

City and Borough of Wrangell, Alaska

Economic Development Committee

December 5, 2013

6:30pm Assembly Chambers

AGENDA

1. Call To Order
2. Roll Call
3. Amendments to the Agenda
4. Approval of Minutes: September 26, 2013
5. Persons to be Heard
6. Correspondence
7. Old Business
 - a) Maritime business development – update
 - b) Former Institute Property- update
 - c) Capital Improvement Plan List
 - d) Borough-USFS collaboration and coordination efforts: Update on USFS programs and projects by District Ranger Bob Dalrymple
 - e) 2014 Work Plan (see attached 2013 Work Plan for reference)
8. New Business
 - a) Comprehensive Plan Assessment Review
 - b) Southeast Conference
 - c) Waterfront Master Plan
9. Adjournment

Economic Development Committee
September 26, 2013
Minutes

Present:

Julie Decker

Daniel Blake

Dawn Angerman

Rudi Briskar

Cyni Waddington (arriving 6:45)

Also: Bob Dalrymple

Brian O'Connor

Open meeting 6:35pm

DA amended agenda to remove Timber Plan since the draft was not included. The Draft will be emailed tonight

DB moves to approve

DA 2nd

Approved

Correspondence: Southeast By the Numbers and the Southeast Maritime Industry reports were presented at SEC. Wrangell was highlighted in the Maritime Industry report.

Maritime Business Development update

The Mariculture draft prospectus that Committee we looked at last time was discussed at the SEC. The value of the industry can be huge – see what has happened in Washington State. Start with comprehensive strategic plan.

Marine Industry Website- met with web designer to identify what we were looking for, needs etc. They will have something by end of year. Need signage for the yard. Discussing a interview questionnaire to determine the business needs, How to help the center, workforce development, infrastructure/space/land, marketing

Also looking at regional efforts with KTN and SITKA

We also met with School and shop teacher to discuss how training, certifications could work into highschool program. Was able to get the students onto the Ferry for a personal tour with a southeast employee having gone through a maritime trade school.

Next week will be participating in a work force development Conference call to figure out how we can tap into those resources.

(Cyni Waddington arrived)

RB : Center seems to lack folks doing hydraulics

JD: boat shop has teamed up with hydraulic Shop in Juneau.

Letter from KTN regarding service in Yard.. very nice, goes along way.

Institute property RFP: Prospectus is being modified and the RFP and public notice documents need to be written.

Sales Tax: CW commends Daniel and Jeff for letters in paper. Wants to point out that the Chamber is a non-profit not a business. DA, some people are making statements that are not accurate or backed by information. Radio coverage was very good

USFS:

Individuals here for a Mushroom talk- was in the newspaper. Could have been better attended and better advertising. When we get to the cuts in budget, would be great for community to speak up.

DB: What avenue should public use to speak out?

Letter of support to Forest Supervisor and Regional Supervisor. Let them know what we are doing that you like. USFS is in school, greeting cruiseships at visitor center, campfire programs, kids programs.

All of our recreation emphasis has some accessibility, but came out with new standards and guides, that are national.

RB: federal standards are wood vs gravel like state. USFS will be putting two kinds of cloth down, or screen, to minimize slipping. Rainbow Falls was done and has made a great improvement.

AMHLT has finally made proposal for a land trade. Borough has concerns for some of the trades. If the land was developable from borough interest, USFS would not be of interest.

CR: There are some disagreements between USFS/MH/Boro .. once it is transferred to USFS, potential for development goes away. PZ looked at the issue last year to provide initial borough input. Next time bring map of the MHTL trade

Secure rural school act – fed funds generated off nation forest come back to the state and distributed to schools and roads.. small title 2 funds for RAC funding. There are no more funds available. Last RAC meeting on Saturday herein Wrangell. Could provide an update as to the projects completed. If act gets renewed, could be opp for additional projects.

Out of all projects that did not happen included Banana Point, Anan trail and Chief Shakes Hot Tub

Community invasive plants.. final draft... Alaska conservation district group did the project.. Final is coming out soon. Will email the report.

Work camp at deep bay... take one of those cabins to turn in to recreational cabin. Shelters were vandalized on the High country trail and Kunk lake. Families brought in the perpetrators and amends will be made.

FLAP ... federal fuel tax money. Huge highway fund... allows some of the funds to come back to increase access to national lands. Last year. Worked on some applications but did not make into round. FHWA

decides.. there is specific criteria. UFS cannot own the road... improving other people's property. Must provide access to National Forest.

Signage does great (POW) interpretive signs.... Juneau auke bay recreation area....

Wrangell Island Sale... re initiate the scoping... opened up comment period again. .. some might be incorporated into alternatives. Might have new alternatives also. Will bring conceptual out next couple of months. What were comments about? Green peace and SEACC and State had some comments. State doesn't want helicopter logging.. economic sales

Ketch daily news 9/10 color article of Ward Cove... logs harvested from Wrangell Zarembo.. new sort yard... will bring logs from remote areas....

DA News story on Fox.. transferring federal lands back to the states.
Assembly approve letter to support. 2 million acres

DA moves to Adjourn

CW 2nd

Approved 7:45pm

REQUEST FOR PROPOSALS
FOR
LAND DEVELOPMENT
CITY AND BOROUGH OF WRANGELL,
ALASKA
DECEMBER 2013

INTRODUCTION

The City and Borough of Wrangell invites developers/contractors to submit written proposals to develop all or a portion of a 134 acre parcel of property owned by the City and Borough of Wrangell within the City of Wrangell. Approximately 12 acres were previously subdivided and developed, but only the fill of the previous development remains. The rest of the property is forested, undeveloped lands. The City and Borough of Wrangell Assembly is interested in obtaining development proposals for all or a portion of this property that will provide a needed service to the community, increase the City's tax base, and provide employment opportunities for area residents.

BACKGROUND

Detailed property description, maps, reports, and other relevant data is provided in the attached Land Prospectus. The City and Borough of Wrangell acquired the 134 acre parcel in 1995 and has completed all necessary environmental clean-up on the previously developed 12 acre site. The parcel is the last large tract of developable land owned by the Borough within the City of Wrangell with existing road access and utilities to the property line.

PREFERRED PROPERTY USE

The Borough has not identified a specific or mix of multiple uses for this site and is open to consider all valid proposals. In the past, discussion of potential land uses have included mixed residential and commercial uses such as educational and medical related facilities or tourism facility. Heavy industrial activities have not typically been discussed due to potential impacts to the surrounding recreational and residential properties, but valid industrial proposals will be considered. The City will consider proposals for any uses proposed on all or a portion of the property.

PROPERTY LOCATION

The property consists of one un-subdivided large parcel of approximately 122 acres and a subdivided parcel consisting of 14 parcels over approximately 12 acres. All parcels are owned by the City and Borough of Wrangell. The property is located at 5 mile Zimovia Highway in the City of Wrangell. A map showing the location of the parcel of property is included in the Prospectus, along with additional property information.

PROPERTY ZONING

The 134 acre property (all parcels) is zoned Holding, which allows the Assembly to consider all potential valid uses. A zone change would be required as part of the development plan approval.

REQUIRED PROPOSAL ELEMENTS

The proposal must at a minimum address the following items:

1. Proposed purchase price, including terms and conditions for all or portion of the property of interest.
2. Intended use(s).
3. Construction cost estimate.
4. Site preparation and utility development
5. Site plan, including access to and through the site and subdivision requirements.
6. Parking plan.
7. Building construction style and materials.
8. Estimate of total new jobs created, long term and short term
9. Define the benefit/impact to the local economy.
10. Any proposed incentives or assistance that the developer would be seeking from the City and Borough of Wrangell as part of the development. Please specify type, duration, and yearly amount of incentive or assistance proposed as part of the development.
11. List of projects similar to what is proposed at this site.
12. A draft of a development agreement between the City and the developer.

EVALUATION AND SELECTION PROCESS

Proposals will be screened and the top candidates will be selected by a subcommittee appointed by the Borough Assembly. The Borough Assembly may interview the candidates recommended by the subcommittee. The selection will be based on a combination of the criteria that are included in the required proposal elements included in this proposal.

TENTATIVE SELECTION SCHEDULE

Request for proposals distributed December 12, 2013
Proposals due by 12:00 noon, March 19, 2014
Proposals reviewed until mid-April 2014
Recommendation to Borough Assembly by early May 2014
Interviews, if conducted, during May or June 2014
Borough Assembly considers final proposal

SUBMITTAL REQUIREMENTS

Developers/contractors interested in submitting a proposal to acquire and develop this site shall submit eight (8) complete copies of the proposal, and one digital version, in a sealed envelope bearing the caption, "Wrangell Land Development Proposal" by 12:00 noon Alaska time, on March 19, 2014. Please note that mail delivery by UPS or FED EX can be delayed in Anchorage or mail could be delayed due to weather, please plan accordingly. The envelope should be delivered to:

Kim Lane
Borough Clerk
Wrangell City Hall
P.O. Box 531
205 Brueger Street
Wrangell, AK 99929
907-874-2381
clerk@wrangell.com

ADDITIONAL SUBMITTAL INFORMATION

The Borough will not reimburse for any expenses incurred in preparing and submitting a proposal, or for attendance at any interviews or meetings.

The Borough Assembly reserves the right to reject all proposals, to request additional information concerning a proposal for purposes of clarification, to accept or negotiate any modification to any proposal following the deadline for receipt of all proposals, and to waive any irregularities if such would serve the best interests of the Borough as determined by the Borough Assembly.

CONTACT INFORMATION

Jeff Jabusch, Borough Manager
Carol Rushmore, Economic Development Director
P.O. Box 531
205 Brueger Street
Wrangell, AK 99929
907-874-2381
ecodev@wrangell.com

DRAFT

City and Borough of Wrangell, Alaska

134 acre Land Prospectus



December 2013

City and Borough of Wrangell, Alaska

134 Acre Land Prospectus

Summary Details:

Legal Description: Known locally as the former Institute Property, it is comprised of Lot 26 of USS 3403; and, Lots 1-5, Block 1, Lots 1-5, Block 2, Lots 1-3, Block 3, and Tract A, of Shoemaker Bay Subdivision.

Plats: # 87-5; #87-9; #90-3; #2009-4

Area: Total acreage is approximately 134 acres. Shoemaker Bay Subdivision area is approximately 12 acres; Lot 26, USS 3403 is approximately 124 acres.

Zoning: All parcels are zoned Holding, until such time that proposals may be reviewed and the property can be rezoned appropriately.

Environmental Issues: The property is gently sloped closest to the road, but has much steeper slopes in the northern portion of the property. Mostly forested wetlands occur throughout the property with several large creeks and smaller drainages.

There are two small documented hazard sites suspected to contain petroleum contaminated soil located along the fence line adjacent to Lots 2 and 3, Block 3 Shoemaker Bay Subdivision.

A U.S. Forest Service Trail easement for Rainbow Falls traverses through a portion of Lot 26 on the northern property line adjacent to Lot 25.

Tyee Hydro Electric power line easements, owned by the Southeast Alaska Power Agency, crosses the northern corner of the property.

The Assembly signed a Memorandum of Understanding with Alcan Forest Products in 2013 to allow a forest road be constructed through the southern portion of the property from Zimovia Highway to adjacent Alaska Mental Health Trust land to the east of the property to access for a Trust timber sale. The access road will not be removed once the timber sale is completed.

Reports pertaining to the land: Timber Cruise – 1996; Wrangell Institute Master Plan – 2000; Topographical Survey – 2000; Appraisal – 2002; Wetland Delineation – 2003; Environmental Clean-up – 2009; MOU agreement with Alcan Forest Products for a forest road – 2013

2002 Appraisal: An appraisal was conducted in 2002 for several development options the community was considering at that time. In 2002, the property was appraised at \$720,000.

Location:

Wrangell Island is located 90 miles north of Ketchikan in Southeast Alaska, near the mouth of the Stikine River. By air, Wrangell is approximately 1 hour 30 minutes (155 air miles) south from Juneau, and 3 hours from Anchorage and Seattle (just over 700 air miles each). The City of Wrangell is located on the northern tip of Wrangell Island.

The Institute Property is located along Zimovia Highway 5 miles from Wrangell's downtown area near the Shoemaker Bay Recreational area consisting of a park, marina, beach access, RV park, tent camping area, and trail.

The adjacent parcel of land to the north (Lot 25, USS 3403) is owned by the City and Borough of Wrangell, and is used strictly for recreational purposes. Rainbow Falls Trail, a USFS maintained trail, crosses directly through the Borough's Lot 25 property, and even enters into

the subject property along the northern mutual property line with Lot 25. The USFS has a recorded easement for the trail through Lot 25 and the subject property, as well as through adjacent Mental Health Trust Authority property until it enters the Tongass National Forest.

Mental Health Trust Authority owns a tract of land (Lot 3, USS 3709) surrounding the subject property on the eastern property line and portions of the northern and southern property lines. Mental Health Trust Authority land consists of almost 100 acres or more. They are currently under contract with Alcan Forest Products for timber harvest south of the Tyee electrical lines. On the southern property line adjacent to Zimovia Highway, privately owned residential land abuts the subject property.

Abutting the property line on the west is Zimovia Highway. Across the highway is beach access (borough tidelands) and Shoemaker Bay Park. The park consists of a tennis court, playground area, picnic tables, covered shelter and tent camping area.

Background:

The property was the former site of the Wrangell Institute, a Bureau of Indian Affairs Native school from 1932 until 1972. The school was located on the 12 acres of the Shoemaker Bay Subdivision. In the 1980's, the entire 134 acre property was acquired by the Cook Inlet Regional Corporation (CIRI) and used for the Youth Conservation Corps in Wrangell. It was abandoned in the late 1980's and the primary building, residence halls, and other supporting structures fell into a state of disrepair. In 1996, the City of Wrangell acquired the parcel with the intent to develop the site for economic opportunity for the community. Over the next 10 years, the City commissioned several studies, including one detailing the extent of hazardous materials on the 12 acre portion that had previously been developed. Asbestos and soil contamination from underground fuel storage tanks required clean up of the property. The buildings, having been ignored for 15 years, were demolished, the asbestos disposed of in an off-site inert landfill, and the contaminated oil was removed or treated on-site. The 12 acre site area was given a clean bill of health in 2010 by the Alaska Department of Environmental Conservation. The remainder of the subject property has remained relatively untouched.

Characteristics:

The 134 acre subject property is vacant land and has direct road access via the State maintained and paved Zimovia Highway with municipal utilities easily available to the property. The site is primarily untouched, except for 12 acres previously developed for the Wrangell Institute. The property for the most part is gently sloped with dramatic views of Zimovia Straits. Property available for development could potentially increase by another 100 acres, as it is surrounded on three sides by land owned by the Alaska Mental Health Trust Authority. The City and the Trust developed a Memorandum of Understanding to work together to develop the properties. Near-by amenities include a recreational area providing boat moorage, beach access, picnicking, camping and trails. The Institute Creek runs along the north side of the property, and the Tongass National Forest lies beyond the Mental Health Trust land.

Development Constraints:

Slope – the northern corner of the property has a deep ravine which could restrict use of that portion of the property.

Electrical lines – Wrangell's electricity is provided by the Tyee Hydroelectric facility located southeast of Wrangell Island in the Bradfield area. The mainline line crosses Wrangell Island east to west just south of the subject property and the lines travel to the substation north of the

subject property. The lines traverse across a northern portion of the 134 acre parcel. The Southeast Alaska Power Agency, owner of Tyee, maintains a 100 foot electrical utility easement for the lines.

Beach Frontage – Zimovia Highway separates the property from direct water frontage and access, limiting its use for marine oriented developments.

Goal and Potential Uses:

The goal of the City and Borough of Wrangell is to develop the property to the benefit of the community for economic development and diversification.

Wrangell has gone through several visioning discussions pertaining to the Institute Property, most recently during a new comprehensive plan for the City and Borough of Wrangell. Specific preferred uses for the site, as mentioned by the public include: single and multi-family housing on large and small lots; retirement housing/facility; year-round lodging for business and leisure travel with restaurant and entertainment facilities; education facility for environmental or cultural studies targeted to both residents and visitors; medical facility; school or other educational training facility; RV parking sites with quality amenities; low impact commercial uses.

Community Information:

The City and Borough of Wrangell's population is 2,411 (2011 AK DCCED). The vast majority of the borough's residents live in Wrangell. The Borough is a unified municipality, incorporated in 2008 after dissolving the City of Wrangell which had incorporated in 1903. It has a Manager-Assembly structure of government.

Wrangell has a rich cultural history. It is the only community to have been ruled by four nations: Tlingit Natives, Russia, Great Britain, and the United States. The City of Wrangell is located at the mouth of the Stikine River and the Stikine-Leconte Wilderness. The surrounding area offers unsurpassed recreational opportunities.

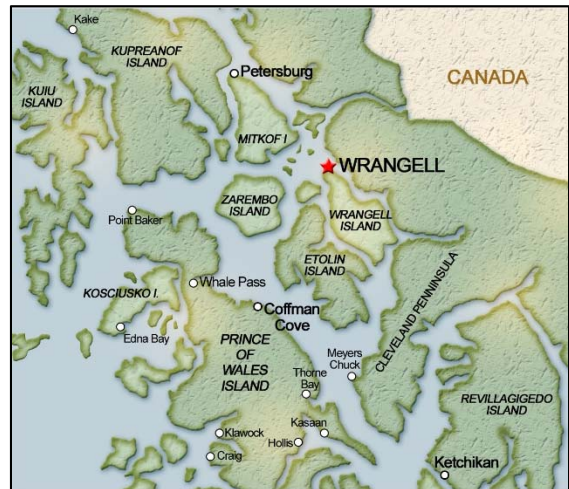
Wrangell is strategically located in central southeast Alaska. Primary private industries include visitor services and marine industries (seafood harvesting and processing, vessel repair and support services).

The Borough's website, www.wrangell.com provides data pertaining to the history, the cultural richness, the recreational opportunities, and local services. There is also a Facebook page, City and Borough of Wrangell, that provides daily updates for local activities or issues of concern.

Transportation:

Barge services bring in most of the bulk of goods to Wrangell. There is weekly barge service from Seattle, with connections of goods arriving from Anchorage or Juneau. The Alaska Marine Highway System provides mainline service traveling north and south from Wrangell multiple times a week. Goods are also transported via truck on the AMHS ferries leaving Bellingham, Wa.

Alaska Airlines provides twice daily jet service on Boeing 400 series with direct connections to and from Seattle, Juneau and Anchorage. Seafood and perishable goods are usually shipped via air service.



Proposed Wrangell Capital Budget Requests for State and Federal FY 2014-15

	Town	Project	State Request Amount	Total Project Amount	State or Federal	
1	Wrangell	Drinking Water System Improvements: Connection to Upper Reservoir	750,000	750,000	State/Federal	DEC Clean W
2	Wrangell	Drinking Water System Improvements: Water Treatment Plant Pilot Study	150,000	150,000	State/Federal	DEC Clean W
3	Wrangell	Wrangell Medical Center Construction	TBD	39,000,000	State/Fed	
4	Wrangell	Wrangell Boat Yard Improvements - Final Improvements	4,000,000	4,000,000	State	
5	Wrangell	Shoemaker Bay Float Design	800,000	800,000	State	
6	Wrangell	New Carving Facility - WCA Request	500,000	500,000	State/Federal	
7	Wrangell	6 Mile property development plan for mixed marine/industrial uses	100,000	100,000	State	
8	Wrangell	Institute Property Development	100,000	100,000	State	
9	Wrangell	Engineering Condition Assessment for Pool Facility and Community Center	35,000	35,000	state	
10	Wrangell	Public Safety Building Renovations - Including Court System	950,000	950,000	State/Federal	
11	Wrangell	Evergreen Road Improvements and Pedestrian Access (State STIP funded)	5,800,000	5,800,000	State/Local	STIP (Wrangell)
12	Wrangell	Cassiar Street	250,000	250,000	State	
	Wrangell	School Fire Alarm System				
	Wrangell	Power Plant Roof Replacement	200,000			
	Wrangell	Wrangell Road Resurfacing	2,500,000	2,500,000	State	
	Wrangell	Shoemaker Bay Float - Construction	8,000,000	8,000,000	State/Federal	
	Wrangell	Waste Reduction Facility: (Building modifications/Bailer)	1,500,000	1,500,000	State	
	Wrangell	Sunrise Lake - Alternative Water Source (Monitoring, Design, NEPA, etc)	3,000,000	3,000,000	State/Federal	
	Wrangell	Pool Facility Improvements (Pool Roof, Mechanical, Remodel)	1,500,000	1,000,000	State/Federal	
	Wrangell	Electric System Upgrades (Wrangell Medical Campus and Boat Yard)	250,000	250,000	State/Federal	
	Wrangell	Water Main Replacement				
	WRG/PRG	South Mitkof Island Improvements - Banana Point Improvements	1,250,000	1,250,000	State	
	Wrangell	Electrical Extension on Etolin				
	Wrangell	Community Center Renovations and Asbestos Removal	1,000,000	1,000,000	State/Federal	
	Wrangell	Dam Replacement		40,000,000	Federal	
	Wrangell	Trails' Extensions	250,000	250,000	State	
	Wrangell	Reliance Harbor - Design and Construction	2,500,000	2,500,000	State/Federal	
	Wrangell	Inner Harbor - Design and Construction	2,500,000	2,500,000	State/Federal	
	Wrangell	Standard Oil Float - Design and Construction	2,000,000	2,000,000	State	
	Wrangell	Industrial Park Expansion - Road and Utilities Expansion	500,000	500,000	Federal	
	Wrangell	Institute Property Development	100,000	100,000	State	

Wrangell	New Cemetery Site	250,000	250,000	
Wrangell	Pool Locker Replacements	50,000	50,000	State
Wrangell	Power Plant Generation Expansion	1,500,000		
Wrangell	Power Infrastructure Improvements - Mission and First Avenue	150,000		
Wrangell	Power Engineer Review of Distribution System			
WRangell	Volunteer Park Ball Fields' Improvements			
Wrangell	Senior Apartment Upgrades			
Wrangell	Meridian Street Extension (North End of Cassiar)			
Wrangell	Wrangell Park facility Upgrades and Improvements	250,000	250,000	State
Wrangell	Byford Junk Yard Improvements	100,000		
Wrangell	Two Police Vehicles	70,000		
Wrangell	First and Second Avenue Improvements	2,000,000		
Wrangell	Public Works Building Improvements	50,000		
Wrangell	City/School Exterior Painting	200,000		
Wrangell	Elementary School Parking Lots	500,000		
Wrangell	City Hall Energy Improvements	25,000		
Wrangell	Airplane Float Redecking			
Wrangell	Fire Hose Replacement	25,000		
Wrangell	Volunteer Park Plan	25,000	25,000	State
Wrangell	Multi-Purpose Field Improvements	100,000	100,000	State
Wrangell	Mariners Memorial			Private
Wrangell	Grave Street Utilities			
Wrangell	Stikine Avenue Safety Issues			
Wrangell	Fire Engine/Pumper	220,000		
Wrangell	SCBA's for personal Protective Equipment	60,000		
Wrangell	Mitigation/Restoration Plan for Public/Private Development	75000	150000	

Wrangell Capital Budget Requests for 2014-15 <u>Prioritized Projects Under \$100,000</u>			State Request Amount	Total Project Amount	State or Federal State
Town	Project				
1	Wrangell	Engineering Condition Assessment for Pool Facility and Community Center	35,000	35,000	state
2	Wrangell	Two Police Vehicles	70,000		
3	Wrangell	Fire Hose Replacement	25,000		
4	Wrangell	6 Mile property development plan for mixed marine/industrial uses	100,000	100,000	State
5	Wrangell	Public Works Building Improvements	50,000		State
6	Wrangell	Pool Locker Replacements	50,000	50,000	State
7	Wrangell	City Hall Energy Improvements	25,000		
8	Wrangell	Institute Property Development	100,000	100,000	
9	Wrangell	Volunteer Park Plan	25,000	25,000	
10	Wrangell	Multi-Purpose Field Improvements	100,000	100,000	State/federal
11	Wrangell	Byford Junk Yard Improvements	100,000	800,000	
12	Wrangell	SCBA's for personal Protective Equipment	60,000		
13	Wrangell	Mitigation/Restoration Plan for Public/Private Development	75000	150000	

Water Fund

Water Fund

Water Fund

gell Match is %9.3)

Economic Development Committee

2012-2013 Work Plan

Purpose

The purpose of the Wrangell EDC is to act as a sounding board for and make recommendations to the Borough Assembly on development proposals, grant ideas, project proposals and other action items.

Mission

The EDC will work to create a healthy, diversified economy with a stable tax base that supports good streets, public facilities and infrastructure, and will preserve and capitalize on its natural beauty, history and cultural diversity. New industries will be welcomed that create a diverse economic base while existing industries shall be supported to remain strong and viable. We support small businesses development.

Goals

1. ***Encourage Business Development in order Diversify the economy*** so that Wrangell is not dependent on a single employer or industry
2. Support and promote ***infrastructure development*** that enables economic growth.
3. Support our ***education*** system and opportunities.
4. Maintain communication with existing businesses and community.

Areas of Focus for 2012 – 2013 (per meeting of Feb 2012)

Discuss and promote opportunities for the Institute Property (complete prospectus)
Promotion of business prospects within Wrangell
Discuss opportunities for the mill site (with property owner)
Discuss potential opportunities with new entitlement land (9006 acres)
Discuss reuse opportunities of the old hospital
Investigate Solid Waste/ Recycling opportunities
Cluster Initiative Plan