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Presented by: The Manager  
Introduced: 12/17/2007  
Drafted by: J.W. Hartle

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**  
**Serial No. 2007-62**

**An Ordinance Authorizing the Port Director to Negotiate and Execute a Tidelands Lease Within Alaska Tidelands Survey No. 1347, for Operation and Maintenance of a Dock and Breakwater at Yankee Cove.**

WHEREAS, Yankee Cove Development, through its owner Marion Hobbs (the “Applicant”), has applied for a lease of two parcels of City and Borough tidelands within Alaska Tidelands Survey No. 1347 (“ATS 1347”), located at Yankee Cove adjacent to the Applicant’s property, totaling 0.84 acres (40,786 square feet), as shown on the attached Exhibits “A” and “B”; and

WHEREAS, the Applicant desires to use the leased tidelands property for the operation and maintenance of a dock and breakwater, which were constructed by the Applicant in 2005 and 2006 in accordance with City and Borough, State of Alaska, and Federal permits and approvals; and

WHEREAS, ATS 1347 was under the jurisdiction of the State of Alaska at the time the Applicant received the permits to construct the dock and breakwater facilities; and

WHEREAS, on April 30, 2007, the State of Alaska conveyed ATS 1347 to the City and Borough, as had been requested by the Docks and Harbors Board in 2004; and



1           WHEREAS, CBJ 53.20.020 authorizes the lease of lands owned by the City and  
2 Borough, including tidelands and submerged lands, by ordinance under such procedures  
3 and minimum terms and conditions as set forth in the ordinance.

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5           NOW, THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF  
6 JUNEAU, ALASKA:

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8           **Section 1. Classification.** This is a non-code ordinance.

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10           **Section 2. Authorization to Lease.** The Port Director is authorized to negotiate  
11 and execute a lease of two parcels of City and Borough tidelands property, totaling 0.84  
12 acres (40,786 square feet), located within Alaska Tidelands Survey No. 1347, Juneau  
13 Recording District, at Yankee Cove, as depicted on Exhibits “A,” and “B” to this  
14 ordinance. As shown on Exhibit “A,” the Applicant will lease 0.59 acres (29,912 square  
15 feet) of City and Borough tidelands property within ATS 1347 for the dock facility. As  
16 shown on Exhibit “B,” the Applicant will lease 0.25 acres (10,874 square feet) of City  
17 and Borough tidelands property within ATS 1347 for the breakwater. The tidelands  
18 property to be leased is collectively referred to herein as “the leased property.”

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21           **Section 3. Minimum Essential Terms and Conditions.** The lease is subject  
22 to the following minimum essential terms and conditions:

- 23           (a) The leased property shall be used by the Applicant for the operation and  
24 maintenance of a dock, a breakwater, and related marine activities.

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- (b) The lease shall be for an initial term of thirty-five years, with one thirty-five year renewal option, subject to City approval of any renewal.
- (c) The annual lease payment for the first five-year period of the lease term shall be \$0.05 per square foot per year, plus sales tax.
- (d) Beginning with the first year after the initial five-year period of the term of the lease, the Port Director will re-evaluate and adjust the annual lease payment for the leased property for the next five-year period of the term, and then every five years thereafter, in accordance with CBJ 53.20.190(2). The new annual lease payment amount shall be paid retroactively to the beginning of that lease payment adjustment period. The Applicant shall pay all appraisal costs associated with re-evaluating and making adjustments to the annual lease payment.
- (e) The Applicant shall be responsible for obtaining all necessary permits and approvals for any further development of the leased property. In addition, the Applicant is required to obtain approval of its construction plans from the City and Borough Docks and Harbors Board prior to any further development of the leased property.
- (f) The Applicant shall indemnify, defend, and hold harmless the City and Borough and its officers and employees for any claims related to or arising out of the Applicant's use, operation, and maintenance of the leased property, and any further development of the leased property by the Applicant.

