



Port of Juneau

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From: Carl Uchytel
Port Director

To: Docks & Harbor Board

Via: Operations-Planning Committee

Date: September 16th, 2024

Re: POTENTIAL COMMERCIAL USE WITHIN STATTER HARBOR

At a recent Docks & Harbors board meeting, a member of the public spoke on a non-agenda item asking for permission to operate a commercial business within the boundaries of Statter Harbors. I am redacting the specifics of his request for proprietary reasons. He indicated a desire to operate a floating business on which he would cater to pedestrians passing by enroute to their vessels. The consensus of the board was positive and directed me to meet and discuss with the individual.

Myself, Harbormaster Creswell and Deputy Harbormaster Norbryhn met with the individual at Statter Harbor on September 3rd. The individual explained his seasonal business plan and we asked him questions. Here is a bulletized summary of that conversation:

- Individual would build 16 foot by 16 foot to be moored within the skiff zone of Statter Harbor
- The float would support a small building structure for his envisioned business
- After checking with the USCG, individual indicated that the float does not require Coast Guard inspection or approval because it would never leave the harbor
- Individual would like power and water but could provide small generator and hand carry water, if need be.
- After individual checked with ADEC, there are no sanitary requirement needing special attention.

After code review, the following are relevant to the discussion:

85.25.050 - Commercial operations.

No moorage space shall be sublet or rented to any firm or individual for the purpose of conducting any commercially oriented business enterprises at the facilities unless specifically authorized by the state and by the terms of the lease of the facilities from the state to the City and Borough, except that charter vessels, including aircraft, may pick up and discharge passengers at any space rented to such vessel or aircraft, but may not pick up or discharge cargo at any space or any other part of the facilities of the boat harbor, except as authorized by the port director pursuant to section [85.15.010](#).

05 CBJAC 01.030 - Permit required.

(a) No person may conduct commercial activities on docks and harbors department lands and facilities subject to these regulations except as authorized by a permit issued by the director. A permit under this

chapter is not required for activities conducted under a permit issued pursuant to other chapters in this title.

(b) The director may issue a permit for commercial activities within a docks and harbors department land or facility as subject to such conditions as the director may impose and only upon a determination that the use as proposed:

- (1) Will not unreasonably impact the resources and facilities of the docks and harbors department;
- (2) Will not endanger the public health, safety, and welfare; and
- (3) Is not inconsistent with the docks and harbors department master plan and all subsidiary plans.

(c) A permit may contain conditions reasonably required for the protection and use of the docks and harbors department land or facility for which the permit is granted, including limitations as to time, area, equipment, user loading, traffic, parking, discharges, noise, and other factors.

(d) The director may deny a proposed use upon a reasonable determination that the use, alone or in combination with other uses, would exceed the carrying capacity of the area. The director shall determine the carrying capacity of an area taking into account the nature and extent of the use, the number of users, and the impacts likely to result from the use, including traffic, noise, public access, loading, the availability of parking and other factors. The director shall find that the carrying capacity of an area would be exceeded if it were more likely than not that the proposed use would unreasonably impact the resources and facilities of the docks and harbors department.

If the cumulative impact of proposed uses would exceed the carrying capacity of the area, the director shall not award any permits for that area until the following procedure is followed:

- (1) The director shall notify all members of any group of applicants whose applications, taken together, propose uses in excess of the carrying capacity of an area. The notice shall identify the nature and extent of the impacts exceeding the carrying capacity, and shall invite the applicants to confer among themselves for the purpose of negotiating a resolution to the excess impacts issues.
 - (2) The applicants may re-submit their applications which shall be granted if the director finds that the excess impact issues have been resolved and the applications otherwise meet the requirements of this section. If excess use issues remain unresolved, the director shall grant permits by lottery to the extent that such uses do not exceed the carrying capacity of the area.
- (e) A permit is transferable only with the permittee's entire business interest in activities conducted under the permit and only to a person who has successfully completed the permit application process. No credit will be given for any permit payments made by the previous holder of the permit.

05 CBJAC 10.020 - Prohibitions.

(a) A person shall not conduct any commercial activity within the downtown waterfront area except as authorized by a permit issued under this chapter by the director. Except as authorized by a permit, a person shall not within the downtown waterfront area:

- (1) Sell or offer to sell goods or services,
- (2) Construct, maintain, or use any structure, or
- (3) Use any loading zone.

(b) Solicitation, advertisement, sales, use of loading zones or any other commercial activities without a permit issued pursuant to this chapter is a violation of CBJ 85.25.090 (11).

(c) A person delinquent in the payment of fines, taxes, judgments or other monies owed to the city may not receive a permit.

(d) No permit may be issued or reissued to any person whose prior permit hereunder was revoked.

My staff and I are generally very support of enterprises which drive economic development within the City & Borough; however, we are also very prescriptive to the use of our facilities when it impacts primary users.

Pros:

- Opportunity for private entrepreneur to open new business

- Provided service may be well received by harbor patrons

Cons:

- Precedent setting
- Loss of moorage
- Potential pedestrian congestion
- Inability to provide power & water to business
- Should provide open & fair opportunity for other businesses to compete (i.e. not sole source)
- Need to determine methodology for permit fee

In summary, Docks & Harbors staff sees more challenges in the management of Statter Harbor than the net benefit to the Harbor Enterprise or benefit to harbor patrons.

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Encl (1): Statter Harbor map

