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# Silver Bay Property Assessment

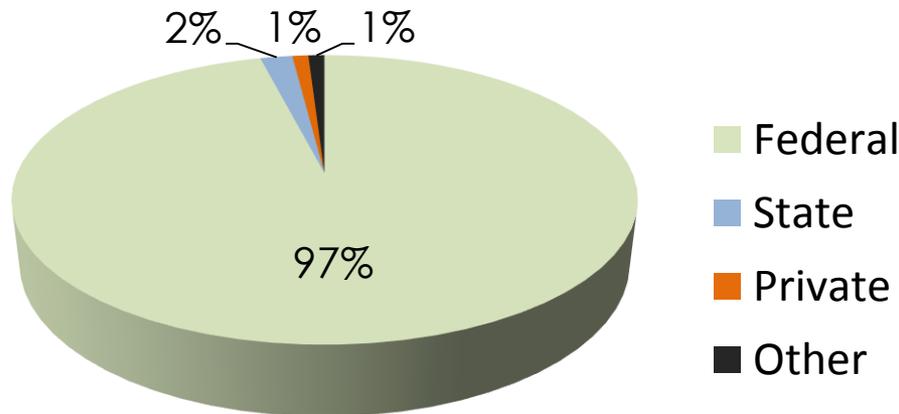
City and Borough of Wrangell, Alaska

June 8, 2016

**Project Team:** Heartland, LLC; BST Associates; Redpoint Structures

# Introduction and Scope

- Few remaining pieces of industrial waterfront
- Wrangell Land Ownership (97% owned by federal government)



- The Silver Bay Property represents about 3.6% of all private land in the Borough.
- **The feasibility study evaluates constraints and opportunities for the property along with risks and costs**



# Schedule

**JANUARY** | **FEBRUARY** | **MARCH** | **APRIL** | **MAY** | **JUNE**

Phase 1: Investigation & Research

Phase 2: Analysis & Recommendations

Phase 3:  
Final Report

## KEY DATES

**February 17th**

**June 8th**

**June 24th**

**Community Meeting #1**

**Community Meeting #2**

**Final Report Released**



# Goals

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- 1. Increase jobs and stimulate economic development***
- 2. Capitalize on deep-water access and existing marine infrastructure***
- 3. Complement other economic activities in the community***
- 4. Explore opportunities for public / private partnerships***
- 5. Manage risk for the CBW and the community***



# Property Overview

## Fee Simple Property & Leased Tidelands

	<b>Fee Simple Ownership</b>	<b>Tideland Lease</b>	<b>Total</b>
<b>Land</b>	48.3 acres	3.7 acres	52
<b>Water</b>	12.5 acres	33.5 acres	46
<b>Total</b>	60.8	37.2	98



# Strengths, Weaknesses, Opportunities, Threats (SWOT)

## STRENGTHS

- Site already partially developed
- **Large property**
- **Willing seller**
- **Deep water**
- Potential for employment
- Schools are assisting
- Good access to roads and downtown
- Proximity to rock pit
- **Good location**
- Utilities are close or available for extension
- *Redevelopment fits with 2015 Waterfront Master Plan*
- Footprint of existing in-water structures and fill provides advantages for regulatory review and permitting
- Near productive commercial fishing grounds



# Strengths, Weaknesses, Opportunities, Threats (SWOT)

## WEAKNESSES

- Area housing capacity
- Debt capacity of City
- **Small workforce**
- Need for skilled craftsmen
- Load bearing capacity of historic fill material on site
- **Poor condition of marine infrastructure at site**
- Proximity of site to residences (potential for nuisance)
- Failing condition of bulkhead
- Limited sightlines on highway curve near access points
- **Utility extensions needed**
- Water treatment capacity limited during peak usage times in summer
- Fire flows
- Location too close to Ketchikan for tour boats





# Strengths, Weaknesses, Opportunities, Threats (SWOT)

## THREATS

- Climate change impacts to fisheries and sea level rise
- **Competition with other shipyards**
- Potential for impacts to cultural resource
- Lack of funding from state
- Increased traffic
- Impacts on nearby properties
- Environmental review and permitting
- Impacts on downtown businesses
- Carbon emissions are a function of use
- Piecemeal proposals for property
- Uncertain ability to attract commercial credit because of environmental issues
- Nuisance from industrial uses
- Historical complaints about smells and noise of mill
- Recent concerns about potential impacts from waste incineration (rumors / misunderstanding about potential treatment of nuclear waste)
- **Environmental conditions – DEC letter of completion, but concern that other issues may remain**



# Site Analysis - Market

## TRENDS IN SOUTHEAST ALASKA

- Population growth of 2,600 people in the last five years
- Job growth of 1,500 in last five years (about 4.4%), though modest declines projected over next five years.
- Overall unemployment of 8.5% (National average = 5.5%)
- Job growth in seafood, tourism, mining, construction, maritime, and energy sectors
- Decline in government jobs



# Site Analysis - Market

## TRENDS IN WRANGELL

- Transitioning from reliance on forest products to more balanced economy (maritime, government, tourism, etc.)
- Closure of mill resulted in immediate loss of 20% of Wrangell's employment
- Significant population decrease between 1994 and 2006



# Site Analysis - Market

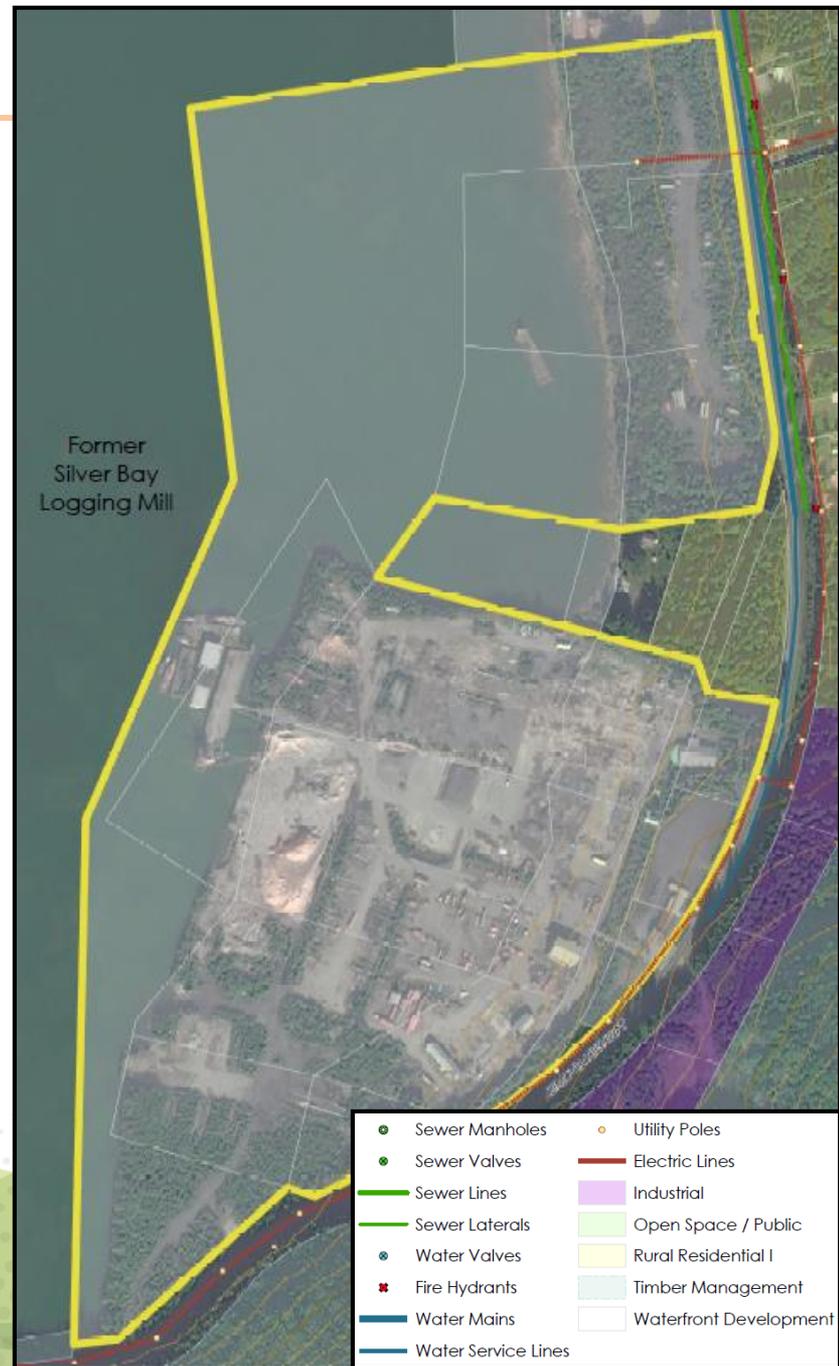
## OPPORTUNITIES FOR SILVER BAY PROPERTY

- Expansion of boatyard and storage facilities
- Seafood / ocean product development
- Small – scale manufacturing
- Workforce training and education
- Tourism
- Barge shipping



# Infrastructure

- Zimovia Highway access
- Electricity, water, and sewer lines run from the north along the Highway
  - Nearest municipal water & sewer about one 1,000 feet north of property
  - Potential to re-establish direct service line to switch yard
- Demand forecasts required to determine sufficient capacity



# Marine Infrastructure

- Deep water access
- Bulkhead failing
- Pier deck surface worn, piling and support system in fair condition



# Environmental

- Investigation and cleanup conducted after mill closure
- Excavation of contaminated soils
- Alaska Department of Environmental Conservation issued Cleanup Completion Determination in 2014
- Potential for residual impacts



# Future Use Concept Option A



# Future Use Concept Option B



# Recommendations

- **Mix of uses**
- **City facilitate redevelopment**
- **Public-private partnerships**
- **Diversified financing**
- **Additional site analysis**

