

**PETERSBURG BOROUGH
RESOLUTION #2026-11**

**A RESOLUTION APPROVING THE LEASE OF A PARCEL OF BOROUGH
TIDELANDS TO AMERICAN CRUISE LINES, INC.**

WHEREAS, the Petersburg Borough owns tidelands immediately adjacent to and at the terminus of the Borough Port Facility Dock, more specifically described as follows:

Commencing at corner 4 of the U.S. Coast Guard Float Lease, said corner shown on City of Petersburg Coast Guard Float Lease Plat #89-4 by Rick Braun L.S. #5485, which shall also be designated as corner 1 and the Point of Beginning of the ACL Lease Parcel, thence S 57°40'00" W a distance of 300.00' to corner 2, of the ACL Lease Parcel, thence N 32°20'00" W a distance of 75.00' to corner 3 of the ACL Lease Parcel, thence N 57°40'00" E a distance of 300.00' to corner 4 of the ACL Lease Parcel, thence S 32°20'00" E a distance of 75.00' to corner 1 of the ACL Lease Parcel and the Point of Beginning,

as shown on Plat No. 2026-6, recorded in the Petersburg Recording District on April 13, 2026, a copy of which is attached hereto as Exhibit A ("the parcel"); and

WHEREAS, on April 18, 2025, application was made by American Cruise Lines, Inc. (ACL) to lease borough tidelands for purposes of constructing a mooring float and gangway to utilize for docking its marine passenger vessels and loading and unloading passengers and supplies; and

WHEREAS, on May 5, 2025, the application was presented to the Borough Assembly and the Assembly, after considering the nature and extent of the intended use and development and the value of that use and development to the Petersburg's economy, determined the application should proceed; and

WHEREAS, the application was then referred to the Borough Planning Commission and to the Borough Harbor Board; and

WHEREAS, on June 10, 2025, a duly noticed public hearing was held by the Planning Commission on the application; and

WHEREAS, the Planning Commission considered and reviewed applicant materials, public comments and testimony, and staff comments, and made recommendation to the Assembly to lease the parcel; and

WHEREAS, the Harbor Board met on November 26, 2025, considered the application, and recommended that the application be approved; and

WHEREAS, ACL has made the required deposit of costs estimated to be incurred in the application process, pursuant to Petersburg Municipal Code (PMC) 16.16.075A(3); and

WHEREAS, on March 2, 2026, the Borough received an appraisal of the parcel from Ramsey Appraisal Resource, establishing a market value of the parcel of \$95,500; and

WHEREAS, following receipt of the reports of the Planning Commission and Harbor Board, the Borough Assembly held a duly noticed public hearing on April 20, 2026 to consider the application; and

WHEREAS, the Assembly determined that the parcel is not required for municipal purposes, the application should move forward, and that disposal shall be by direct negotiation between the Borough and ACL, rather than by public sale; and

WHEREAS, the Assembly has determined that an exemption from public sale is in the best interests of the Borough; and

WHEREAS, the Assembly has determined that the lease of the parcel shall be made upon the terms and conditions set forth in attached Exhibit B; and

WHEREAS, the parcel has now been rezoned for its intended use, under Assembly Ordinance #2026-04; and

WHEREAS, PMC 16.16.045C provides that the disposal of borough tidelands by lease shall be by resolution.

THEREFORE, BE IT RESOLVED by the Assembly of the Petersburg Borough, as follows:

Section 1. The Petersburg Borough Assembly hereby approves of disposal by lease of the parcel described in Exhibit A and authorizes and ratifies direct negotiations between the Borough and American Cruise Lines, Inc. for the disposal.

Section 2. The minimum essential terms and conditions for the lease are set forth in the Lease Agreement attached hereto as Exhibit B. The initial annual lease rate shall equal ten percent (10%) of the appraised value of the parcel, with periodic adjustments over time as set out in the Lease Agreement.

Section 3. The Borough Manager is hereby authorized to execute the Lease Agreement on behalf of the Borough.

PASSED and APPROVED by the Assembly of the Petersburg Borough, Alaska this 20th day of April, 2026.

Robert Lynn, Mayor

ATTEST:

Rebecca Regula, Borough Clerk