



MEMORANDUM

DATE: November 26, 2024
TO: Assembly Committee of the Whole
FROM: Alexandra Pierce, Visitor Industry Director
SUBJECT: Huna Totem Dock Public Process

Purpose:

Please review and provide feedback on the proposed public outreach schedule. Provide input the Assembly's preferred conditions for the tidelands lease to help inform the public process and what is reasonable to expect out of the lessee.

Background:

On November 4, 2024, the Assembly Lands, Housing, and Economic Development Committee received a [presentation](#) regarding Huna Totem Corporation's (HTC) proposed development of the Aak'w Landing site adjacent to the U.S. Coast Guard facility on Egan Drive. The more detailed version of this memo submitted to the LHED Committee describes the public process to date and the links therein provide access to all public comments received through CBJ-led public process since 2019. Assemblymembers are encouraged to review the feedback received to date, as it has informed the current iteration of the project and the public process.

Tidelands Lease Process:

The tidelands lease discussion is the Assembly's opportunity to add conditions to the project and to ultimately approve or deny the development. There are two different tidelands leases required for a dock to be constructed. CBJ owns the tidelands directly adjacent to the waterfront. The state owns the adjoining tidelands and either party can apply to the Alaska Department of Natural Resources (AKDNR) for a tidelands lease. Typically, in these situations, CBJ applies to the state on behalf of the lessee and the lessee ultimately has one lease with CBJ. HTC has indicated a preference for this approach.

CBJ Tidelands application: Huna totem applied for a tidelands lease from CBJ on September 29, 2022. It was heard by the Lands, Housing and Economic Development Committee in November 2022. This application did not move forward to other committees or to the full Assembly.

State Tidelands application: Following approval of the CUP, Director Uchtyl submitted an application for state tidelands to the Alaska Department of Natural Resources (AKDNR). Similar processes have taken up to four years for AKDNR to complete, regardless of the applicant (HTC or CBJ). AKDNR will require more information before issuing a lease, including meets and bounds and a clear indication that the CBJ Assembly has approved the project.

CBJ Concerns:

The Planning Commission approved a Conditional Use Permit for the site in August 2023 (a subsequent appeal was unsuccessful). The discussion at the Planning Commission centered around overall approval or denial of the project and a number of the comments submitted by CBJ departments (Docks & Harbors, Parks & Rec, and Tourism) were not addressed. These items are detailed in the attached spreadsheet. Huna Totem has submitted a letter (attached) describing how they will be resolved. By resolving these minor considerations at this stage, staff can avoid including them in the lease.

It is in the best interest of CBJ to keep the lease as concise as possible. This process is unique in that City leases are not typically used to address a complicated mix of policy and operational concerns. The outcome of the public process should be an agreement with HTC on the lease provisions and amenities that the Assembly and community need to ensure that the project, if approved, mitigates community concerns and maximizes community benefit within the realistic constraints of the development to the greatest extent possible. This final agreement will then be put to a vote of the Assembly to approve or deny the lease.

Other Agency Approvals needed:

The Aak'w Landing project is subject to review and approval from the following agencies:

- Alaska Department of Transportation and Public Facilities: Traffic Impact Analysis
- Alaska Department of Environmental Conservation: Clean Water Act section 401 certification
- US Army Corps of Engineers: Coordination with federal agencies including USCG and NMFS

Huna Totem is also coordinating with adjacent property owners, including the United States Coast Guard, concerning facility design, construction, and operations to ensure compatible operations and navigability.

CBJ staff have requested more detail about the scope of these reviews in an effort to avoid overlapping requirements with other agencies.

Proposed Public Process:

The Assembly is aware of CBJ staff's ongoing efforts to reinvent public process to ensure that the broader community is both aware of and able to provide input on the decisions that impact residents. For this development, this needs to be balanced with staff time and recognition of the feedback received to date. Below is a proposed public process, the first step of which is currently before the body and informed by this memo:

Input from Assembly on process: Staff is seeking input from the Assembly on the process and initial feedback on the important elements of a potential subport development. Important elements could include, but are not limited to, the following:

- Criteria from [Visitor Industry Task Force](#)
- Seawalk connection
- Cultural center with year-round orientation
- Housing
- Meeting space
- Downtown passenger shuttle
- Public space
- Water access

The elements listed above have been discussed in public process to date.

Public survey: In an effort to gauge general public opinion, staff is including a question in CBJ's annual random sample public tourism survey about support for a fifth dock, as well as the elements that are most important to include in the development. Survey data will be available to inform the public meeting. This is a unique opportunity to gauge broader community perception beyond those who typically engage in CBJ public process. The survey will be presented to the Assembly at a COW or LHED meeting in the new year.

Public Meeting: Following the survey, CBJ staff will present the compile input from the Assembly and the results of a survey to be presented at an open house with additional opportunities for input. Following this meeting, staff would work with HTC to develop a draft set of lease criteria to be presented online prior to the Assembly listening session.

Second COW Review: Assembly discussion and public testimony at COW or special meeting to receive Assembly and public input on the proposed lease criteria before the final lease is submitted to the Assembly for a decision.

Final Lease submitted to Assembly for adoption: This is the Assembly's ultimate approval or denial of the lease.

Recommended Action:

Direct staff to initiate a CBJ-led public process for a tidelands lease with HTC.