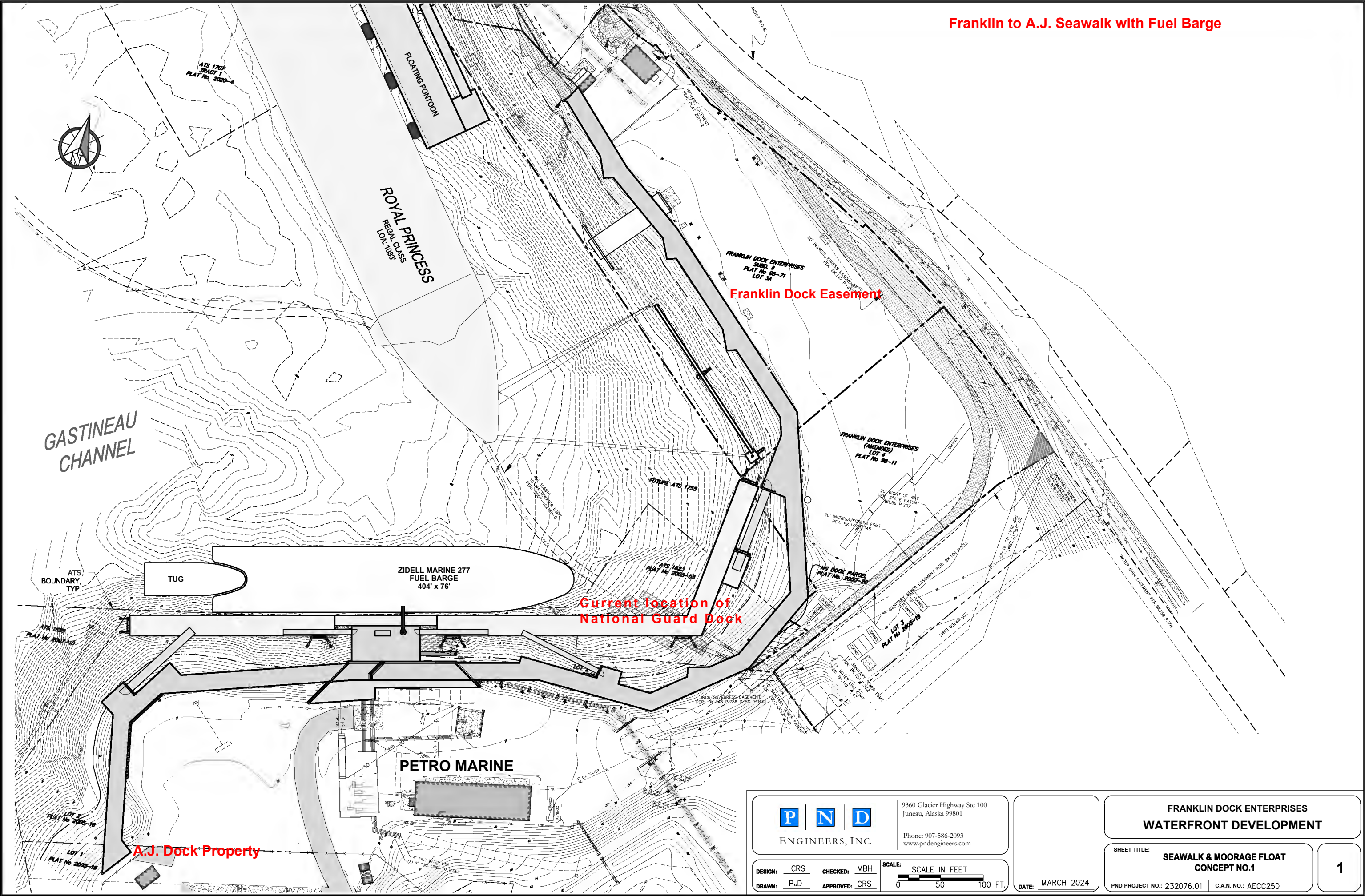
Staff recommends that the Assembly direct staff to begin work on a land swap with the Franklin Dock that trades the National Guard Dock for the seawalk easement.

Provide the following guidance of debt financing: direct the Finance Director to research one large debt package for all Seawalk projects or for the Franklin to A.J. connection only.

### **Attachments:**

A – Current Iteration, Franklin Dock to A.J. Dock Seawalk Connection Plan





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ENGINEERS, INC.

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Phone: 907-586-2093  
www.pndengineers.com

DESIGN: CRS    CHECKED: MBH  
DRAWN: PJD    APPROVED: CRS

SCALE: SCALE IN FEET  
0 50 100 FT.

DATE: MARCH 2024

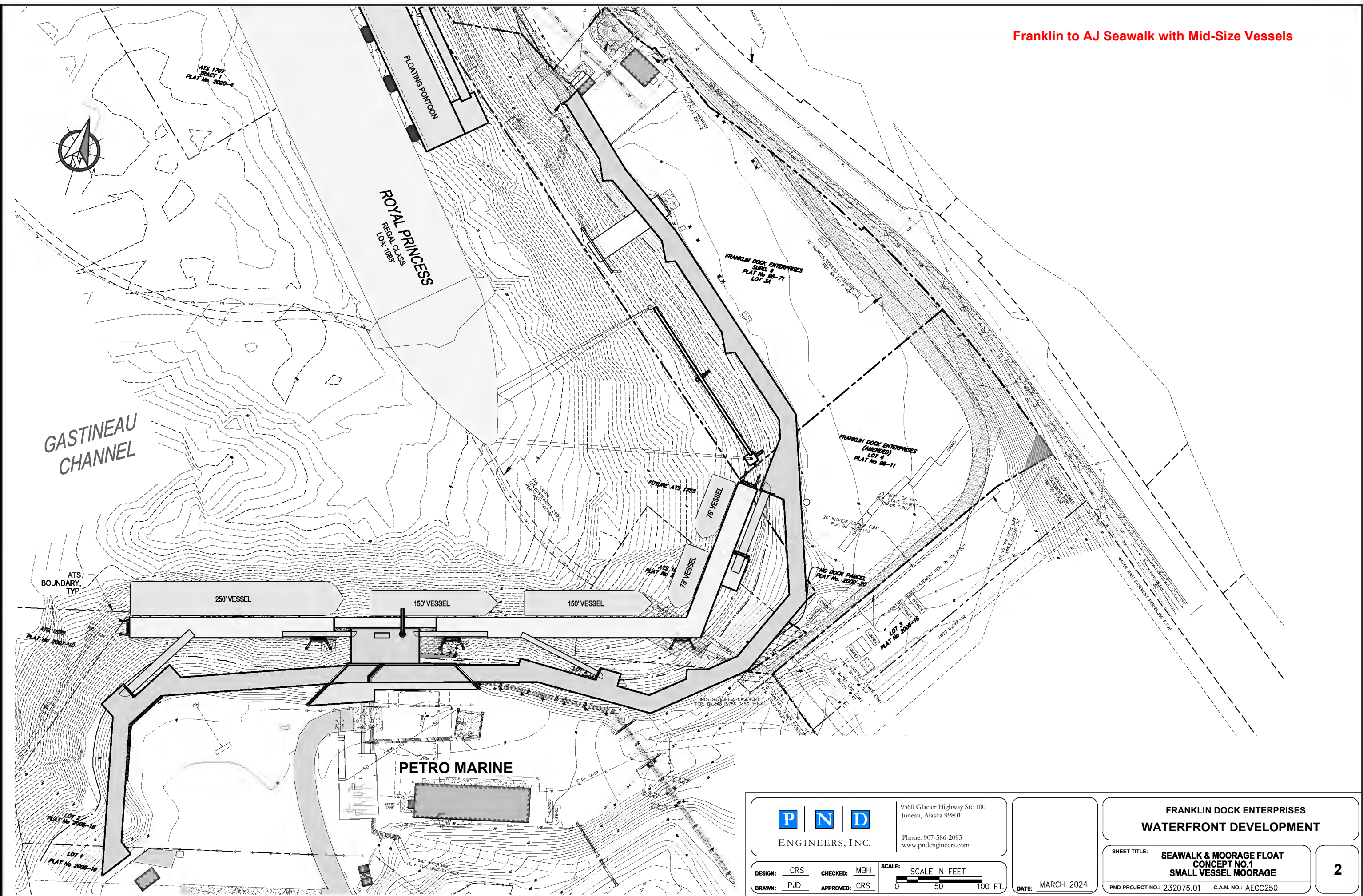
FRANKLIN DOCK ENTERPRISES  
WATERFRONT DEVELOPMENT

SHEET TITLE: SEAWALK & MOORAGE FLOAT  
CONCEPT NO.1

PND PROJECT NO.: 232076.01    C.A.N. NO.: AECC250

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D

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DESIGN: CRS

CHECKED: MBH

SCALE: SCALE IN FEET

DRAWN: PJD

APPROVED: CRS

0 50 100 FT.

DATE: MARCH 2024

FRANKLIN DOCK ENTERPRISES  
WATERFRONT DEVELOPMENT

SHEET TITLE: SEAWALK & MOORAGE FLOAT  
CONCEPT NO.1  
SMALL VESSEL MOORAGE

2

PND PROJECT NO.: 232076.01

C.A.N. NO.: AECC250