

City of Hoonah

P.O. Box 360 Hoonah, AK 99829 (907) 945-3663 Fax (907) 945-3445

PUBLIC NOTICE

COMMITTEE AS A WHOLE MEETING

Tuesday March 5, 2024 @ 7:00 p.m.

**The ZOOM call-in number is 1-253-215-8782. The Meeting ID is 863 7581 3935 and
the Passcode is 073706**

I. Call to Order

II. Roll Call

III. Agenda Revisions

IV. Items of Business:

a) Appeal to the Council to Change the Ordinance to Allow a Marijuana Retail Store within Hoonah Proper

1. Public Comment-3-minutes per person

b) Shoter Creek Zoning Clarification of Lots 1, 2, 3, & 4 at Edge of Pavement and Surrounding Area

1. Public Comment- 3-minutes per person

c) ANB Hall Update

1. Public Comment- 3-minutes per person

d) Borough Update

1. Public Comment- 3- minutes per person

e) Request for Design Funds for Seawalk

1. Public Comment- 3- minutes per person

f) Reallocation of Funding for Solstice Alaska, to Cargo Dock Permitting & Grant Application Work

1. Public Comment- 3- minutes per person

g) Community/Council Comments- 3 Minute Time Limit

V. Adjourn

6. Heavy industrial;
 7. All commercial uses allowed in the commercial zone;
 8. Single-family residential;
 9. Multi-family residential;
 10. The following licensed marijuana establishment facilities are uses which may be permitted in the industrial subarea zones known as Fanning Industrial tract, Whitestone Tract, and Coho Creek Subdivision as follows: retail store, testing, standard cultivation (500 or more feet under cultivation), limited cultivation (fewer than 500 square feet under cultivation), and product manufacturing, with the exception of solvent based manufacturing processes which are not allowed, provided the facility is: located on one acre or more of land, meets setbacks, and is east of the airport.
- [10] 11. Other uses which are deemed appropriate in this zone by the planning commission.

Section 6. Amendment of Section. Section 18.06.010 of the Hoonah Municipal Code is amended to read:

Chapter 18.06

DEFINITIONS

18.06.010 Definitions.

For the purposes of this chapter, the following words and phrases shall have the meanings ascribed to them, unless otherwise noted:

"Accessory building" means a subordinate building which is incidental to the principal building on the same lot.

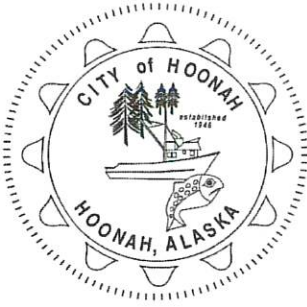
"Allowable use permit" means a permit for a use that is allowed in a zone established by this code. Review will ensure proper use of structures, location, of structures, grading and other development activities.

"Bed and breakfast establishment" means a dwelling in which commercial lodging is provided by the owner or operator. The term includes boarding, rooming or tourist houses.

"City council" means the city council of the city of Hoonah.

"Commercial use" means the providing of goods or services for compensation.

"Conditional use" means a use permitted in a zone only after review by the planning commission and the granting of a conditional use permit imposing conditions as are determined to be appropriate under the authority of this code.



City of Hoonah

P.O. Box 360 Hoonah, AK 99829 (907) 945-3663 Fax (907) 945-3445

ORDINANCE NO. 24-03-01

AN ORDINANCE AMENDING CERTAIN SECTIONS OF TITLE 18, LAND USE, OF THE HOONAH MUNICIPAL CODE, TO ADD LICENSED MARIJUANA ESTABLISHMENT FACILITIES AS CONDITIONAL USES IN CERTAIN SPECIFIED INDUSTRIAL ZONING DISTRICTS, AND PROVIDE FOR MARIJUANA RETAIL SALES CITYWIDE.

WHEREAS, HCC 3.12 *et seq.*, authorizes the governing body of the City of Hoonah, Alaska (“City”) to amend the Hoonah Municipal Code; and

WHEREAS, the governing body of the City has determined it is in the best interest of the residents of the City to amend certain sections of Hoonah Municipal Code to add licensed marijuana established facilities as conditional uses in certain specified industrial zoning districts; now therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HOONAH, ALASKA:

[The changes to the existing code are shown as follows: the words that are underlined are to be added, and the words that are **[bolded and in brackets are to be deleted]**.]

Section 1. Classification: This ordinance is of a general and permanent nature and this Title 18 amendment will be a part of the Hoonah Municipal Code (as described in Section 4.);

Section 2. Severability: If any section, clause, paragraph, sentence or phrase of this ordinance shall, for any reason, be held to be invalid or unconstitutional, such invalid section, clause, paragraph, sentence or phrase is hereby declared to be severable; and any such invalid or unconstitutional section, clause, paragraph, sentence or phrase shall in no way affect the remainder of this ordinance; and it is hereby declared to be the intention of the City Council that the remainder of this ordinance would have been passed notwithstanding the invalidity or unconstitutionality of any section, clause, paragraph, sentence or phrase thereof;

Section 3. Penalty: Any person, firm association of person, company corporation, or their agents, servants, or employees violating or failing to comply with this ordinance will be penalized according to HCC 18.04 *et seq.*;

Section 4. Amendment of Section. Section 18.01.030 of the Hoonah Municipal Code is amended to read:

Chapter 18.01

INTRODUCTION AND PURPOSE

18.01.030 Land use definitions.

As used in this chapter the following definitions shall apply:

"Access road" means a public or private road which affords the principal means of vehicular access to a property, structure, or development.

"Addition" means an increase in gross floor area or height of a building or structure.

"Alaska Coastal Management Program (ACMP)" means the state coastal management program which was developed as provided in AS 46.40, 6 AAC 80, and 6 AAC 85, and approved by the Secretary of the United States Department of Commerce under authority of Section 305 of the Coastal Zone Management Act of 1972, as amended, 16 USC 1454.

"Alley" means a dedicated public way which affords a secondary means of access to abutting property but is not intended for general traffic circulation.

"Alteration" means any change, addition or modification in the construction, location or use of a building.

"Apartment" means any portion of a building which is designed, built, rented, leased, let or hired out to be occupied or which is occupied as the home or residence of an individual for daily living and doing one's own cooking independently of any other individual or family in the same building.

"Awning" means an architectural projection that provides weather protection, identity, or decoration, and is wholly supported by the building to which it is attached. An awning is comprised of a lightweight, rigid skeleton structure over which a covering, typically of cloth or aluminum, is attached.

"Backfill" means the material used to refill a ditch or other excavation, or the process of doing so.

"Board" means the city of Hoonah's Planning/Zoning Board.

"Building" means any structure built for the support, shelter or enclosure of persons, animals, chattels or property of any kind.

"Building area" means a total area taken on a horizontal plane at the main grade level of the principal building and all accessory buildings exclusive of external steps.

"Building--Existing" means a building erected prior to the adoption of this code or one for which a legal building permit has been issued.

"Building--Height" shall be measured vertically from any point on a proposed or existing building element to the existing grade prior to construction directly below said point on a proposed or existing building element. (The highest to lowest measurement at any given vertical structure line.)

GRAPHIC UNAVAILABLE: [Click here](#)

Excluded from the height measurement are: Antennas (approved), roof stair access

enclosures/projections, cupolas, chimneys (up to ten (10) feet above the highest point of the roof surface), steeples, and spires.

"Building permit" means a permit issued pursuant to Chapter 15.04 of this code.

"Building space" means the combined square footage of each floor of the structure.

"Bulk storage" means the storage of chemicals, petroleum products and other materials in containers for subsequent sale.

"Business--General sales" means a premises where the sale of goods or commodities to the consumer takes place; i.e., groceries, bakeries, hobby, knit or yarn shops, book, gift or apparel shops, fishing equipment, hardware shops, hardware stores, restaurants, vehicle rental and/or sales shops or variety stores.

"Canopy" means an architectural projection that provides weather protection, identity, or decoration and is supported by the building to which it is attached. A canopy is a permanently affixed, horizontal roof-like structure.

"Civil engineer" means a professional engineer licensed as such by the state.

"Clinic" means a building or portion thereof containing offices and facilities for providing out-patient medical, dental or psychiatric services, and which may include a dispensary to handle medication and other merchandise prescribed by physicians in connection with their medical practice.

"Change of use" means any use which substantially differs from the previous use of a building or land.

"Child care center" means a building or portion thereof, used for the purpose of caring for thirteen (13) or more children under the age of twelve (12), any of whom are nonresidential of the building.

"Child care home" means a building or portion thereof, used for the purpose of caring for nonresidential children under twelve (12) years of age, such use being incidental and subordinate to the occupant's residential use of the building. At no time shall there be present a total of more than twelve (12) resident[ial] and nonresidential children under the age of twelve (12).

"Child care residence" means a home for no fewer than six, nor more than nine children under eighteen (18) years of age, together with not more than two adults who supervise such children for compensation, all of whom live together as a single housekeeping unit.

"Coastal development" means any physical structure or alteration of coastal resources which is regulated by this title.

"Coastal water" means all water bodies in the coastal area, including wetlands and the intertidal area.

"Coastal zone" means the area subject to the policies of this title depicted on the Hoonah Coastal Zone map.

"Cul-de-sac" means the turnaround at the end of a dead-end street.

"Design professional" means a licensed engineer, a licensed architect or a graphic artist.

"Developer" means the person or persons who own or control property used for a development.

"Development" means any of the following:

1. Construction, reconstruction or enlargement of a structure involving more than one hundred twenty (120) square feet;
2. A subdivision;
3. Conduct of a home occupation;
4. Change of use of a lot, including any structure thereon;
5. Installation or emplacement of a mobile or modular home;
6. Removal of substantial vegetative cover;
7. Excavation, dredge or fill activity;
8. Installation of a sign;
9. Any site work in preparation or anticipation of the above.

"Development permit" means department approvals, allowable use permits and conditional use permits.

"Double wide unit" means two mobile home segments, attached side by side to form a complete mobile home.

"Drainage" means:

1. Surface water runoff;
2. The removal of surface water or groundwater from land by drains, grading or water runoff controls designed to minimize erosion and sedimentation during and after development, to preserve a water supply or to prevent or alleviate flooding.

"Dredged material" means material that is excavated from waters of the United States, including wetlands.

"Drinking establishment" means any premises wherein the principal purpose is the retail sale of alcoholic beverages for consumption on the premises and minors are excluded therefrom by law; includes bar, cocktail lounge, tavern and nightclub.

"Duplex" means a building on a single lot containing two dwelling units, each of which, except for a common stairwell exterior to both dwelling units, is separated from the other by an

un-pierced wall extending from floor to roof or an un-pierced ceiling and floor extending from exterior wall to exterior wall.

"Enclosed industrial use" means any industrial use where goods, materials, noise, odor, and glare are wholly contained within a building.

"Encroachment" means any structure located in, on, under or over a floodway, setback, right-of-way, adjacent lot or public facility.

"Estuary" means a semi-enclosed coastal body of water which has a free connection with the sea and within which seawater is measurably diluted with freshwater derived from land drainage.

"Feasible and prudent" means consistent with sound engineering practice and not causing environmental, social, or economic costs that outweigh the public benefit to be derived from compliance with the standard which is modified by the term "feasible and prudent."

"Fence, sight-obscuring" means a fence other than one made of chainlink, chicken wire, or similar materials.

"Fill" means a deposit of material placed by artificial means for the primary purpose of replacing an aquatic area, including a wetland, with dry land or rock.

"Finish elevation" means the proposed elevation of the land surface of the site after completion of all site preparation work.

"Floodplain" means the channel and the relatively flat area adjoining the channel of a natural stream or river which has been or may be covered by floodwater.

"Frontage" means that side of a lot abutting a street; the front lot line.

"Garage--Private" means an accessory building or portion of a main building designed or used solely for storage of motor vehicles, boats and similar vehicles owned by the occupants of the building to which it is accessory.

"Geophysical hazard areas" means those areas which present a threat to life or property from geophysical or geological hazards, including flooding, tsunami, or storm surge run-ups, landslides, snowslides, faults, ice hazards, erosion and littoral beach processes.

"Grade (adjacent ground level)" means the lowest point of elevation of the finished surface of the ground, paving, or sidewalk within the area between a building and a property line or, when the property line is more than five feet from the building, between the building and a line five feet from the building.

"Greenbelt" means an open area which is cultivated or maintained in a natural state surrounding development or used as a buffer between land uses or to mark the edge of an urban or developed area.

"Guest house" means an accessory building occupied on a temporary basis solely by non-paying guests.

"Guide service building" means any premises used for collecting or returning persons from recreation trips when remuneration is provided for the service.

"Hotel" means a facility with six or more guest rooms on premises management offers for transient lodging accommodations to the general public on a daily rate where access to all sleeping rooms is through a main entrance and which may provide food, entertainment, meeting rooms, recreational facilities or various personal services including lodges and inns.

"Junk" means dismantled or wrecked automobiles, aircraft, motor vehicles or machinery, mobile homes, trailers, used appliances or furniture, scrap building materials, metals, rubber, paper, plastic or other scrap materials.

"Loading space" means a space located on premises for pickup and delivery at the premises. Required off-street loading spaces shall not be included as an off-street parking space.

"Lodging" means the renting out of a dwelling, or portion thereof, to provide overnight sleeping accommodations for a period of less than thirty (30) consecutive days. The use includes the providing of meals to overnight guests only. The use includes bed and breakfasts, but does not include motels, hotels or hostels.

"Lot--Buildable or useable area" means that portion of a lot that a prudent person would use to construct a building and provide required parking. This excludes lakes, rivers, creeks, cliffs, marshes and other similar natural obstacles to development with the property counting towards minimum required size.

"Lot--Corner" means a lot situated at the intersection of two or more streets having an angle of intersection of not more than one hundred thirty-five (135) degrees.

"Lot--Coverage" means the area of a site covered by building or roofed areas, including covered porches, decks and accessory buildings, but excluding allowed projecting eaves.

"Lot--Depth" means the horizontal distance between the front and rear lot lines measured on the longitudinal centerline.

"Lot line--Front" means in the case of an interior lot, a line separating the lot from the street. In the case of a corner lot, the owner may choose which street he shall designate as the front of the lot. Once the choice of frontage has been made, it cannot be changed unless all requirements for yard space are met.

"Lot line--Rear" means a line opposite and most distant from the front lot line and, in the case of irregular or triangular shaped lots, a line not less than ten (10) feet in length within the lot, parallel to and at the maximum distance from the front lot line.

"Lot line--Side" means a lot boundary that is not a front lot line or a rear lot line.

"Lot width" means the average horizontal distance separating side lot lines of a lot and at right angles to its depth.

"Manufacturing--Heavy" means a use engaged in the basic processing and manufacturing of materials or products predominantly from extracted or raw materials; or a use engaged in storage of or manufacturing processes using flammable or explosive materials; or storage or

manufacturing processes that potentially involve hazardous or commonly recognized offensive conditions.

"Manufacturing--Light" means a use engaged in the manufacture, predominantly from previously prepared material, of finished products or parts, including processing, fabrication, assembly, treatment, packaging, incidental storage, sales and distribution of such products, but excluding basic industrial processing.

"Marijuana" means all parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marijuana concentrate; "marijuana" does not include fiber produced from the stalks, oil, or cake made from the seeds of the plant, sterilized seed of the plant which is incapable of germination, or the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other products.

"Marijuana cultivation facility" means an entity that cultivates, prepares, and packages marijuana and sells marijuana to retail marijuana stores, to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers.

"Marijuana product manufacturing facility" means an entity that purchases marijuana; manufactures, prepares, and packages marijuana products; and sells marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

"Marijuana retail store" means an entity that purchases marijuana from marijuana cultivation facilities, purchases marijuana and marijuana products from marijuana product manufacturing facilities, and sells marijuana and marijuana products to consumers.

"Marijuana testing facility" means an entity that analyzes and certifies the safety and potency of marijuana.

"Marina" means a facility for storing, servicing, fueling, and berthing, securing and launching of boats that may include the sale of fuel and incidental supplies for boat owners and guests. Also includes harbors.

"Marquee" means any hood, canopy, awning or permanent construction which projects from a wall of a building, usually above any entrance used as a signboard and shelter over the sidewalk of a theater or hotel.

"Mean high water" means the average elevation of the high tides.

"Mitigate" means:

1. Avoiding the impact altogether by not taking certain action or parts of an action;
2. Minimizing impacts by limiting the degree or magnitude of the action and its implementation;
3. Rectifying the impact by repairing, rehabilitating or restoring the affected environment;

4. Reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action;
5. Compensating for the impact by replacing or providing substitute resources or environments.

"Modular home" means a pre-fabricated factory built residential structure that is transportable in one or more sections, is built on a permanent chassis, and is used as a place of human habitation, but which is not constructed with a permanent hitch or other device allowing transport of the unit other than for the purpose of delivery to a permanent site, and which does not have wheels or axles permanently attached to its body or frame. Includes factory built and manufactured homes.

"Motel" means a building, or group of detached or connected buildings, having six or more guest rooms, an on-premises manager and parking conveniently located on the premises, which are designed primarily to offer sleeping accommodations, with or without meals, to the motoring public on a daily rate. Includes designations such as motor lodges, auto courts, tourist courts and similar terms.

"Nonconforming building" means any building or portion thereof lawfully existing at the effective date of the ordinance affecting it that does not conform to all of the use, height, and density regulations of the zoning district in which it is located.

"Nonconforming situation" means a nonconforming lot, use or structure, or any combination thereof.

"Nonconforming use" means a use which was lawful at the effective date of the ordinance affecting it that does not conform to the present use provisions of the zoning district in which it is located.

"Off-street parking space" means an automobile parking space and access thereto, located on a lot.

"Owner" means an individual, firm, association, syndicate, partnership, corporation, trust or any other legal entity having sufficient proprietary interest in the land or building, including the attorney or agent thereof.

"Park" means any public land available for recreational, educational, cultural or aesthetic use.

"Parking area" means a structure or an open area, other than a street, alley or other right-of-way, on which vehicle parking spaces are defined, designated or otherwise identified and available, whether free or for compensation, for use by the public, clients, tenant, customers, employees or owners of the property for which the parking area is required by ordinance.

"Parking space--Off-street" means a designated area sufficient in size to accommodate one motor vehicle, exclusive of maneuvering room, designed with adequate independent access to, but located off, any street, alley or other right-of-way.

"Places of worship" means a building, structure or group of buildings or structures

primarily intended for conducting organized religious services and associated uses. The definition of a church shall be dependent upon U.S. Internal Revenue Service and the Sitka Assessor's Office interpretation. A standard single family residence not remodeled for public meetings shall not be considered a church.

"Residence" means a home, abode or place where an individual is actually living at a specific point in time.

"Restaurant" means an establishment whose principal business is the sale of food and/or beverages to customers in a ready to consume state and whose principal method of operation includes one or both of the following characteristics:

1. Customers, normally provided with an individual menu, are served their foods and beverages by a restaurant employee at the same table or counter at which the food and beverages are consumed; and/or
2. A cafeteria type operation where food and beverages generally are consumed within the restaurant building.

"Right-of-way" means an area or strip of public land which incorporates or is intended to be occupied by, but is not limited to, streets, alleys, sidewalks, bike paths, curbs, gutters, landscaping and/or public utilities.

"Rural" means that part of the city which is not designated as being within the urban service area boundary in the comprehensive plan.

"School" means any public, religious or non-profit facility providing a general curriculum of academic or vocational instruction serving any or all grades between kindergarten and 12th grade.

"Setback" means the required minimum distance from right-of-way or lot line that establishes the area within which only fencing, landscaping, driveways, parking and similar uses are permitted. Any structure including, but not limited to decks, stairways, porches or other attachments to a building are specifically prohibited in the setback. Building eaves are permitted to extend into the setback a maximum of two feet.

"Sidewalk" means the portion of a street or crosswalk intended for pedestrian use only.

"Sign" means any device for visual communication that is used for the purpose of bringing the subject thereof to the attention of the public, excluding:

1. Signs not exceeding one and one-half square feet in area and bearing only property numbers, post office box numbers, names of occupants or premises, or other identification or premises not having commercial connotations;
2. Flags and insignia of any governmental agency except when displayed in connection with commercial promotion;
3. Regulatory, identification, informational, or directional signs erected or required by governmental bodies;

4. Integral decorative or architectural features of buildings, except letters, trademarks, moving parts, or moving lights;
5. Artwork having no commercial connotations.

"Solid waste facility" means a disposal site employing an engineering method for disposing of solid wastes in a manner that minimizes environmental hazards. Includes landfill, compactor, transfer, etc.

"Storage--Container" means an accessory storage use consisting of containers such as semi-tractor vans, shipping containers and Conex containers originally designed to transport goods and materials via highway, rail, air or sea, which are parked or placed on a parcel of land and used for covered storage provided that all wheel assemblies have been removed; the unit is placed in non-rot susceptible blocking or foundation; the unit is roofed, skirted or sided to match the primary building on the property; and the unit is located outside any setbacks. Railroad box cars are excluded except in an industrial zone.

"Storage--Outdoor" means the commercial keeping in an unroofed area and usually enclosed by a fence, of any goods, junk, material, merchandise or vehicles in the same place for an extended period of time. In the harbor commercial area the use is limited to the storage of boats and other marine-related equipment.

"Storage--Warehouse and distribution" means a building used primarily for the storage and distribution of goods, products, materials, supplies and equipment, but excluding bulk storage of materials that are flammable or explosive or that create hazardous or commonly recognized offensive conditions.

"Street" means a dedicated public way which affords the principal means of access to abutting property, such as an avenue, place, drive, boulevard, highway or other similar public thoroughfare, except an alley as defined herein.

"Structure" means anything constructed or erected on the ground or attached to something fixed to the ground, including, but not limited to, buildings, towers, and sheds. Fences, restraining walls less than three feet in height, signs and similar improvements of a minor character are excluded.

"Temporary structure" means a structure without any foundation or footings that is removed within twelve (12) months of its placement. Continuation beyond twelve (12) months must be approved by the planning commission. Temporary structures must comply with all zoning requirements of the districts in which they are located.

"Utility--Public facility" means an installation owned by an agency under public franchise or ownership, or under certificate of convenience and necessity, providing the public with electricity, gas, heat, steam, communication, water, sewage collection or other similar service.

"Vehicle--Motor" means a self-propelled device used for transportation of people or goods over land surfaces and licensed as a motor vehicle.

"Vending--Street" means the sale of food or merchandise from a cart, stall or vehicle located in any public right-of-way.

"Veterinary hospital" means a facility which may include animal runs, in which veterinary services are rendered to animals and domestic pets and which may include clipping, bathing, boarding and other services. Includes veterinary clinics.

"Watchman or caretaker dwelling" means an accessory dwelling associated with a commercial or industrial building or structure for the purpose of housing a watchman or caretaker and immediate family.

"Water-dependent" means a use or activity which can be carried out only on, in or adjacent to water areas because the use requires access to the water body for water-borne transportation, recreation, energy, production or source of water.

"Water-related" means uses which are not directly dependent upon access to a water body but which provide goods or services that are directly associated with water-dependent land or waterway use and which, if not located adjacent to water, would result in a public loss of the quality of goods or services offered.

"Wetlands," both freshwater and saltwater, mean:

•*Freshwater wetlands.* Those environments characterized by rooted vegetation which is partially submerged whether continuously or periodically by surface freshwater with less than 0.5 parts per thousand (1,000) salt content and not exceeding three meters in depth;

•*Saltwater wetlands.* Those coastal areas along sheltered shorelines characterized by halophytic, hydrophytes and macro-algae extending from extreme low tide to an area above extreme high tide which is influenced by sea spray or tidally induced water table changes.

"Zero-lot line" means the location of a building on a lot in such a manner that one or more of the building's sides rests directly on a lot line.
(Ord. No. 10-03-03, § 3; Ord. No. 11-03-08, § 3; Ord. No. 11-08-13, § 3)

Section 5. Amendment of Section. Section 18.02.050 of the Hoonah Municipal Code is amended to read:

Chapter 18.02

ZONING DISTRICTS

18.02.050 Industrial (I).

- A. Conditional Uses.
1. Light industrial;
 2. Wholesale distribution/sales;
 3. Government facilities;
 4. Public and private power plants and utilities;

5. Outdoor and indoor public storage of heavy equipment;
6. Heavy industrial;
7. All commercial uses allowed in the commercial zone;
8. Single-family residential;
9. Multi-family residential;
10. The following licensed marijuana establishment facilities are uses which may be permitted in the industrial subarea zones known as Fanning Industrial tract, Whitestone Tract, and Coho Creek Subdivision as follows: [**retail store,**] testing, standard cultivation (500 or more feet under cultivation), limited cultivation (fewer than 500 square feet under cultivation), and product manufacturing, with the exception of solvent based manufacturing processes which are not allowed, provided the facility is: located on one acre or more of land, meets setbacks, and is east of the airport. **Marijuana retail will be allowed citywide.**
11. Other uses which are deemed appropriate in this zone by the planning commission.

Section 6. Amendment of Section. Section 18.06.010 of the Hoonah Municipal Code is amended to read:

Chapter 18.06

DEFINITIONS

18.06.010 Definitions.

For the purposes of this chapter, the following words and phrases shall have the meanings ascribed to them, unless otherwise noted:

"Accessory building" means a subordinate building which is incidental to the principal building on the same lot.

"Allowable use permit" means a permit for a use that is allowed in a zone established by this code. Review will ensure proper use of structures, location, of structures, grading and other development activities.

"Bed and breakfast establishment" means a dwelling in which commercial lodging is provided by the owner or operator. The term includes boarding, rooming or tourist houses.

"City council" means the city council of the city of Hoonah.

"Commercial use" means the providing of goods or services for compensation.

"Conditional use" means a use permitted in a zone only after review by the planning commission and the granting of a conditional use permit imposing conditions as are determined

to be appropriate under the authority of this code.

"Duplex" means a building containing two living units designed or used as residences.

"Dwelling" means a building which is designed or used as a single-family or multiple-family residence by the occupants.

Dwelling, Multi-Family. "Multi-family dwelling" means a building designed with three or more residential units.

"Government or public facilities" means those facilities commonly associated with the delivery of government or emergency services such as schools, cultural facilities, libraries, health care facilities, and fire and police stations.

"Heavy industrial uses" means industrial activities that include the making of goods from raw materials, assembly, fabrication, processing, bulk handling and storage, construction and heavy transportation.

"Home business" means a business within a home that is clearly incidental and subordinate to the use of the home for residential purposes, and includes no more than one non-resident employee, home businesses may include cafes, gift shops, coffee shops, offices, or other small scale businesses compatible with the character of the neighborhood.

"Hoonah coastal management plan" means the Hoonah coastal management plan, as it now exists or may hereinafter be amended.

"Hoonah comprehensive plan" means the Hoonah comprehensive plan, as it now exists or may hereinafter be amended.

"Light industrial uses" means industrial activities that include those non-manufacturing uses such as research and development wholesale trade and distribution, bulk retail businesses, and the assembling, light storage, and handling of products.

"Lot" means a platted parcel or tract of land that meets the setback, width, open space, and access requirements of this code.

"Manufactured home or mobile home" means a factory built single-family structure that is transportable in one or more sections and built on permanent chassis. A manufactured or mobile home does not contain a permanent hitch, wheels or axles allowing transport of the home other than for the purpose of delivery to a permanent site.

"Manufactured home or mobile home park" means a parcel of land under single ownership that has been planned and improved for the placement of manufactured housing for dwelling purposes.

"Marijuana" means all parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marijuana concentrate; "marijuana" does not include fiber produced from the stalks, oil, or cake made from the seeds of the plant, sterilized seed of the plant which is incapable of germination,

or the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other products.

“Marijuana cultivation facility” means an entity that cultivates, prepares, and packages marijuana and sells marijuana to retail marijuana stores, to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers.

“Marijuana product manufacturing facility” means an entity that purchases marijuana; manufactures, prepares, and packages marijuana products; and sells marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

“Marijuana retail store” means an entity that purchases marijuana from marijuana cultivation facilities, purchases marijuana and marijuana products from marijuana product manufacturing facilities, and sells marijuana and marijuana products to consumers.

“Marijuana testing facility” means an entity that analyzes and certifies the safety and potency of marijuana.

"Motor homes or travel trailers" means a recreational motor home or travel trailer designed for temporary habitation and containing wheels or axles designed for extended travel trips.

"Motor home or travel trailer court" means a tourist facility for parking motor homes or travel trailers.

"Nonconforming use" means a lot, use of land, or use of structure which existed or was established prior to the effective date of this code.

"Planning commission" means the city of Hoonah planning commission.

"Storage sheds (private)" means an accessory building used in connection with residential dwellings for non-commercial purposes and used for private storage of commercial or non-commercial boats, trucks, or other tools or heavy equipment.

"Storage facilities (public)" means any storage facility other than a private garage or storage facility, available to the public, operated for gain, and which is used for storage, repair, rental, greasing, washing, servicing, or adjusting or equipping of automobiles or other vehicles.

"Stream or creek" means flowing body of water, perennial or intermittent, providing habitat for wildlife, fish species, and other aquatic life forms.

"Use" means the purpose land, buildings, or structures now serve or for which such is occupied or intended.

"Variance" means an adjustment made in the application of the specific regulations of this code to a particular piece of property, where the criteria, requirements and conditions of this code are satisfied.

"Zoning administrator" means an official employee of the city of Hoonah charged with the responsibility of administering and enforcing this title.

"Zoning map" means the Hoonah official zoning map, city of Hoonah, which is adopted and certified as a part of this title. (Amended during 2002 codification; Ord. 97-02-01 § 5 (part))

Section 7. Adoption. The Hoonah City Council has hereby approved and adopted the amendments described in this ordinance and Title 18 of the Hoonah Municipal Code.

Section 8. Effective Date. The amendments described in this ordinance shall be effective upon adoption.

Introduction _____ **Public Hearing** _____ **Final Reading** _____

PASSED AND APPROVED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL THIS _____ DAY OF _____, 2024.

Bill Miller, Mayor

ATTEST:

Jennifer Bidiman, City Clerk

VOTING:

Stan Savland	Yea ___	Nay ___
Amelia Wilson	Yea ___	Nay ___
Mary Erickson	Yea ___	Nay ___
Duane Jack Sr.	Yea ___	Nay ___
David Hay	Yea ___	Nay ___
Shawn McConnell	Yea ___	Nay ___

**APPRAISAL REPORT
OF**



Lot 1 Shutter Creek Sub.
Hoonah, AK 99829

PREPARED FOR

City of Hoonah
300 Front St. - PO Box 360
Hoonah, AK 99829

AS OF

04/10/2017

PREPARED BY

SOUTHEAST APPRAISAL SERVICES, LLC
P.O. Box 32361
Juneau, AK 99803

Table of Contents

Page Title	Page #
Land Appraisal	1
Extra Comps 4-5-6	2
Comments	3
Comments	4
Location Map	5
Plat Map	6
Photo Subject	7
Limiting Conditions	8
Appraiser's Certification	9

SOUTHEAST APPRAISAL SERVICES, LLC

File No. 10-17-005 - Lot1

Borrower N/A
 Property Address Lot 1 Shotter Creek Sub.
 City Hoonah County N/A State AK Zip Code 99829
 Lender/Client City of Hoonah Address 300 Front St. - PO Box 360, Hoonah, AK 99829

MARKET DATA ANALYSIS

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

	SUBJECT PROPERTY		COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
Address	Lot 1 Shotter Creek Sub. Hoonah, AK 99829		Lot 27 Huna IV Sub. Hoonah, AK 99829		Lot 10A Hoonah Dalton Sub Hoonah, AK 99829		Lot 13 Coho Creek Sub. Hoonah, AK 99829	
Proximity to Subject	N/A		0.99 miles NW		0.73 miles NW		0.67 miles E	
Sales Price	\$	\$	\$	\$	\$	\$	\$	\$
Price	0		42,166		65,000		42,023	
Data Source	Seller		Seller		MLS#15538		Seller	
Date of Sale and Time Adjustment	N/A		N/A		N/A		N/A	
Location	Suburban/Upland		Urban/Upland		Urban/Upland		Suburban/Upland	
Site/View	1.40 Acres		7,255SF		8,712SF		3.51 Acres	
View	Territorial		Territorial		Territorial		Territorial	
Site Development	Easement		(Would need Sewer Pump)		Territorial		Territorial	
Utilities	W,E		W,S,E,T		Small Pad		Inferior Access	
Topography	Level		Moderate		W,S,E,T		None	
Sales or Financing	N/A		Moderate		Moderate		Moderate	
Concessions	N/A		N/A		N/A		N/A	
Net Adj. (Total)			X Plus		Plus X		X Plus	
Indicated Value of Subject			Minus \$ 9,800		Minus \$ -9,500		Minus \$ 3,900	
			Net=23%		Net=-15%		Net=9%	
			Gross=83%		Gross=82%		Gross=110%	
			\$ 51,966		\$ 55,500		\$ 45,923	

COMMENTS

Comments on Market Data

Comp #1 is the most recent vacant land sale known in the Hoonah area. It is a residential site located on a hill side with good views and all public utilities available, it also has a driveway and site pad already in.

Comp #2 is the second most recent vacant land sale know in the Hoonah area. It has a small pad and all public utilities available.

Comp #3 is a sale of a 5.19 acre lot in the neighboring community of Gustavus. Gustavus does not have zoning so the lot could be used for anything from residential uses to commercial/industrial uses. This sale was utilized as it is a recent sale that brackets the subject's site size. This comp does suffer from some drainage issues.

Comp #4 is a pending vacant land sale in the Hoonah area. It is a residential site located on a hill side with all public utilities available (it is downhill from the road and would require a sewer pump to get the sewage up to the sewer line in the road).

Comp #5 is a active listing of a residential lot in the Hoonah area. It has a small pad on the site and has all public utilities available to the site.

Comp #6 is an older sale in the subject's subdivision, but is the most recent industrial, vacant land sale known in Hoonah. The market has appreciated since the time comp#6 sold, but there is not sufficient market data to make a time adjustment. Comp #6 shows the low end of value of for the subject.

Shawn Kantola, a certified residential appraiser and general appraiser trainee, completed the inspection of the subject property and completed all of the research and analysis provided within this report, Roger Nash reviewed the report.

SOUTHEAST APPRAISAL SERVICES, LLC
COMMENT ADDENDUM

File No. 10-17-005 - Lot1

Borrower	N/A
Property Address	Lot 1 Shotter Creek Sub.
City	Hoonah
Lender/Client	City of Hoonah
County	N/A
State	AK
Address	300 Front St. - PO Box 360, Hoonah, AK 99829
Zip Code	99829

TAXES

There are no real estate taxes in Hoonah.

SCOPE OF THE APPRAISAL

The scope of this appraisal is to estimate the market value of the fee simple interest in Lot 1 Shotter Creek Sub., for providing the client with a current market value for the vacant land. The intended user of this appraisal report is the City of Hoonah. No additional intended users are identified by the appraiser. (See page 1 of limiting conditions regarding definition of Market Value.)

Special Note: I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

EXPOSURE TIME

Exposure time is an estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. The estimated exposure time for the subject property is three to six months.

COMMUNITY COMMENTS

Hoonah is a rural community located on the northeast shore of Chichagof Island, 40 air miles west of Juneau. The community is located in the Sitka Recording District. Current population study shows there are 877 people living in Hoonah. Hoonah is a first class organized city. Local facilities include city water, sewer treatment facilities, garbage collection service and electricity is provided by Tlingit-Haida Regional Electric Authority. Hoonah is dependent on air transportation for movement of small freight and passengers. The state owns and operates an airport with 3,000' of paved runway and seaplane base that are served by scheduled small commercial aircraft from Juneau. A State ferry terminal and harbor/dock area are also available, with regular scheduled stops by the State ferries. Monthly barge services deliver goods from Seattle. There is an extensive logging road system on northwest Chichagof Island.

ECONOMY COMMENTS

Fishing is a mainstay of the economy, and Hoonah experiences nearly full employment during the summer season. 121 residents hold commercial fishing permits. Fish processing at Excursion Inlet Packing Co., employment at the Thompson Cold Storage plant, logging for Sealaska Corporation, and logging related activities provide local employment. The Huna Totem Corporation owns a sort yard and timber berries are harvested by many of the local residences. In 2004 the first cruise ships began coming in to Hoonah. The summer of 2017 there will be up to six cruise ships coming into Hoonah each week. This has helped stimulate the market in Hoonah, has played a key role in the increased value of property in Hoonah, and a key role in the demand for commercial and industrial properties.

SITE/ZONING COMMENTS

The site is a conforming interior lot and is typical of other sites in this market. Snow was covering the site at the time of the inspection, this appraisal assumes that no adverse conditions exist underneath the snow that would adversely affect the value of the subject property.

There is a raw water line on the road that is expected to be converted to a treated water line and provide treated water that could be used for the subject lot. This appraisal is completed under the extraordinary assumption that the water will be put in this summer.

The plat that this site is based off of is a preliminary plat that was not yet recorded as of the effective date of this appraisal. This appraisal is completed under the hypothetical condition that the subdivision is already completed as shown on the preliminary plat provided for review.

The City's new raw water line will run through the front portion of this lot (roughly 40-50 feet from the front of the lot) and there will be a utility easement for maintaining the raw water line. The new owner will be able to utilize the portion of the lot with the easement for parking, access and utilities, but will not be able to install a permanent structure in the easement area, which diminishes the lot utility. This easement has been adjusted at -\$5,000.

HIGHEST & BEST USE:

As Vacant is as commercial or industrial purposes.

ADVERSE ENVIRONMENTAL CONDITIONS PRESENT

The appraiser's routine inspection of and inquires about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would negatively affect the property value. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The value estimated in this report is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions. No concerns were noted.

SALES COMPARISON COMMENTS

A thorough search was made to find the most comparable properties to the subject which have sold recently. The sources of information utilized include: lenders, on-site inspections, local appraisers, local real estate agents, title companies, the State recorder's office, and review of previous appraisal reports in the Hoonah area. Information on properties was compiled from these sources. It is deemed to be accurate, but is not guaranteed as such. Hoonah has a very limited comparable sales service out of Juneau. Most properties within the Hoonah area are bought and sold by word of mouth or for sale by owner.

There are relatively few recent similar sales in this small rural town such as the subject. Attempts by the appraiser were made to find sales that bracketed the location, size, shape and view of the subject site. Due to the lack of sales it is often necessary to use sales which vary in location as well as sales more than 6-12 months old and are located outside of the subject's immediate area. As there is great disparity in size, development cost and view of the comparables, net and gross adjustments for individual sales often exceed established appraisal guidelines. This is unavoidable. A search for similar lot comparables was made for the years 2013 through present, in order to bracket the subject. The sales used are the most recent and comparable available and result in the fewest overall adjustments for those in the subject's neighborhood.

Adjustments to the comparable sales were made for significant factors which were inferior or superior to the value of the subject. Specific adjustments are derived using extraction by paired sales technique, actual cost provided by developers, and other information obtained from buyers, sellers and/or review of cost data.

SOUTHEAST APPRAISAL SERVICES, LLC
COMMENT ADDENDUM

File No. 10-17-005 - Lot1

Borrower N/A

Property Address Lot 1 Shotter Creek Sub.

City Hoonah

County

N/A

State

AK

Zip Code

99829

Lender/Client City of Hoonah
Address 300 Front St. - PO Box 360, Hoonah, AK 99829

ADJUSTMENTS

LOCATION: Adjustments for location were made based upon recent vacant land sales and extracted improved property sales in which the building value was extracted to obtain an improved site value.

SITE: An adjustment was made at \$10,000/acre.

VIEW: Adjustments for view were made based upon views of the Comparables as compared to the subject. Adjustments were made at \$5,000-10,000 per increase/decrease as compared to the subject.

SITE DEVELOPMENT: Adjustments for un-improved forested lots vs. cleared lots were adjusted at \$10,000-20,000.

UTILITIES: Adjustments were made at \$5,000 per utility available.

Topography: Adjustments for topography are made at \$5,000 to \$20,000.

RECONCILIATION

The sales used are the most recent and comparable available and result in the fewest overall adjustments. The indicated value by the three appraisal approaches to value are:

- 1) Cost Approach = N/A for vacant land
- 2) Sales Comparison Approach = \$52,500
- 3) Income Approach = Residential vacant land typically is not purchased for rental purposes.

- The sales comparison approach considered 4 closed sales, 1 pending sale and 1 active listing to determine the market value for the subject. The comparables used indicated a range of value from \$42,700 to \$55,000. From the sales used in the analysis all comparables were considered due to the lack of recent sales similar to the Subject.

- The income approach was considered but not used as insufficient rental data was located for the income approach and vacant lots are not normally purchased for rental purposes.

In conclusion: The analysis above has considered all effects on market, including the three approaches to value with the most weighting applied to the sales comparison approach as it best reflects the sales activity within the area that can be compared to the subject property. It is my opinion that the AS-IS value for Lot 1 Shotter Creek Sub., Hoonah, Alaska as of April 10, 2017 assuming reasonable marketing time to be:

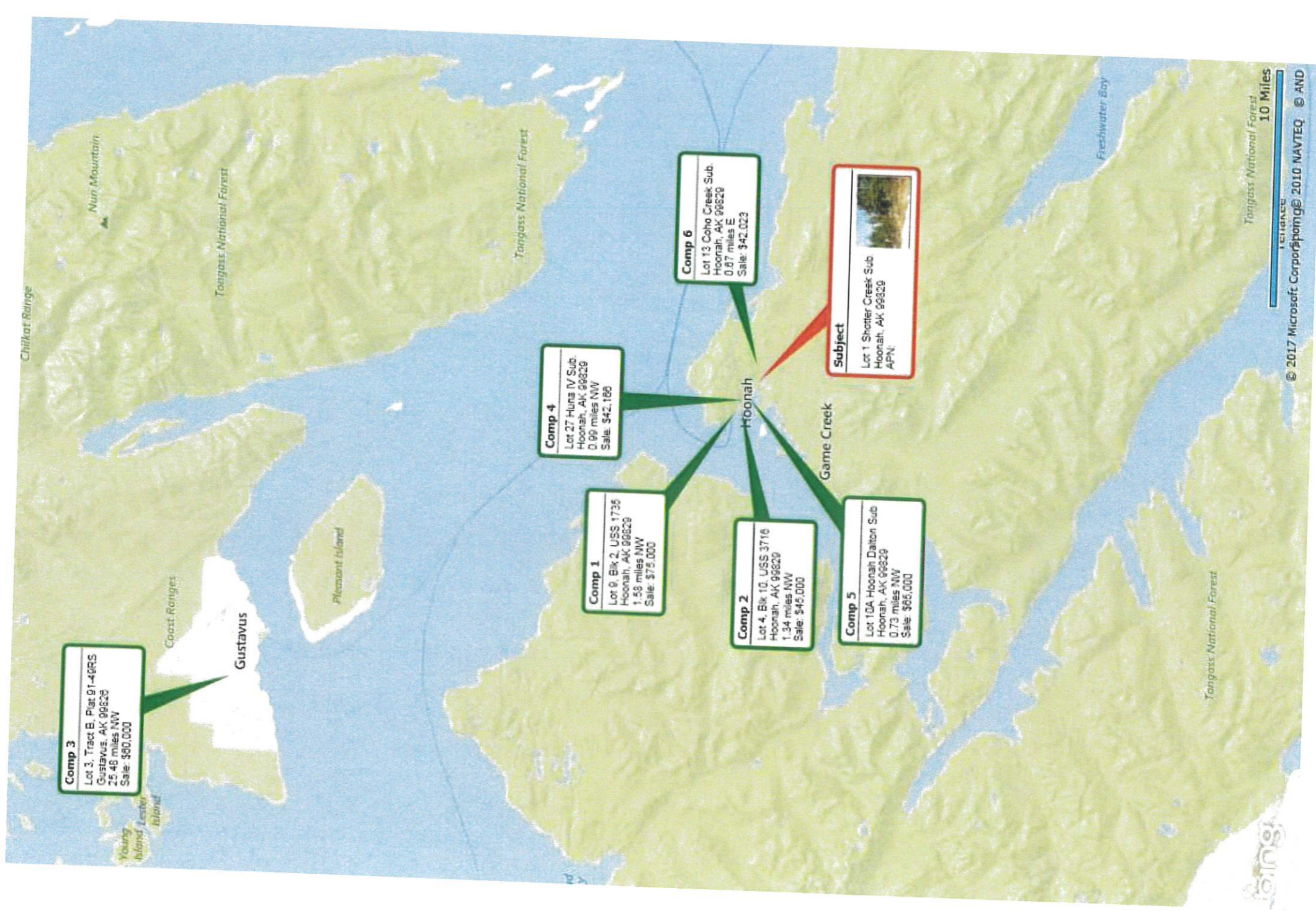
\$52,500

FIFTY TWO THOUSAND FIVE HUNDRED DOLLARS

SOUTHEAST APPRAISAL SERVICES, LLC
LOCATION MAP ADDENDUM

File No. 10-17-005 - Lot1

Borrower	N/A		
Property Address	Lot 1 Shotter Creek Sub.		
City	Hoonah	County	N/A
Lender/Client	City of Hoonah	State	AK
	Address 300 Front St. - PO Box 360, Hoonah, AK 99829	Zip Code	99829



SOUTHEAST APPRAISAL SERVICES, LLC
PLAT MAP

File No. 10-17-005 - Lot1

Borrower N/A
 Property Address Lot 1 Shoter Creek Sub.
 City Hoonah
 Lender/Client City of Hoonah
 County N/A
 State AK
 Address 300 Front St. - PO Box 360, Hoonah, AK 99829
 Zip Code 99829

SOUTHEAST APPRAISAL SERVICES, LLC
SUBJECT PHOTO ADDENDUM

File No. 10-17-005 - Lot1

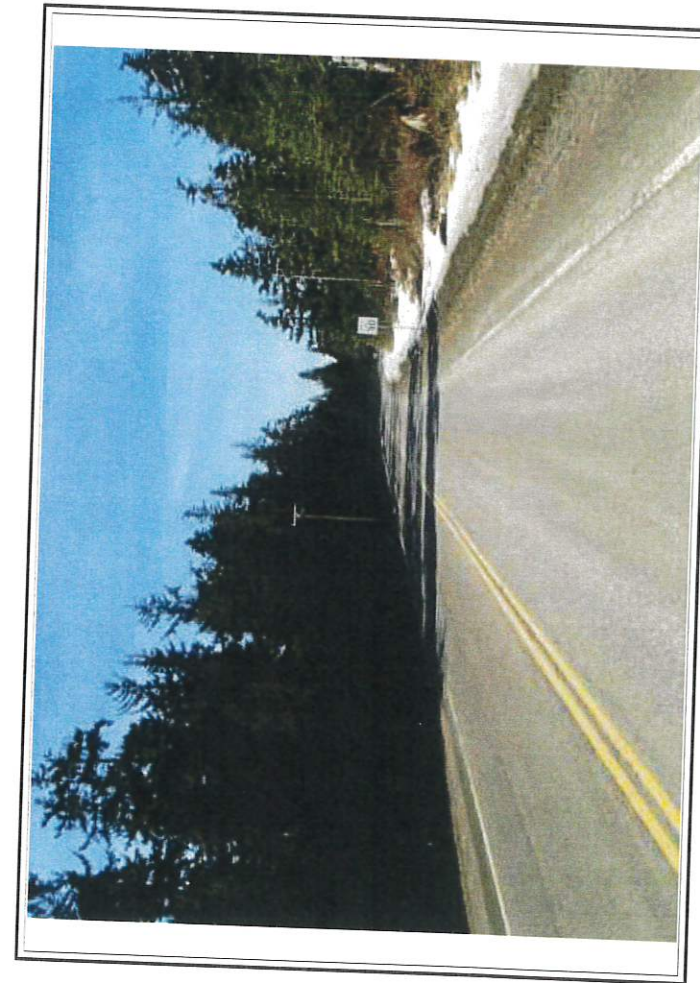
Borrower	N/A				
Property Address	Lot 1 Shottler Creek Sub.				
City	Hoonah	County	N/A	State	AK
Lender/Client	City of Hoonah	Address	300 Front St. - PO Box 360, Hoonah, AK	Zip Code	99829



**FRONT OF
SUBJECT PROPERTY**
Lot 1 Shottler Creek Sub.
Hoonah, AK 99829



**REAR OF
SUBJECT PROPERTY**



STREET SCENE

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazard wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report, therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED:

Lot 1 Shottler Creek Sub., Hoonah/AK 99829

APPRAISER: *Shawn Kantola*

Signature: _____
 Name: Shawn Kantola
 Date Signed: 04/28/2017
 State Certification #: 702
 or State License #: _____
 State: Alaska
 Expiration Date of Certification or License: 06/30/2017

Signature: _____
 Name: Roger W. Nash
 Date Signed: 04/28/2017
 State Certification #: 43
 or State License #: _____
 State: Alaska
 Expiration Date of Certification or License: 06/30/2017

SUPERVISORY APPRAISER (only if required)

Did Did Not Inspect Property

To Title		From	Patrick Cotter, AICP
Firm	City of Hoonah	Date	October 11, 2019
		PDC #	19236JN
		Project Name	Hoonah Waterfront Plan
RE	Issues Identification and Vision Development		

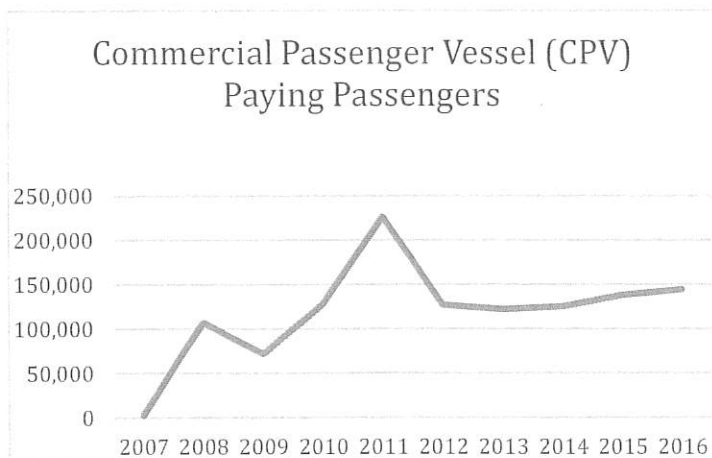
Hoonah is a small city of around 800 residents located on Chichagof Island in Alaska’s panhandle, approximately 30 miles west of Alaska’s capital city, Juneau. The city of Hoonah hosts the nation’s largest community of indigenous Tlingit people, whose territory once included almost all of the Alexander Archipelago. Now, this area of Southeast Alaska is a popular cruise ship tourist destination. In 2004, the Huna Totem Corporation (a for-profit ANCSA village corporation) opened the Icy Strait Point (ISP) cruise destination on Chichagof Island, about 1 mile north of the city of Hoonah at the old Hoonah Packing Company facility, which has been converted into a museum, restaurant, and shops. ISP is also a staging area for bus and van tours of the island.

The original goal of the ISP was to “preserve the character of the local village and culture as much as possible, despite the influx of visitors, while still providing substantial help to local economic prospects.”¹ For their efforts, the Huna Totem Corporation has won awards from the *National Geographic Traveler* magazine, *Travel + Leisure* magazine, and *Conde Nast Traveler* magazine.

Fifteen years after ISP’s opening, the goal of “preserving the character of the local village and culture” seems to have been superseded by tourist demand. Each summer, hundreds of thousands of cruise ship passengers disembark at ISP for a full day of tourist activities. About 10-30% of these tourists visit the city of Hoonah, either by walking into town or by taking a bus or van.

When tourists arrive in town, they become more of a nuisance than an economic or cultural asset. The thin and irregular sidewalks become easily congested, and tourists overflow onto the street, obstructing traffic on Front Street. Locals performing everyday activities are disrupted while tourists look for beautiful sites and authentic cultural experiences. There are limited space and few businesses to accommodate the cruise ship tourist traffic, and the local people suffer as they sacrifice the tranquility and community of their town for an influx of outsiders that do not produce surplus economic resources.

¹ <http://www.cliaalaska.org/2008/11/hoonah-stands-as-proof-villages-can-find-prosperity/>



It wasn't supposed to be like this. ISP was designed to keep tourists out of the village, and it was successful at this for a number of years after first opening. However, ISP is growing. More than 70 cruise ships visit ISP annually. The ISP recently built a second cruise ship dock that better accommodates Norwegian Cruise Lines megaships, which carry about 5,700 passengers and crew. This means that upwards of 1,500 tourists a day (around 25% of the megaship) could visit the

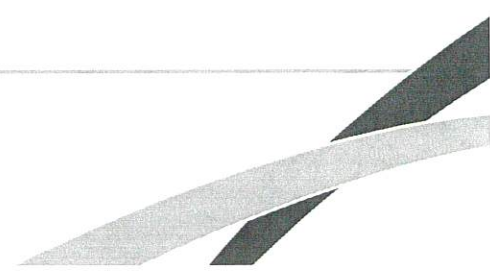
village and get on buses and vans to visit the island. Although the majority of cruise ship tourists will stay, shop, and experience ISP and the coastal walkway between ISP and the ferry terminal, the minority who leave to explore Hoonah and Chichagof Island are and will continue to be difficult to handle. As a result, the public infrastructure in Hoonah, which is designed to handle a population of around 800 persons, is pushed beyond its capacity every summer.

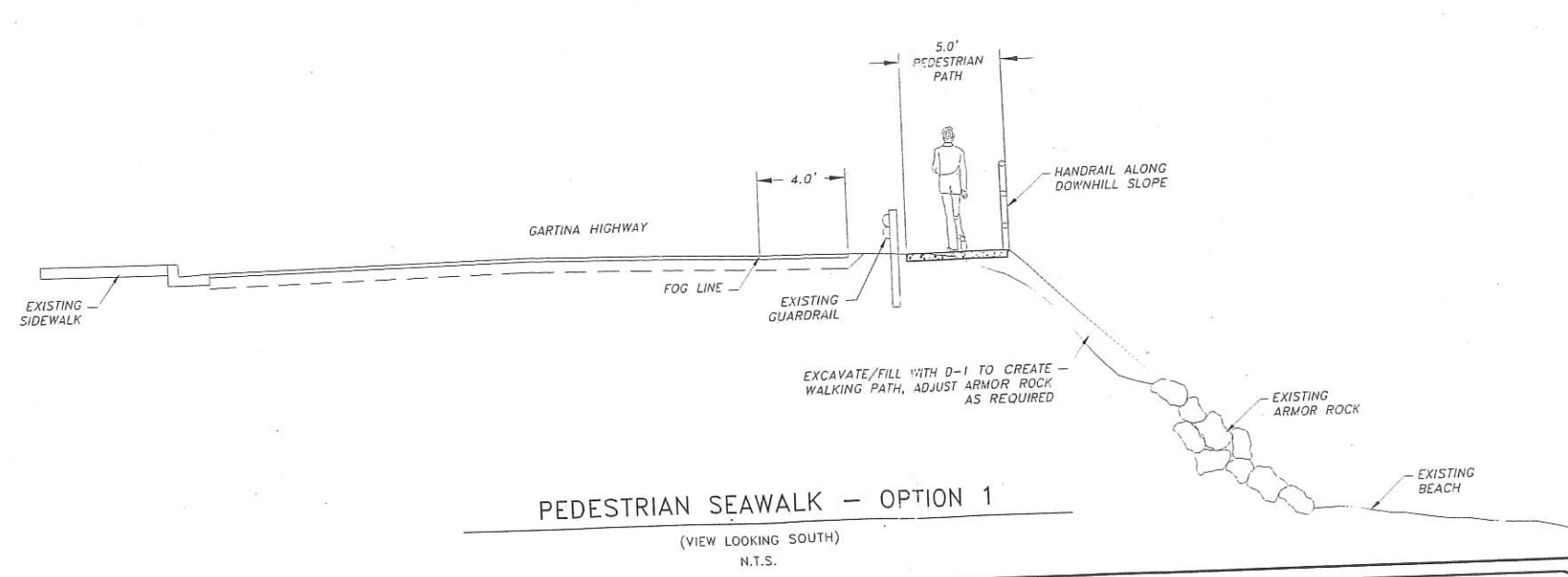
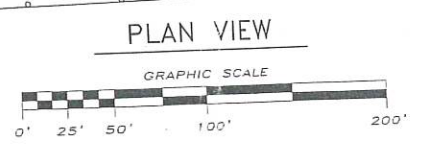
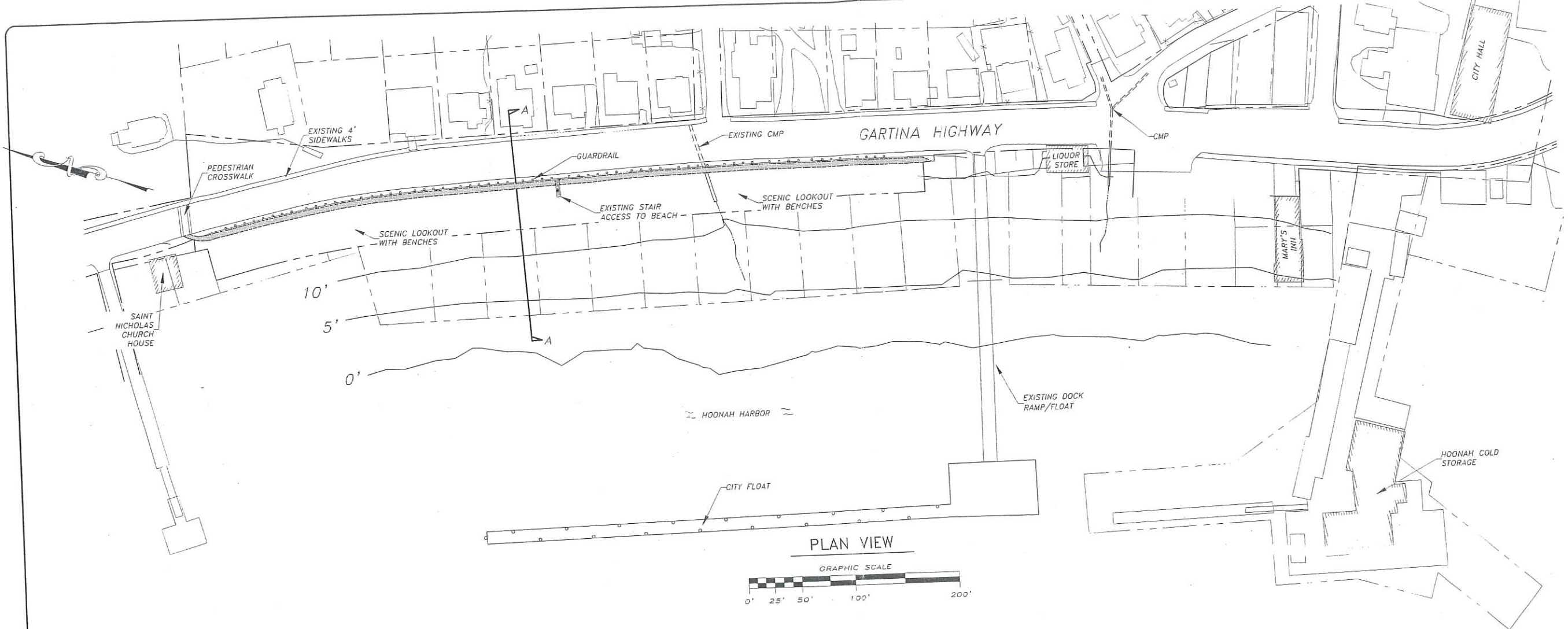
The tourists are not going away, and they are only likely to increase over time. To better accommodate the village-bound tourists *and* preserve the small-town, local character that residents enjoy, the City of Hoonah is developing a long-term waterfront development plan.

The goals of the plan include:

1. Preserve the local, small-town character for residents and tourists, year-round (unlike what has happened to Southeast Alaskan towns like Skagway)
2. Preserve the remaining beaches along the waterfront and provide better user access
3. Reduce foot traffic on Front Street so that it can continue to function as the main thoroughfare in town and as a state highway
4. Create new commercial space that can serve both tourists in the summer, and residents year-round
5. Provide new, leasable waterfront land for community businesses and organizations
6. Retain and enhance the architectural character of the waterfront
7. Provide more parking and large vehicle turnaround space in the downtown area

In light of these plan goals, community members have been thinking about practical ways to develop the waterfront. The most popular idea, it seems, is to create a new boardwalk along the waterfront to convey tourists around downtown—to keep them off the street—and to direct them to new commercial properties that can accommodate tourists at a proposed wharf surrounding the seaplane float road. There is ample area around the seaplane float road to develop space for seven new commercial lots, which may be used for a restaurant, shop, workshop, relocated liquor store, and other community/commercial needs. Furthermore, the road between The Tunnel and the first beach in town should be redesigned to better accommodate pedestrian and truck traffic.





OPTION 1
 CONCRETE SIDEWALK ALONG BACKSIDE OF GUARD RAIL. PATH TO BE 725 FEET LONG, 5 FEET WIDE AND 4 INCH DEPTH OF CONCRETE

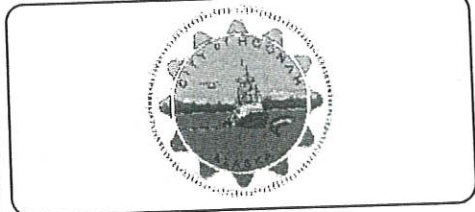
PROS:
 - RELATIVELY LESS EXPENSIVE
 - DOES NOT REQUIRE USACE PERMITTING

CONS:
 - PEDESTRIAN TRAFFIC VISIBLE FROM ROAD
 - STEEP DOWNHILL SLOPE (POSSIBLE HANDRAIL REQUIRED)

P:\2018\18017JN-CO1-SP_Bus_Plan\CitySheet\18017JN_PolihA_recover.dwg PLOT: October 25, 2018 at: 11:52am

DESIGN	JMP
DRAWN	ECR
CHECK	JMP
APPROVED	JMP

No.	DATE	REVISION



PDC ENGINEERS

PLAN • DESIGN • CONSTRUCT

6205 Glacier Highway, Juneau, Alaska 99801
 907.780.6060 | AECC0605

PEDESTRIAN BEACH PATH

CITY OF HOONAH, ALASKA

OPTION 1

DATE: Oct. 25, 2018
 PDC No. 18017JN
 SHEET C100

September 15, 2023

Dennis H. Gray, Jr.
City Administrator
P.O. Box 360
Hoonah, AK 99829

Subject: Hoonah Wharf Project

Dear Mr. Gray;

Thanks for the opportunity to provide a scope and budget for assisting with compliance with the Endangered Species Act (ESA) and the Marine Mammal Protection Act on Hoonah's waterfront development plan. From the information you provided, you are interested in installing a new commercial wharf structure adjacent to the existing north side of the harbor breakwater. It is likely that the commercial lease wharf will be supported by piles and house general commercial buildings, a native crafts woodworking shop, a restaurant, hotel, and public bathrooms.

Based on our permitting experience in the area, we assume that an U.S. Army Corps of Engineers (USACE) Section 404/10 permit will be needed. The USACE must complete Endangered Species Act (ESA) National Marine Fisheries Service (NMFS) in order to issue the permit. It is expected, because of the size of the piles and the installation methods underwater noise will travel up to 16,000 meters from the wharf and that formal consultation will be needed. In addition, under the Marine Mammal Protection Act (MMPA), NMFS will likely require an Incidental Harassment Authorization (IHA).

This letter summarizes Solstice Alaska Consulting, Inc.'s (SolsticeAK) proposed scope and budget for assisting with ESA and MMPA compliance associated with the wharf installation work.

Task 1. Initial Consultation

It is understood that an USACE application has been submitted. SolsticeAK would conduct consultations with the USACE to determine the agency's needs and ideas related to the project and consultation with NMFS. A teleconference would be conducted with the City, their engineer (PDC), USACE, and NMFS to document what has occurred to date, what is expected, and a path forward. Additional discussions would occur throughout the effort to ensure that the process stays on track and moves forward. The results of these discussions will guide document preparation and determine the permitting schedule.



Task 2. Endangered Species Act Section 7 Consultation

Biological Assessment

Because the USACE is responsible for ESA consultations, SolsticeAK would first work with them to obtain formal approval to consult on the USACE's behalf. This would involve drafting a letter to the agency.

Then SolsticeAK would draft a biological assessment (BA) based on the likelihood of a "likely to affect, not likely to adversely affect" finding under the ESA. (A BA is required to complete formal consultation under ESA.) The BA would include the following sections:

1. Project Description (including action area)
2. Description of Species and their Habitat
3. Environmental Baseline
4. Effects of the Action
5. Determination of Effect

It is expected that the BA would be submitted to NMFS as a draft and that there would be some "back and forth" on the document until it is finalized. The BA will be used by NMFS to draft a biological opinion (BO) and complete formal consultation.

Task 3. Marine Mammal Protection Act Incidental Harassment Authorization Application

SolsticeAK will draft an incidental harassment authorization (IHA) application to submit to NMFS. As has occurred on previous projects, SolsticeAK would work with NMFS to finalize the IHA application through teleconferences and email. As required, the IHA application will include the following sections:

1. Description of Specific Activity
2. Dates, Duration, and Region of Activity
3. Species and Numbers of Marine Mammals
4. Affected Species Status and Distribution
5. Type of Incidental Take Authorization Requested
6. Take Estimates for Marine Mammals
7. Anticipated Impact of Activity
8. Anticipated Impact on Subsistence Uses
9. Anticipated Impacts on Habitat
10. Anticipated Effects of Habitat Impacts on Marine Mammals
11. Mitigation Measures
12. Arctic Plan of Coordination
13. Monitoring and Reporting
14. Suggested Means of Coordination
15. References



NMFS will use the application to draft the IHA, which will allow for the "take" of marine mammals by sound harassment during construction

Task 4. Follow Up

SolsticeAK would work with the City and USACE to answer questions and provide additional information to agencies, as needed. SolsticeAK would also continue to check on the status of NMFS's BO and the IHA to ensure processing in a timely manner. Once the BO and ESA concurrence and IHA are issued, SolsticeAK would draft a memorandum summarizing conditions and requirements.

Assumptions

The following points are assumed for this project. If the assumptions change, SolsticeAK may require a change in scope and budget to complete the work.

- No travel to the project site would be needed.
- The City engineers would provide drawings and project specifics as required, including:
 - Numbers and sizes of piles
 - Pile driving methods and times
 - Fill types, quantities, and areas
- Engineering support or design and construction-related issues/questions encountered through the process would be addressed by the City or their engineer.
- A marine mammal field survey would not be needed. If any agency requests or recommends a survey, this scope and budget would require amendment.
- An IHA from U.S. Fish and Wildlife Service for sea otters would not be needed.
- Marine mammal monitoring during construction is not included in this scope.

Project Budget

The estimated cost for the services described above be expected to cost no more than \$55,715. Please see attached budget for details.

Sincerely,



President
Solstice Alaska Consulting, Inc.

Attachment: Budget



COST ESTIMATE										
Solstice Alaska Consulting, Inc.				PROJECT TITLE: Hoonah Wharf Project						
				TASK DESCRIPTION: TOTAL COSTS		DATE: 09.15.2023				
										PREPARED BY: R. Reich
SUB-TASK DESCRIPTION	R. Reich (Sn Env Plnr)	C. Connaker (Env Plnr)	E. Hagy (Jr Env Plnr)		EXPENSES					Subtotal
	NMFS Biological Assessment	19	120	35						
NMFS Incidental Harassment Authorization	82	251	20							\$ 38,335
										\$ -
TOTAL LABOR HOURS	101	371	55	Expenses	\$ -					
LABOR RATES (\$/HR)	\$130.00	\$105.00	\$66.00							
LABOR COSTS (\$)	\$13,130	\$38,955	\$3,630							\$55,715

Notes:

COST ESTIMATE										
Solstice Alaska Consulting, Inc.				PROJECT TITLE: Hoonah Wharf Project						
				TASK DESCRIPTION: NMFS Incidental Harassment Authorization Application			DATE: 09.15.2023			
SUB-TASK DESCRIPTION										PREPARED BY: R. Reich
	LABOR HOURS PER JOB CLASSIFICATION				Travel	Hotel	Food	Parking	Rental Car	Subtotal
	R. Reich (Sn Env)	C. Connaker	N. Kiley-Bergen (Jr)							
MMPA ASSISTANCE										
NMFS IHA Application										
Description of Specific Activity	2	10								\$ 1,310
Dates, Duration, and Region of Activity	2	10								\$ 1,310
Species and Numbers of Marine Mammals	4	20								\$ 2,620
Affected Species Status and Distribution	10	20								\$ 3,400
Type of Incidental Take Authorization Requested	3	30								\$ 3,540
Take Estimates for Marine Mammals	4	40								\$ 4,720
Anticipated Impact of Activity	3	20								\$ 2,490
Anticipated Impact on Subsistence Uses	3	10								\$ 1,440
Anticipated Impacts on Habitat	3	20								\$ 2,490
Anticipated Effects of Habitat Impacts on Marine Mammals	3	20								\$ 2,490
Mitigation Measures	2	10								\$ 1,310
Arctic Plan of Coordination		1								\$ 105
Monitoring and Reporting	40	20	20							\$ 8,620
Suggested Means of Coordination	2	10								\$ 1,310
References	1	10								\$ 1,180
TOTAL LABOR HOURS	82	251	20	Expenses	\$ -					\$ -
LABOR RATES (\$/HR)	\$130.00	\$105.00	\$66.00							
LABOR COSTS (\$)	\$10,660	\$26,355	\$1,320							\$38,335

Notes: Includes coordination with NMFS in Maryland and Alaska; includes coordination with subsistence users; assumes project description from BA can be used.