

**MARKET VALUE APPRAISAL**

**MARKET VALUE & MARKET RENT  
ATS 4, TAX LOTS 6A, 6B, 6C, 6D, 6F & 6G  
PORT OF SKAGWAY  
SKAGWAY, ALASKA  
JDC FILE NO. 16-18**

**Date of Appraisal – May 15, 2017**

**PREPARED FOR:  
Shaun McFarlane  
Moffatt and Nichol  
800 H Street Suite 208  
Anchorage, AK. 99501-3450**

**BY:**

**JULIE DINNEEN COMPANY  
Julie C. Dinneen, MAI  
302 W. Chester Street  
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# **JULIE DINNEEN COMPANY**

REAL ESTATE APPRAISALS

May 23, 2017

Shaun McFarlane  
Moffatt and Nichol  
800 H Street, Suite 208  
Anchorage, AK.  
99501-3450

Municipality of Skagway  
700 Spring Street  
Skagway, AK. 99840

**RE: DRAFT - Market Value and Market Rent - ATS 4, Tax Lots 6A, 6B, 6C, 6D, 6F,  
Port of Skagway. JDC File No. 16-18.**

Dear Mr. McFarlane:

At your request, I have completed the attached appraisal to determine ranges of market value and market rent for the above referenced upland and tideland parcels at the subject property which are in the Port of Skagway.

For this report, the fee values of the parcels are appraised, assuming that they are vacant and unimproved. The fact that the parcels are under lease at present is not considered in this report, as the purpose is to determine fee simple market values and market rents. The valuation further assumes that there are no contamination issues impacting the subject parcels.

The value conclusions are based upon the foregoing hypothetical conditions, which are presented again on Page 1 of this report.

The intended users of this report are Moffatt and Nichol and the Municipality of Skagway. This report has been completed in conformance with the appraisal reporting standards formulated by the Uniform Standards of Professional Practice (USPAP) as formulated by the Appraisal Foundation.

**Page 1 – Transmittal Letter**

Based upon my research and analysis, the conclusions of this report are as follows:

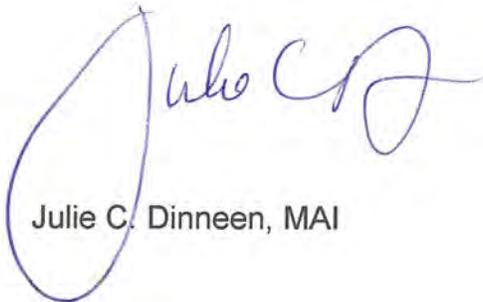
Range of Market Value for Upland Parcels	\$	7,893,126	\$	9,122,745
Rounded	\$	7,893,000	\$	9,123,000
Market Lease Rates		8%		9%
Indicated Range of Market Rent	\$	631,440	\$	821,070

Tide and Submerged Lands	SQ.FT.	1,336,000	\$	1,336,000
Tideland Value Range per Square Foot	\$	3.00	\$	4.00
Total Values	\$	4,008,000	\$	5,344,000
Range of Market Lease Rates		6%		7%
Indicated Range of Market Rent	\$	240,480	\$	374,080

For the combined parcels, the market conclusions are as follows:

Market Value Range - All Parcels	\$	11,901,000	\$	14,467,000
Market Rent Range - All Parcels	\$	871,920	\$	1,195,150

Respectfully Submitted,



Julie C. Dinneen, MAI

302 W. CHESTER STREET, LAFAYETTE, CO. 80026  
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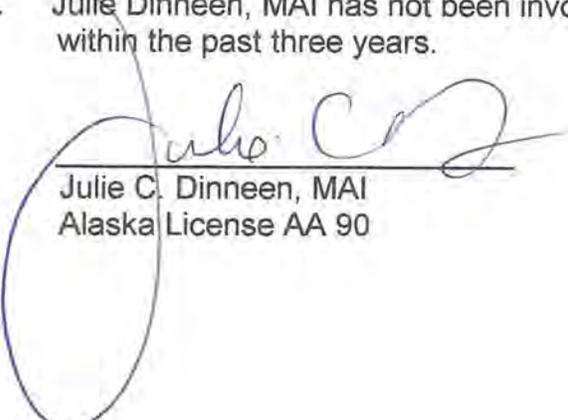
### ADDENDA

Alaska Trends - Southeast Regional Economy  
Sales Tax Revenues – Skagway  
Visitor Statistics – Skagway  
State of Alaska – Per Capita Tax Revenues  
CLIA Letter to Municipality  
Additional Information on Subject Parcels  
Market Comparisons  
Assumptions and Limiting Conditions  
Qualifications of Appraiser

## CERTIFICATE OF APPRAISAL

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
5. The appraisal was not based on a requested minimum valuation, a specific valuation, or approval of a loan.
6. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice, and the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
7. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
8. As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute.
9. Julie Dinneen, MAI, inspected the property for this appraisal.
10. This appraisal assignment assumes that there are not any materials that are hazardous to human health at the subject property.
11. Julie Dinneen, MAI has not been involved with appraisal services for this property within the past three years.



Julie C. Dinneen, MAI  
Alaska License AA 90

## APPRAISAL REPORT

### Purpose of Report

This purpose of this appraisal is to determine market values and market rents for the subject property as if owned in fee simple.

### Date of the Appraisal

The property was inspected on January 23, 2017 and this report was prepared over the following few months. The date of the appraisal is May 15, 2017.

### Users of the Report

Moffatt and Nichol and the Municipality of Skagway (Municipality) are the intended users of this report.

### Legal Description

The subject property is in the Port of Skagway within ATS 4, Skagway Recording District. The appraised property is identified by the Municipality as Lots 6A, 6B, 6C, 6D, 6F and 6G within ATS 4.

### Property Rights Appraised

This valuation appraises the fee interest in the subject property. The subject is under long term lease to Pacific and Arctic Railroad and Navigation Company (PARN), however, this fact is ignored in this valuation as the purpose is to determine the fee interest, as if unencumbered by this lease.

### Hypothetical Condition

The Uniform Standards of Professional Appraisal Practice (USPAP) defines a hypothetical condition as: *"A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis."*

The subject property is currently under lease to PARN through March 19, 2023 and as such, PARN has a leasehold interest in the property and the Municipality has a leased fee interest. The current lease of the property is ignored in this appraisal to estimate market value for the subject property as if owned in fee.

The second hypothetical assumption of this report is that the subject property is viewed as vacant land served by streets and utilities, ignoring the presence of buildings and docks that have been constructed. These improvements are not valued in this appraisal.

The third hypothetical assumption is that this valuation assumes that the subject

property is not impacted by contamination known to exist.

The value conclusions are based upon these hypothetical conditions. The use of these hypothetical assumptions might affect the assignment conclusions.

### **Definition of Market Value**

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and if neither is under undue duress.

### **Definition of Market Rent**

Fair Market Rent – The most probable rent that a property should bring in a competitive and open market. Implicit in this definition is that the lessee and lessor are typically motivated; both parties are well informed or well advised, and acting in what they consider their best interest; a reasonable time is allowed for exposure in the open market; and, the rent payment is made in terms of cash in United States dollars

### **Scope of the Appraisal**

#### The extent to which the subject property has been inspected:

The subject property was inspected in late January of 2017. I was accompanied on the inspections with Mayor Mark Schaefer, Tim Cochran, Port Commissioner and representative of Petro Marine Services and by representatives of TEMSCO.

#### The type and extent of data researched:

Past studies pertaining to the Port of Skagway, studies and statistical information regarding the tourism industry in Alaska and in Skagway were reviewed and analyzed. Representatives of the State of Alaska DNR, the Ketchikan Gateway Borough Assessor's and Planning Departments and Juneau's Ports and Harbors Department and the Alaska Railroad were interviewed. Information regarding the Port of Skagway, including property cards, aerials, ownership history, etc. were obtained from the Municipality. Owners of private cruise ship docks and other maritime industries, buyers, sellers, lessors and lessees of upland and tideland properties were interviewed.

Information pertaining to Alaskan port towns was gathered and analyzed to gather relevant market data for this appraisal. Sales and rentals of uplands and tidelands, construction costs for cruise ship docks, operating expenses and tariffs for cruise ship docks were gathered and analyzed. including land sales and rentals submerged land sales and rentals, cruise ship construction costs, tariffs and other operating costs.

### The type of analysis applied:

Relevant market data from Alaskan port towns was used to establish market value and market rent for the subject property. Sales and rentals of uplands and tidelands in these port towns were analyzed to determine market value and market rent.

### **Ownership and Current Lease**

Fee ownership is vested in the Municipality. The subject property is leased to (PARN). The lease began in March 1968 and will expire on March 19, 2023. The lease reflects the property in its natural condition as of March 1968. The original leased area was 70.226 acres and is presently 66.49 acres reflecting land taken by the expansion of the airport.

The initial annual lease payment was \$3,600 and was subject to adjustment every five years based upon appraisals. 6% of the appraised value was to be applied to determine the new market rent at each adjustment. The current rental payment is \$127,200 per year and is subject to adjustment in March of 2018. At adjustments, the subject property is to be viewed in its natural condition, before dredging, filling, etc. took place.

As noted, this valuation values the uplands and tidelands in their present condition, as if owned in fee simple. A fee simple estate is defined in the Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago: Appraisal Institute, 2010) as "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the government powers of taxation, eminent domain, police power and escheat."

### **Assessment Data**

The MOS property cards that are located within the subject property are summarized below. The current mill rate for Service Area 1, which applies to the subject is 7.0 mills.

Identification	Tax Lot	ATS	Property Card	Land Area	Assessor Base Land Value (1)
Capstone Mining Corp. (AIDEA)	6A	ATS 4	2TOWN141060	291,852 SF	\$10 SF
Skagway Terminal (Petro)	6B	ATS 4	2TOWN140150	86,205 SF	\$6 SF
AIDEA	6C	ATS 4	2TOWN141070	16,117 SF	\$10 SF
Alagnak Holdings LLC AML	6F	ATS 4	2TOWN141040	112,500 SF	\$10 SF
TEMSCO	6G	ATS 4	2TOWN141080	69,696 SF	\$6 SF
Ore & Broadway Basin	6D	ATS 4	2TOWN141090	1,230.134 SF 28.24 Acres	\$.62 SF (2)

(1) Base land value is assessor's estimate of market value as if unencumbered by the lease

(2) The 28.24 acres are valued at \$.62 SF which reflect the condition of the acreage at the commencement of the lease which began in March of 1968.

## **SOUTHEAST ECONOMY**

### **Regional Overview**

The “Alaska Trends” January 2017 publication includes a job forecast for both the state and the region. The Southeast Region portion of the publication is included in the Addenda. The following includes key points from this publication.

“Southeast Alaska is forecasted to fare slightly better than the state as a whole in 2017, a first in recent years. Southeast began to shed state government and construction jobs in 2015, and like the rest of the state, the effects are seeping into the secondary industries that depend on how well the region’s economic drivers fare.

Southeast is disproportionately affected by weakness in state government, but the region has almost none of the oil and gas employment that has been the state’s biggest source of loss. Southeast also has more of a buffer from tourism than other regions, which will further temper its losses”.

### **Government Jobs**

Southeast lost more than 500 state jobs between 2014 and 2016, and state government is expected to remain the fastest losing industry this year, at 300 jobs.

### **Fishing**

2017 is set to be a markedly better year for fishermen than 2016, which had lower than expected pink salmon runs compounded by low prices. Seafood processing jobs, which make up the bulk of Southeast’s manufacturing sectors and are included in this forecast’s data, are expected to get a corresponding boost this year from the higher catch volume.

### **Construction**

A third year of minimal capital budgets is all but certain, and while the Southeast construction industry hasn’t yet sustained the full impact of the change because past funding from larger budgets has carried over, that pool is diminishing. A handful of major projects will continue in 2017. Federal transportation funding will remain strong, with four years left of the Fixing America’s Surface Transportation Act.

### **Mining**

Mining employment is forecasted to hold steady through existing mines and contractors. Exploration employment is minimal, and no potential sites are expected to open soon.

## **Trade, Transportation and Utilities**

This sector fell by 50 jobs in 2016 and 2017's forecast is similar.

## **Tourism**

Though decreased economic activity may put a dent in locals' spending, summer tourism will remain strong if the U.S. economy is growing. Southeast had more than 1 million cruise ship visitors in 2016, and 2017 is set to be just as big. Tourism is more significant in Southeast than the state and it will shield restaurants and stores from the drop in business anticipated elsewhere. Leisure and hospitality is heavily based on tourism and it is forecasted to hold steady in 2017.

## SKAGWAY PROFILE

Skagway is located 90 miles northeast of Juneau, Alaska's capital city, at the northernmost end of Lynn Canal, at the head of Taiya Inlet. It lies 108 road miles south of Whitehorse, just west of the Canadian border at British Columbia. Skagway can be reached by water and air. It is connected by road and rail to Canada, Interior Alaska and the United States.

Skagway has been and continues to be an important transportation center in northern Southeast Alaska. This is due to its strategic location, its popularity as a tourist destination, and its value as a transshipment terminal for mineral ore, timber and other goods to and from the Yukon. Skagway's economy, population growth, and community development are closely tied to the movement of people and goods to and through town.

The off-season population of Skagway best reflects the year-round residents of 1,065 (per Alaska Department of Labor & Workforce Development – 2017). During the tourist season, the population nearly triples due to the number of seasonal employees that come to Skagway to work in tourism related industries.

Skagway's historic significance and natural beauty now attract hundreds of thousands of visitors each year. Skagway's seasonal, tourism-based economy is very strong and represents its economic base.

The port of Skagway has four cruise ship docks and will host an estimated 848,773 in 2017 (John Kimmel, CLAA Ketchikan). The visitor industry is the most important segment of Skagway's economy, providing most of the business income, employment and government revenue for the city.

### **Skagway Visitor Statistics**

The Addenda includes a more detailed exhibit for visitor statistics. The table below summarize statistics from 2010 forward. Visitors arrive in Skagway by cruise ship, ferry, highway or by air. In 2015, passengers and crew on cruise ships equated to 88.6% of total visitors and in 2016, 89%. In 2015, visitors by ferry, air and the highway accounted for 9% of the total and in 2016, 9.7%.

This data clearly shows that the most significant mode of visitor travel into Skagway is via the cruise ships.

	# of Ships Scheduled to Call	Cruise Ship Passengers	Cruise Ship Crew	Ferry, Highway & Air	Visitors – All Modes of Travel	Change/Comments
2010	370	713,333	284,139	84,465	1,111,983	-8.64%
2011	345	708,015	293,190	87,180	1,113,170	.11%
2012	355	754,255	308,812	88,555	1,174,944	5.55%
2013	394	821,971	336,189	90,894	1,271,530	8.22%
2014	423	821,888	337,773	88,028	1,269,817	
2015	402	786,228	320,406	111,684	1,243,384	-2% 3 ships could not anchor 1 day due to high winds
2016	365	779,232	312,497	120,028	1,231,826	-1%
2017	400	848,773			n/a	+8.9% increase in passengers from cruise ships expected

### Skagway Sales Tax Revenues

The Municipality collects sales taxes to meet its demand for revenues to operate the facilities and infrastructure within its boundaries. The revenues collected are summarized on the table below. It is noteworthy that approximately 70% of sales tax revenues are collected during the 2<sup>nd</sup> and 3<sup>rd</sup> Quarters. The general sales tax is 5%, except for the period of October 1 to March 31 where it is reduced to 3%. From October 1, 2016 to March 31, 2017, Resolution No. 16-24R provided for a “sales tax holiday” wherein there was no tax charged on retail sales. The Bed Tax rate is 8% year- round.

Year	Sales Tax Revenues	Change
2008	\$136,751,816	
2009	\$124,714,278	-9%
2010	\$117,668,757	-6%
2011	\$159,916,850	36%
2012	\$128,979,746	-20%
2013	\$135,859,101	5%
2014	\$141,683,703	+4.3%
2015	\$140,860,071	-.6%
2016	\$143,740,483	+2%

### New Construction in Downtown Area

The Morning Wood Hotel opened an 8-wing addition to their restaurant/motel in town within the past year or so, and David Brena built a \$1.2 million building at Second and Spring Streets that operated in 2016. The building includes retail, storage and apartment space on three floors. The owner will occupy one apartment and the balance of the building has been rented to an established retailer.

As summer housing is very tight in Skagway, there are several examples in the CBD

where areas of existing buildings that were underutilized have been converted to seasonal housing the past few years.

### Canadian Dollar

The Canadian dollar continues to hover around \$0.73 U.S. When the dollar was stronger, Haines and Skagway saw an influx of visitors almost every weekend, all year long. The weak dollar is attributed to several factors including plummeting oil prices. Low fuel prices bring in more Alaskans on road trips and more RV travelers from the Lower 48, however.

### Tourism Related Gross Sales

The following table takes a closer look at the revenue categories that are directly tied to the tourism industry:

	Retail Sales	Change	Tour Sales	Change	Restaurant Sales	Change
2008	\$44,547,141		\$45,464,038			
2009	\$41,514,734	-7%	\$43,863,190	-4%		
2010	\$24,102,811	-42%	\$34,764,568	-21%		
2011	\$34,413,012	43%	\$26,971,542	-22%		
2012	\$45,120,790	31%	\$20,349,301	-25%	\$9,166,301	
2013	\$46,310,023	3%	\$29,013,071	43%	\$8,920,179	-3.0%
2014	\$53,021,982	15%	\$33,178,216	14%	\$9,830,234	10.0%
2015	\$51,933,238	-2%	\$33,253,393	—	\$10,162,435	3.4%
2016	\$48,502,758	-7%	\$34,208,973	3%	\$11,352,883	11.7%

*Retail Sales - beginning in 2012, this category includes groceries and others previously included in Services.  
Restaurant - as of 2012, this is its own category that was previously included in Services*

### Food and Beverage (Restaurant Sales)

The Municipality has been breaking out restaurant sales revenues since 2012. Prior to that time, it was included under Services. As shown on the table above, restaurant sales increased 10.2% in 2014, 3.4% in 2015 and 11.7% in 2016. Interviews with participants in the tourism market have stated that the trend is for passengers to not return to the ship during their port time in Skagway. Restaurant and bar operators have noticed that business has been better and the outlook for continued increase is positive.

### Lodging Market in Skagway Townsite

The following table summarizes the lodging accommodations in the Townsite of Skagway. The number of rooms has changed over the past decade, as some small lodges were acquired for employee housing, and the Westmark Hotel has pared down to 114 rooms for guests after a fire in 2012 destroyed the 600 wing of the hotel. The Westmark has remodeled guest rooms and converted some wings to employee housing. The focus of the Westmark is to provide accommodations for its cruise line

guests who are on a cruise/land package. As such, accommodations available to independent travelers are very modest.

#### LODGING MARKET – DOWNTOWN SKAGWAY

Name	Guest Rooms	Comments
<b>Sargent Preston's – 370 6<sup>th</sup> Street</b>	38	Built in stages. One story buildings with motel style rooms. Abuts subject property to the west. Open year round.
<b>The White House 8<sup>th</sup> &amp; Main Streets</b>	10	Two stories, rooms have private baths. TV's and Wi-Fi in all rooms. Not open all off season. Includes breakfast
<b>Mile Zero B&amp;B 9<sup>th</sup> &amp; Main Streets</b>	10	One story lodge style with large rooms and private baths. TV's and WiFi in all rooms. Open year round. Includes breakfast.
<b>Westmark Inn 3rd &amp; Spring</b>	114	Several two-story motel type buildings central in town. TV's & WiFi in all rooms. Seasonal operation. Decreased from 151 rooms to 114 rooms within past year
<b>Skagway Inn 7<sup>th</sup> &amp; Broadway</b>	10	On Broadway, historic charm, smaller rooms. On site restaurant and bistro. Rooms do not have TV's but do have internet. Seasonal operation. TV in lobby and bistro. Includes full breakfast
<b>Morning Wood Hotel – 444 4<sup>th</sup> Street</b>	18	2011 2 <sup>nd</sup> floor addition above the Pizza Station has 10 rooms. Open year round. Wi-Fi but no TV's. Second building with 8 guest rooms and additional food/beverage services opened in 2016
<b>Total</b>	<b>200</b>	70 or 30% are open year-round

A review of bed tax statistics in Skagway over the past six years indicates that 90-96% of bed tax revenues are earned in the 2<sup>nd</sup> and 3<sup>rd</sup> quarters of the year with 4-10% earned in the 1<sup>st</sup> and 4<sup>th</sup> Quarters. As shown, bed tax revenues have been stable over the past six years. The Bed Tax rate in Skagway is 8% year-round.

#### Total Bed Tax Revenues - Skagway

Year	1 <sup>st</sup> & 4 <sup>th</sup> Qtrs.	2 <sup>nd</sup> & 3 <sup>rd</sup> Qtrs.	Annual	2 <sup>nd</sup> &3 <sup>rd</sup> Qtr.%
2011	\$85,684	\$1,984,491	\$2,070,175	96%
2012	\$134,018	\$1,771,634	\$1,905,652	93%
2013	\$123,745	\$1,728,969	\$1,852,704	93%
2014	\$216,594	\$1,862,686	\$2,079,281	90%
2015	\$90,378	\$1,975,348	\$2,065,926	96%
2016	\$131,220	\$1,856,263	\$1,987,483	93%

## OVERVIEW OF CRUISE INDUSTRY

Almost all Alaska itineraries include visits to Southeast Alaska, which has three major ports of call: Juneau, Ketchikan and Skagway. Ships also make port calls in Sitka, Icy Strait Point (Hoonah) and Haines which are secondary ports, and Wrangell and Petersburg which are minor ports.

The cruise industry generates significant revenues for state and local governments in Alaska. User fees, sales taxes, lodging taxes, property taxes, income taxes and other payments all flow to state and local governments in Alaska directly or indirectly from the industry. Property taxes related to the cruise industry result from cruise line owned facilities and equipment. For example, the industry owns hotels, busses, tour operations and retail buildings in some towns.

The State receives several forms of direct payments from cruise lines: The Commercial Passenger Vessel Tax (CPV), Ocean Ranger Program, and Commercial Passenger Vessel Environmental Compliance.

The CPV is the most significant of these and adds \$34.50 per passenger, per voyage, for cruises lasting longer than 72 hours in Alaska's waters. The Department of Revenue deposits all the CPV revenues into the Commercial Passenger Vessel Tax Account in the General Fund. Subject to appropriation by the legislature, the commissioner distributes \$5 per passenger of the tax revenue to each port of call. The money is given to the municipality governing the port of call.

The municipalities make the decisions as to how the revenues are spent. For the period of 2007 – 2014 Skagway received \$26,490,710 in shared CPV revenues. Skagway has used shared CPV revenues to pay for municipal services or facilities that benefit cruise ship visitors, such as fire and police services, public works departments and facilities such as the civic center, museum library and health center.

The following exhibit summarizes the cruise ship docks located in Skagway, Juneau, Ketchikan and Sitka, along with the projected passenger estimates and calls for 2017 and current tariffs. As shown, the three top ports have similar tariff structures. Sitka's tariffs are far lower, as secondary ports trying to increase ship calls cannot command the tariffs found in the three major ports.

## Ports of Call & Tariffs - Selected SE Ports

	Skagway	Juneau	Ketchikan	Sitka
Projected Passengers – 2017 (Source: CLAA Ketchikan)	848,773	1,056,374	1,008, 833	176,352
Total Calls	374	508	490	155
Railroad Dock (front)	131 or 35%			
Railroad Dock (rear)	104 or 28%			
Broadway Dock	60 or 16%			
Ore Dock	79 or 21%			
Steamship Dock		120 or 24%		
Cruise Terminal		133 or 26%		
Franklin Dock		114 or 22%		
AJ Dock		115 or 23%		
Berth I			125 or 26%	
Berth II			135 or 28%	
Berth III			112 or 23%	
Berth IV			92 or 19%	
Old Sitka Dock				95 or 61%
Berthage or Dockage Tariffs	\$2.10 foot per day	\$3.00 foot per day	\$2.54 foot per day	\$3.00 foot per day
Port Fees	\$8.51 per pax  Privately owned and operated	\$8.00 per pax  Marine Pass. Fee (\$3) & Port Dvpt. Fee (\$5)  City owned/operated	\$8.90 per pax  \$7 passenger wharfage & \$1.90 port development	\$2.50 per pax  Privately owned and operated

## Direction of Cruise Industry – Vessel Size

A comparison of vessels in the region in 2010 versus 2016 show that GRT (gross tonnage) has grown 12.6%, length has grown 4.6% and passenger capacity has grown 16.4%. The Panama Canal opening in 2016 greatly freed up the movement of most of the largest vessels to and from the Caribbean to Alaska.

At present, the mainstay of the Alaskan cruise ship fleet is a Vessel A design - ships up to 960 feet in length (1). Cruise line agencies indicate that the mainstay in the Alaskan market within the next several years will be the Vessel C design - ships of 1,000 to 1,050 feet, and the Vessel D design – ships of 1,050 to 1,100 feet. Vessel E ships will be 1,100 to 1,150 feet in length may have some presence in the Alaska market in the future.

To meet these near-term changes in the industry, the cruise line industry suggests that ideally, Juneau, Ketchikan and Skagway all have four large fixed berths plus 1-2 tender locations. Juneau just completed two new floating docks downtown that can each accommodate a 1,000-foot vessel, and has the potential for one or two of the remaining two private docks to expand 1,150 feet. Juneau can also lighter ships.

Ketchikan is in the planning process for upgrades to its berths to accommodate the larger vessels (2). It has been identified that the current downtown dock has four berths, but they are designed for the current standard cruise ship size, and, the fixed docks at Berths I and II don't work with the passenger doors on the sides of newer ships. Berth I and Berth III could be expanded to serve Vessel D and E ships of 1,100 feet and longer. A rock pinnacle would need to be removed from the channel of Berth II, which is a navigation hazard.

The Port of Skagway has been informed by the Cruise Line International Association (CLIA) that its current berthing capabilities are not adequate to accommodate some of the ships that are projected to call in 2019. To accommodate these ships, either the Railroad Dock or the Ore Dock would need to be expanded. A letter from CLIA is included in the Addenda.

### Footnotes:

- (1) *These are generic designations applied by Moffatt and Nichol (and are not industry standard references) to aggregate individual cruise ships in to 50 foot ranges of LOA for development of berthing facilities.*
- (2) *Ketchikan is proceeding with the design of Berth III modifications and with preliminary design and permitting for the removal of the rock pinnacle.*

## PORT OF SKAGWAY



As a visitor destination, Skagway is ideally located as a port of call for cruise ships, a transfer site for rail and interior bus tours, and a link on the highway system and the Alaska Marine Highway. The Klondike Gold Rush Historical Park and White Pass and Yukon Railroad are major attractions. The Port of Skagway (POS) is the most heavily used portion of town. The flow of people and goods, products and resources to and through the City drives the local economy.

Per the Coastal Management Program, there is an AMSA (Area Meriting Special Attention) for the Port of Skagway. The AMSA boundary includes lands immediately adjacent to the water that must be used for water dependent and water related uses, lands that will serve as a buffer between the working waterfront and historic and business district, and a nearby portion of uplands where uses do not have to be water dependent or related.

The AMSA boundary coincides with the Alaska Tidelands Survey (ATS) No. 4 except for the mouth of the Skagway River and where the AMSA boundary swings out about 20 to 100 feet from the ATS 4 boundary near Congress Way. At this locale, the AMSA boundary coincides with the White Pass railroad tracks.

The POS has three deep water docks, a pass-pass barge dock and yard storage, a floating dock shared by AMHS and the City, an RV Park, a boat yard and small boat harbor. The POS can handle large vessels up to 1,000 feet and smaller commercial passenger and recreation vessels up to 150 feet. The freight barge line and fuel tank farm are both located at the Port. The airport is just northwest of the port and the State Street, a state highway, terminates at state ferry terminal.

### **Port Ownership & Operations**

The waterfront and tidelands of the Port from the small boat harbor to the mouth of the Skagway River are owned by the Municipality with a few exceptions. White Pass has fee owned land at the east border of the Port, proximate to Congress Way and the Railroad Dock, and a small parcel north of the Broadway Dock on uplands. The State of Alaska owns the ferry terminal uplands and tidelands and 2/3 of the floating dock. The road to the AMHS ferry terminal is part of the Klondike Highway which is state owned.

The portion of the Port from the Broadway Dock west to the mouth of the Skagway River has been leased to PARN (commonly called White Pass) since 1968. The 55-year lease will expire in March of 2023. Originally 70.226 acres, the area leased is now 66.49 due to reductions due to the airport expansion that added parking and staging areas.

White Pass developed and operates all three deep-water docks at the Port which are capable of handling large vessel traffic. White Pass operates all of the docks and owns and operates the railroad. There are rail spurs proximate to the docks that allow for an efficient transfer of cruise ship passengers to the narrow gauge "White Pass & Yukon Route" tour operated by White Pass.

White Pass subleases several commercial and industrial sites on the its leased land to TEMSCO Helicopters, Petro Marine, AML, AIDEA and NOAA. All the leases except for Petro Marine and AIDEA are holding over at this writing, pending decisions regarding the future direction of the port, visa vis the requirements of the cruise industry for expanded berths, contamination issues at the ore terminal and end of the PARN lease in March of 2023.

### **Upland and Tideland Areas in Port of Skagway**

The following exhibit summarizes the land areas with POS that support existing uses. Of the 118 acres reflected on this exhibit, 79 acres are tide or submerged lands and 39 acres are uplands. The State of Alaska owns 11% of the area within the Port which includes both owner occupied and leased lands, White Pass owns just over 6% of the total area and the Municipality owns 83%. Forty three percent of the land owned by MOS is currently under lease to White Pass (PARN).

The east portion of the POS reflects 57% of the total area which includes the Railroad Docks, boat harbor, boat yard, RV Park and AMHS ferry terminal are located here.

The City leases five small areas in this portion of the POS to two businesses in the boatyard, two restaurants and to Petro Marine for a harbor fuel station. The land area within these five leases is less than 20,000 SF. The Pullen RV Park is leased on a seasonal basis to an operator.

Of the 118 acres, 43% is subject to this appraisal or 2,198,150 SF. The City lease to PARN is 66.49 acres of which 76%, or 2,198,150 SF, supports the existing upland parcels and the tideland areas located in the west basin. The remaining 24% of the 66.49 acres reflects streets, sloped areas, and/or tidelands that lie in the southwest portion of the leased area where development potential is low. Nine areas are identified as supporting the existing uses at the subject property.

SUMMARY OF LAND AREAS AT PORT OF SKAGWAY				
NAME OR LOCATION OF PARCEL	UPLANDS	TIDE & SUB-MERGED LAND	TOTAL	COMMENTS
TEMSCO	69,696	0	69,696	in White Pass leased area
Petro Marine	86,205	0	86,205	in White Pass leased area
AIDEA - two adjoining parcels	307,969	0	307,969	in White Pass leased area
Ore Dock Staging Area & Walkway to CLAA	59,500	0	59,500	in White Pass leased area
Land Area N. of Petro and West of AIDEA	34,500	0	34,500	in White Pass leased area
CLAA	81,400	0	81,400	in White Pass leased area
Broadway Dock Staging Area	110,380	0	110,380	in White Pass leased area
AML	112,500	0	112,500	in White Pass leased area
Tide and Submerged Lands	-	1,336,000	1,336,000	in White Pass leased area
<b>Subtotal of Areas within White Pass Lease</b>	<b>862,150</b>	<b>1,336,000</b>	<b>2,198,150</b>	
<b>Percentage of Uplands and Tidelands</b>	<b>39%</b>	<b>61%</b>		
Broadway Upland Fee Owned Lot 3	23,650	0	23,650	owned by White Pass
Railroad Dock Fee Owned Lands	50,000	263,632	313,632	owned by White Pass
Railroad Dock Submerged Land Possessory Interest	-	196,020	196,020	city owned, used by WP
Railroad Dock Submerged Lands Leased from State	-	168,142	168,142	State leases to WP
Pullen Creek RV Park	132,000	0	132,000	City owned rented to operator
City Tidelands W. of RR Dock & E. of Ferry	-	900,000	900,000	City owned submerged lands
Boatyard	339,000	-	339,000	city owned & operated
Boat Harbor and Supporting Uplands	75,000	390,000	465,000	city owns and leases small areas
Alaska State Ferry Terminal	225,000	174,000	399,000	state owned/City owns 1/3 dock
<b>Subtotal of Areas not in White Pass Lease from City</b>	<b>844,650</b>	<b>2,091,794</b>	<b>2,936,444</b>	
<b>Percentage of Uplands and Tidelands</b>	<b>29%</b>	<b>71%</b>		
<b>GRAND TOTAL</b>	<b>1,706,800</b>	<b>3,427,794</b>	<b>5,134,594</b>	
<b>TOTALS IN ACRES</b>	<b>39</b>	<b>79</b>	<b>118</b>	
<b>% OF UPLANDS &amp; SUBMERGED LANDS</b>	<b>33%</b>	<b>67%</b>		

The following exhibit summarizes land areas in ports and for cruise ship docks in Alaska. This exhibit is included here to support illustrate that the upland/tideland ratio at the POS falls in line with the marketplace.

Location	Total Size	Uplands	Tidelands	Comments
Old Sitka Dock Sitka	367,376 SF 8.43 acres	100,789 SF 27%	266,587 SF 73%	Private dock
Berth IV Dock Ketchikan	329,857 SF 7.57 acres	93,806 SF 28%	236,051 SF 72%	Privately built and city operated
Franklin Dock Juneau	282,142 SF 6.48 acres	81,331 SF 29%	200,811 SF 71%	Private dock
AJ Dock Juneau	591,757 SF 13.58 acres	212,063 SF 36%	379,694 SF 74%	Private dock
Port of Seward	8,494,200 SF 195 acres	3,049,200 SF 36%	5,445,000 64%	Owned & operated by Alaska Railroad. 195 acres of 328-acre reserve support operations.
Port of Skagway	5,134,594 SF 118 acres	1,706,800 SF 33%	3,427,794 67%	

The **Railroad Dock** can accommodate two large cruise and has a total berthing length of just under 2,000 feet. Shore bollards at the south end of the dock allow for extra ship lines. This dock was extended at its south end in 2002 by 210 feet to accommodate the berthing of two large cruise ships. This dock has on rail service (800 feet of rail spur) which enhances the ease and efficiency for rail shore excursions. There is 80,000 SF of uncovered storage area available. Power and water extend to the 5<sup>th</sup> bollard at the Railroad Dock. The Skagway power plant cannot accommodate the needs of ships when in port, so ships stay on their own power.

In 2017, 235 or 63% of the 374 ships that will call on POS will berth at the forward or aft portion of the Railroad Dock. Ships of 778 feet to 1,033 feet in length will call at these two docks with most at about 965 feet. Ship capacity varies from 1,070 to 3,100 passengers. Often, there are two ships docked at the Railroad Dock. The aft dock is about .80 miles from 2<sup>nd</sup> and Broadway and the fore dock is approximately .6 miles from 2<sup>nd</sup> and Broadway.

The **Ore Dock** was built in 1962 for use by bulk carriers in the lead and zinc ore concentrate trade. After the decline of the mineral trade in the early 1980s the Ore dock was modified to serve as an alternate cruise ship dock. In 1992, the docks and walks

were significantly rebuilt. The heavy wood, north section is about 36,800 SF. The south portion was partially demolished and replaced with a concrete and steel dock structure in 2000 of approximately 53,650 SF. An extension was made to the Ore Dock and the steel pilings and dolphins were driven into water as deep as 200 feet at the south end. This dock can accommodate ships of 965 feet. There is a walkway from this dock along the waterfront past the ore terminal and a 1,400-foot rail spur accommodates ship to shore excursions. The cruise ships cannot advance past the ore loader. North of the ore loader, Handy size ore ships berth in front of the Ore Terminal.

In 2017, 79 ships, or 21% of the total ships calling will berth at the Ore Dock. Ships berthing at this dock include the Norwegian Jewel (965 feet), the Silver Shadow (610 feet) the Ruby Princess (951 feet) and the Disney Wonder (965 feet). The capacity of these ships is 382 to 3,080 passengers. The Ore Dock is approximately .45 miles from 2<sup>nd</sup> and Broadway.

The **Broadway Dock** is centrally located in the Port, in line with Broadway Street. There is a rail spur located on the uplands adjoining this dock for rail shore excursions. This dock lies closest to historic Broadway Street in the core downtown of Skagway. Broadway Dock is 300 foot x 44-foot dock that has been extended to accommodate cruise ships up to 965 feet in length with capacities of up to 2,590 passengers.

In 2017, 60 ships will call at this dock, or 16% of the total calling at POS. Ships calling at this dock include the Norwegian Pearl (965 feet), the Nieuw Amsterdam (935 feet), the Grand Princess (951 feet) and the Regatta (594 feet). The Broadway Dock is approximately .3 miles from 2<sup>nd</sup> and Broadway.

### **AMHS Ferry Terminal**

The ferry terminal and dock are adjacent to the Broadway Dock and occupy approximately 10 acres up uplands and tidelands. The access to the terminal is via the State-Owned State Street. The floating dock ownership is shared (1/3 MOS 2/3 AMHS). The terminal facilities include the terminal building, staging areas and the dock. The dock needs to be replaced or repaired.

### **Small Boat Harbor and Boatyard**

The Skagway Small Boat Harbor with 116 slips. It is a full-service marina with moorage for pleasure and commercial vessels up to 150 ft. Transient moorage is on a space available, first come, first served basis. There is a waiting list for annual moorage. Harbor amenities include seasonal potable water on all docks and seasonal restrooms and showers. There is a pump-out facility for holding tanks, and garbage receptacles at each ramp. 20-amp power is available at all docks. A harbor crane with a two-ton capacity is available on the ferry

float. Haul-outs for shallow draft vessels up to 20 tons and 40 ft. are possible with a hydraulic trailer, and there is a tidal grid for larger vessels. A pressure washer is available to rent.

### **Pullen Creek RV Park**

Abutting the boatyard to the north and accessed from Congress Way is the RV Park which is owned by the city and leased to an operator. The RV park has showers, restrooms, 46 hook-ups, Wi-Fi, power, and an office. It sits above the boat harbor in a partly wooded setting and is accessed from Congress Way.

## DESCRIPTION OF SUBJECT PROPERTY

As noted earlier in this report, of the 118 acres supporting existing uses at the Port, 43% is subject to this appraisal or 2,198,150 SF. The Municipality lease to PARN is 66.49 acres of which 76%, or 2,198,150 SF, supports the existing upland parcels and the tideland areas located in the west basin. The remaining 24% of the 66.49 acres reflects streets, sloped areas, and/or tidelands that lie in the southwest portion of the leased area where development potential is low. Nine areas are identified as supporting the existing uses at the subject property, identified in this report as Parcels 1-9.

The following information pertains to the general physical characteristics of the subject property.

### Parcel Land Areas

Several of the parcels have separate property cards at the Municipality and the land areas are identified on those cards are used in this report. Some of the parcels broken out in this appraisal do not have separate property cards and their land areas were estimated relying on measurements using Google Maps. The Google Maps exhibits are included in the Addenda.

### Topography & Soils Conditions

The POS is located at the mouth of the Skagway River, on Taiya Inlet. The intertidal area by the Port is composed of deltaic deposits (sandy gravel, gravelly sand, shell fragments, sand and silt). This is covered by alluvial river deposits and by man-made fill.

### Bathymetry

Taiya Inlet is part of the upper Lynn Canal and is an estuary which lies in a deep valley, with Skagway, Alaska at its north end and the remainder of the Lynn Canal at its south end. It is the deepest fjord NOAA has chartered. For example, it is approximately -1,300 feet deep 1/8 mile from the shoreline of the south end of the Railroad Dock.

The bathymetry of the Taiya Inlet is unusual in that it is more than three times the depth of other estuaries of Lynn Canal. Depths range from 200 feet to more than 1,400 feet. The average bottom depth off the Port and Skagway River areas is about 84 feet, increasing to between 120-140 feet by one quarter of a mile offshore.

Proximate to the north shore of the POS, the sea floor is gentle and has been dredged to 25 to 43 MLLW depending upon the use. Handy size ore vessels that berth at the ore terminal require a depth of 40 feet. The south extension of the Ore Dock is in deep water as the topography of the inlet drops quickly as one travels south out of the basin.

## **Tides**

Mean Higher High Water (MHHW) is +16.74 feet above Mean Lower Low Water (MLLW); the normal tidal range for Skagway. The highest historical observed water level is +26.49 feet (MLLW) in 1945, and the lowest observed is -6.44 feet (MLLW) in 2008.

## **Streets**

Streets that access the POS include Congress Way, Broadway Street, Main Street, State Street and Terminal Way. These streets are paved and are publicly owned and maintained. All are two lane streets traveling in two directions. Traffic is managed by stop signs.

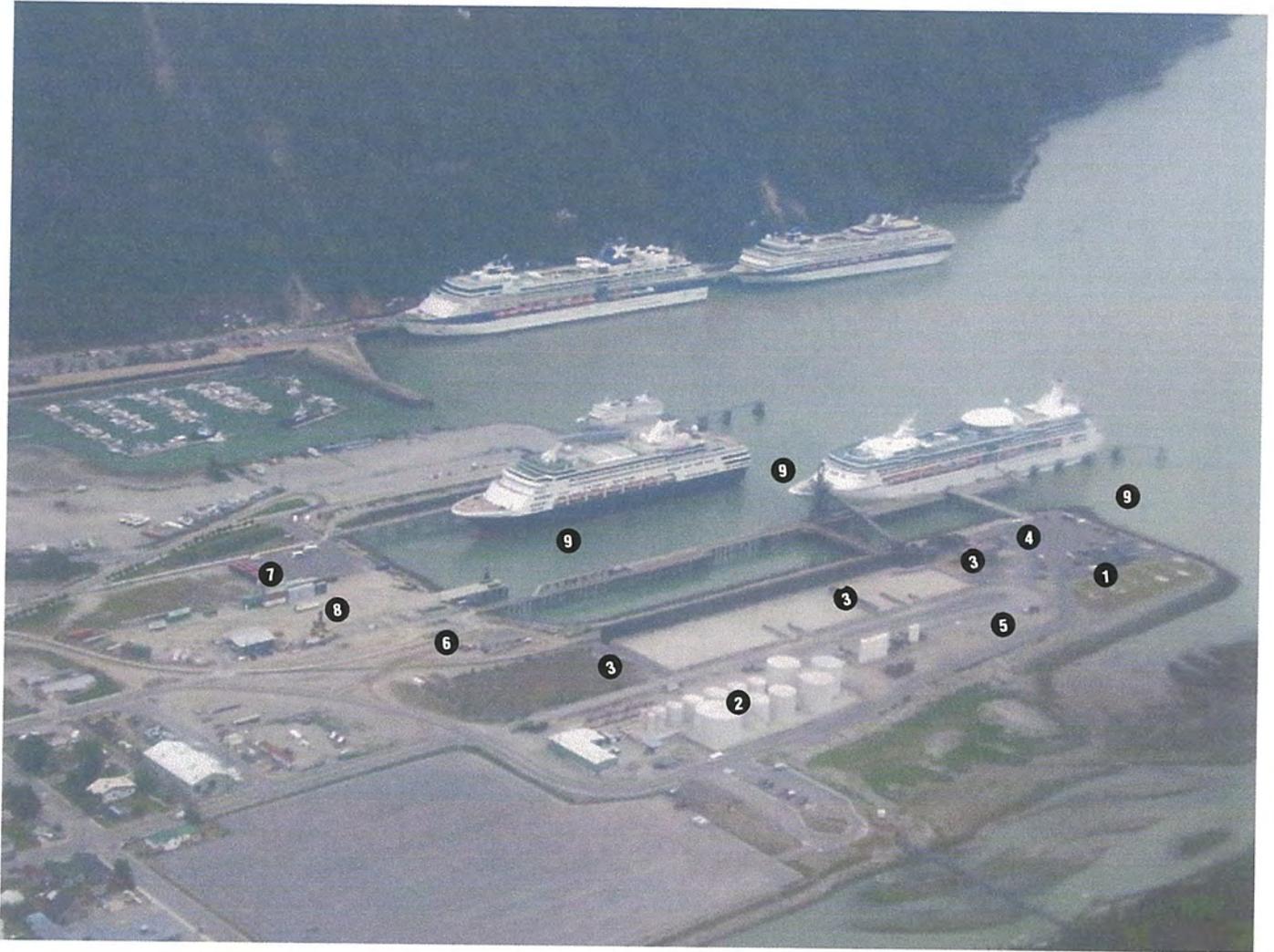
Congress Way dead ends at the Railroad Dock and Terminal Way dead ends at Temsco. Main, Broadway and State Streets terminate at the POS. State Street is state owned and maintained highway that continues out of Skagway and in to Canada. Whitehorse is 114 miles away via the highway.

## **Zoning**

The subject parcels are zoned Waterfront (W). This zoning designation allows for public and private commercial moorage, warehousing and storage, marine fuel, water and sanitation facilities, research and educational facilities related to the water, port, and harbor facility, seafood processing plants, boat yard storage, fish and shellfish propagation, parks and open spaces and water dependent or related visitor services, and sales related to maritime activity that require or benefit from a shoreline location.

The Municipality has classified the W uses as industrial or commercial. Only the Temsco parcel is classified as commercial in use.

LOCATION MAP FOR SUBJECT PARCELS 1-9



## Subject Property Upland Parcels

The uplands are located along the north shore of the ore basin and on the ore peninsula. Parcels 1- 8 are uplands. In the Addenda, additional maps and Municipality property card information is included for these parcels.

### Parcel 1 - TEMSCO Helicopters

TEMSCO operates on a site located at the end of the ore peninsula. The site is ideal for TEMSCO because it offers an unfettered approach for helicopters.

The site is zoned Waterfront Commercial and faces south toward Taiya Inlet and east across the mouth of the Skagway River. The TEMSCO site is 69,696 SF per the assessor's property card, and is a level parcel of land that has been improved with a one and two story terminal building and a fenced tarmac area with 7 helicopter landing pads. The building, built in 2000, offers terminal facilities of good quality, offices for administration purposes, storage and utility rooms, etc. All utilities are available to this site and access is from the two-lane paved road that extends along the west side of the peninsula.

TEMSCO primarily caters to tourists in the summer. During the off-season, TEMSCO transports customers and cargo, slings cargo, takes customers heli-skiing, and provides services for APT and the Park Service.

Per White Pass, TEMSCO's' ground lease began in January of 2001 and is a ten-year lease with two five year options. The first five-year option expired at the end of 2015 and TEMSCO has been holding over since January 1 of 2016. TEMSCO is currently paying ground rent of \$92,040 per year. TEMSCO had a license to use a portion of Parcel 5 for a sling area, but is has expired and no renewals are being made at present.





## **Parcel 2 - Petro Marine Fuel Tank Farm**

Petro Marine is a 4.6-million-gallon petroleum product storage facility for aviation, automotive, heating and marine vessels. It is the main distribution outlet for bulk fuels to the Yukon Territory. The fuel barge arrives every 15-20 days.

The upland parcel supporting Marine is located on the ore peninsula, to the west of the ore terminal building. Petro Marine has underground and above ground piping to transport the fuel from the dock to the storage tanks. According to the assessor's property card, the site is 86,250 SF.

The site is generally rectangular but for the northern border which follows the curve of the road system. The site is level and is served by utilities and the road system. The site is improved with a warehouse/office building and fuel tank farm. Fuel tanks are filled using pipe systems that access the docks to the east. Petro Marine pays fuel flow and wharfage/docking fees to White Pass, which owns the ore terminal dock.

The tank farm was built in the mid to late 1980's. In 1995, the tank farm expanded by three tanks; since then, the facility has been modernizing. Fuel is off loaded in pipes to tanks at a rate of 120 to 140 gallons per hour using two hoses. The flow fee is \$16,000 to \$35,000 per fuel ship call. Petro Marine has a fuel station at the state ferry and at the boat harbor. Mr. Cochran would like to add a 1-million-gallon tank to meet the needs of winter fuel demands.

Tim Cochran, owner, stated that with the drop in fuel prices, truck patterns have changed in and out of Skagway. There are twice as many trucks this year as compared to last year; the delivery trucks are completing two round trips to Whitehorse each day.

Petro Marine began leasing in 1995 on a 28-year term that expires in March of 2023. Petro is currently paying ground rent of \$8,751 per year.



### **Parcel 3 - AIDEA Ore Terminal Facility**

AIDEA owns the buildings and improvements on the site and subleases the site from White Pass. AIDEA has contracted with Capstone Mining to operate the terminal facility. Reportedly, the current activity at the terminal equates to the export of 8,000 to 10,000 tons per month. The ore ship arrives every 60 days. In the 1980's this terminal facility reportedly exported 40,000 tons/month.

The AIDEA site is reflected on two property cards; one for 291,852 SF and one for 16,117 SF; the total area is 307,969 SF. These two parcels are adjoining and create a large, mostly rectangular shaped site that is proximate to the waterfront. As shown, at its west and north ends, the site has an irregular border.

Between the AIDEA site and the waterfront is a strip of uplands that is used by White Pass for the operation of the docks. The strip includes a paved walkway and the rail spurs that serve the berths. This strip of land is included in Parcel 4.

The AIDEA property includes driving lanes and staging areas for equipment, and

supports a 150x180 foot metal clad storage building and a 150x540 open storage area contained by a former foundation wall. At the north end of the site is a grassy area that is reportedly to be left undeveloped as mitigation for past contamination related issues.

Per White Pass, AIDEA is paying ground rent of \$14,169 per year. The sublease terminates on March 18, 2023.



## Parcels 4, 5, 6 & 7

Lot 6D of ATS 4 is identified on the tax rolls as 2TOWN141090 and is 28.24 acres or 1,230,134 SF. The uplands and tidelands in this parcel are used by White Pass for the operation of its docks. Lot 6D includes tideland and upland areas. The upland areas are broken out as follows:

Parcel #	Location	Land Area	Comments
4	Ore Dock Staging Area & Walkway along Waterfront	59,500 SF	Located east of TEMSCO at the end of the ore peninsula
5	Parcel S. of Petro & W. of AIDEA	34,500 SF	No property card, a portion of this area has been used by TEMSCO for slinging
6	CLAA Parcel	81,400 SF	Located at northwest end of basin along the shoreline
7	Broadway Dock Uplands	110,380 SF	No separate property card, fee area (Lot 3) within this parcel is excluded as it is owned by White Pass

### Parcel 4 - Ore Cruise Ship Dock Staging Area & Walkway along Waterfront

This flag shaped parcel includes a paved lot lying east of TEMSCO at the end of the peninsula. The Addenda includes a Google map for this parcel, which is 59,500 SF. The parcel contains the Ore Dock staging area and the paved walkway along the waterfront north to the CLAA parcel.

The staging area portion of this parcel is 34,500 SF per Google map measurements. It is level, paved and served by utilities and the street that extends along the peninsula, described above. The site is at the end of Terminal Way and has waterfrontage on its east and south borders. The paved walkway and rail spurs are in this long, rectangular area of 25,000 SF according to the assessor's property card.



### Parcel 5 – W. of AIDEA & S. of Petro Marine

This parcel is located south of Petro Marine and W. of AIDEA. It is an irregular shaped parcel fronting Terminal Way. Per Google maps, this parcel is 34,500 SF. It is a level site with frontage on Terminal Way and is served by all utilities.



### Parcel 6 - CLAA Parcel

Cruise Line Agencies of Alaska occupies a 1,296 SF one story commercial building on this site, which is irregular in shape. The site is on the waterfront where the basin curves at its northwest corner. CLAA borders AML to the east and the grassy area at the north end of the AIDEA property to the west. The site is level and cleared and is served by all utilities. The rail spur bisects this parcel which is 81,400 SF in size per measurements made with Google maps.

AML uses the easternmost strip of this parcel for additional vehicle and equipment

storage per a license to use, which has expired.



### **Parcel 7 - Broadway Dock Uplands**

There is not a separate property card for this parcel, as it is included with the Ore Dock and Ore Terminal uplands and tidelands. The size of this parcel is 134,031 SF per Google maps, however, within its boundaries is Lot 3, a 23,650 SF parcel owned by White Pass. Deducting this area, this parcel size is estimated at 110,380 SF.

This parcel is immediately north of the Broadway Dock and serves as a staging area for cruise ship passengers. It is a level, cleared and slightly irregular shaped land area. The rail spur bisects this parcel. At the waterfront is a bulkhead and railings. This upland is served by Broadway Street, water, sewer and power.



### **Parcel 8 - AML Barge Line**

Skagway's barge line is located at the head of the ore basin and includes an upland area of 112,500 SF that is a deep site with frontage on the ore basin. The site is level and is served by all utilities and by paved access. The AML dock has 100 ton GVW pass-pass capability with two large forklifts. The uplands provide a 2,000 SF warehouse building and 100,000 SF of open storage.

During the summer months when cruise ships call, the ships have priority. AML barges arrive every week and they can get blocked in by ships on occasion. AML has expressed interest in relocating to a site proximate to TEMSCO at the end of the peninsula.

According to White Pass, AML has been holding over since January 2016 when the five-year lease renewal option expired. AML's lease began in 2001 and is a ten-year

lease with two five-year renewal options. The first five-year option expired on December 31, 2015. AML has been holding over since January of 2016. AML is currently paying ground lease rent of \$85,812 per year



### **Parcel 9 - Tide and Submerged Lands**

The subject tide and submerged lands are in the ore basin and extend south to within a short distance of the south boundary of ATS 4. The tidelands are offshore of the ore peninsula, along the Ore Dock and in the area where the AML Dock, Ore Terminal dock, and Broadway Docks are located.

Google maps was used to estimate a tideland area of the tideland area of 1,336,000. Approximately 1,300,000 SF of this area supports the Ore Terminal wharf, Ore Dock, the AML barge dock and the Broadway cruise ship dock. The northern portion of this area has a seafloor with a gentle topography. It is dredged at the north end to 40-42 feet MLLW.

The tidelands at the south end of the basin are in deep water; for example, the southernmost dolphin of the Ore Dock is in 200 feet of water. The depth of the inlet drops quickly past this point. An area of approximately 36,000 SF reflects tidelands offshore of the present Ore Dock Staging area that could potentially support a barge landing. AML has expressed an interest in relocating to this location. This use, or another similar use, is realistic for this tideland area.



**View from Ore Dock looking Northeast**



**View across basin from ferry dock**



**AML barge docking in ore basin**



**View looking southwest at Ore Dock**

## HIGHEST AND BEST USE

The definition of highest and best use is as follows:

*The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.*

The Highest and Best Use for the subject parcels is for maritime commercial and industrial uses that require waterfrontage or proximity to docks and wharves for the transfer of passengers, cargo, fuel, and other goods in and out of Skagway. The POS is one of the three top cruise ship ports in Alaska. As illustrated earlier, the POS has an upland/tideland allocation that falls in line with other port locations in Alaska.

This valuation addresses the subject uplands and tidelands as vacant and available to be put to their highest and best use. The cruise ship industry is Skagway's mainstay and is the dominant use in the POS.

There are larger ships scheduled to be deployed in the Alaskan market by 2019 which will replace existing ships. There are many instances in Southeast Alaska where new dock construction and recent or pending renovations are addressing the needs of the industry to be able to accommodate these larger ships.

In its present condition, the POS will not be able to accommodate some of the ships that are scheduled to call in 2019. This is a significant issue facing the POS and its future direction. The most likely location of a berth to accommodate these larger ships would be in the subject's ore basin.

Given the foregoing, the highest and best use of the subject property is to accommodate the basic needs of the community for cruise ship docks and supporting uplands, a barge line, a fuel tank farm and other commercial and Industrial uses that require proximity to the waterfront.

The degree to which the mining industry's needs fit in to the balance of uses at the POS are unknown by this appraiser. This is an issue being addressed as part of a separate Economic Analysis by the Moffatt and Nichol Team. In any event, the large AIDEA parcel could be broken up to create smaller parcels to maximize the highest and best use of this area.

The separation of industrial uses and cruise ship oriented uses within the subject property is both a highest and best use issue and a critical issue within the community. Uses at the subject property could be relocated or reconfigured to provide this

separation and to create a more visually positive experience for visitors off the cruise ships.

To determine the market value for the uplands and tidelands at the subject property, market data has been gathered from other port towns. Juneau, Ketchikan, Sitka and Anchorage provide relevant market indicators that will be presented in the following sections of this report.

The section that follows will discuss the cities and town that provide the market data relied upon in this report. The concluding section will present the comparisons relied upon to value the subject uplands and tidelands.

## SELECTED PORTS PROVIDING RELEVANT MARKET DATA

Skagway is one of the top three ports in Alaska. The following table summarizes the passenger statistics for these ports since 2010:

Year	Juneau CS Passengers	Ketchikan CS Passengers	Skagway CS Passengers
2010	879,310	828,929	713,333
2011	875,947	844,412	708,015
2012	927,941	894,320	754,255
2013	999,600	954,685	821,971
2014	971,000	884,503	821,888
2015	980,000	934,772	786,228
2016	1,025,900	944,500	779,232
2017	1,056,374	1,008,833	848,773

Of the ports studied in this analysis, Juneau is in the largest city and hosts more cruise ship passengers than either Ketchikan or Skagway. Skagway will host 80% of the number of passengers that Juneau, the leading port will host. Ketchikan will host 95% of the passengers that Juneau will host.

The following exhibit illustrates how unique Skagway is as a port city. All other port towns listed have greater populations and more diverse economic bases relative to Skagway. The year-round Skagway population is the lowest of the six port towns summarized on the table. Relative to other port towns, Skagway's population swings are far more marked in the summer months to support the visitor industry; in the tourist season, the Skagway population triples.

City	Population	Sales Tax Revenues - 2016	Sales Tax Revenues Per Capita	Cruise Ship Passengers – 2016	PAX per Capita
Juneau	32,739	\$46,187,130	\$1,411	1,014,000	31
Ketchikan	13,729	\$16,600,000	\$1,209	850,000	62
Sitka	8,920	\$10,014,174	\$1,124	155,000	17
Haines	2,466	\$2,828,963	\$1,147	48,500	20
Seward	2,754	\$4,883,996	\$1,773	330,000	120
Skagway	1,065	\$7,068,042	\$6,637	800,000	751

As shown, sales tax revenues for each town are divided by its population to indicate "Sales Tax Revenues per Capita" indicators. As shown, the indicators range from \$1,076 to \$6,637. The median is \$1,209 and the average is \$2,054. At \$6,637, Skagway falls many times above both the median and average indicators.

A second indicator, "Cruise Ship Passengers per Capita" is determined for each port town. The range is 3 to 751, the median is 31 and the average is 143. Again, Skagway, at 751, is the outlier.

### **Ketchikan Port**

In Ketchikan, all four cruise ship docks are operated by the City, although Berth IV was privately developed and then leased to the City of Ketchikan. The four cruise ship docks are oriented in a linear fashion, extending from downtown to Newtown. The distance from Berth I to Berth III is .30 miles and from Berth I to Berth IV is .50 miles. Berths I and II are in the core downtown area and Berths III and IV are to the northwest of the downtown core. A seawalk extends from Berth IV into the city center along a scenic waterfront route.

### **Juneau Port**

Juneau's cruise ship port is in the downtown area. There are four berths, two are new floating docks that can accommodate Panamax ships. These new docks are owned and operated by the City and Borough of Juneau (CBJ). These two docks are located close to the city center.

The remaining two docks in Juneau are privately owned and are located further south of the City's docks. The seawalk from the downtown core area extends to the Franklin Dock. The Franklin Dock is .30 miles away from the south end of the South Franklin shopping district. The AJ Dock is in an established industrial area. The walking distance from the AJ Dock to the south end of the shopping district is 1.0 mile along city streets. When they reach the Franklin Dock, pedestrians can transition from the streets to the seawalk to continue to the central core area. The AJ Dock was the only floating Panamax dock in Juneau before CBJ converted its two fixed docks to floating docks. The walking distance into downtown from the AJ dock is about one mile through an industrial neighborhood. The passengers can access the seawalk when they reach the Franklin Dock area.

Relative to the location of the Juneau docks, Skagway's docks are more similar in location to the two private docks given their distance from the core downtown area.

### **Sitka Port**

Sitka is a secondary port in Alaska. It has one cruise ship dock that is privately owned and that is located at Halibut Point Marine. Called the "Old Sitka Dock" it began operating in 2011 and is located about five miles from downtown on Halibut Point Road.

In 2017, 155 cruise ship calls are scheduled; Old Sitka Dock will receive 109 ships and the lightering facilities will receive 46 ships.

There are two lightering docks locations in the downtown area; at Crescent Harbor and the O'Connell Bridge. In 2017, 46 calls are scheduled for the lightering facilities. Historically, lightering vessels have been split evenly between these two locations. However, with the recent completion of the \$16 million new visitor center downtown, Crescent Harbor is now the primary tendering facility.

Sitka is much smaller in size than either Juneau or Ketchikan, yet is still eight times the population of Skagway. This town has a strong fishing and manufacturing base that is oriented to maritime uses. Although it is served by a newer floating dock, it, along with the new Icy Point Strait dock in Hoonah, are secondary ports in the region that will host 160,000 to 176,352 passengers this year. The Sitka economy, being strongly tied to water dependent industries, does provide market data useful for this valuation.

### **Summary**

From a valuation perspective, ideally market data would be gathered from other port towns that have more similarities to Skagway. However, a town with a similar population and economic base does not exist in Alaska. As such, market data from port towns that are larger in population, with more diverse economies, and having similar or fewer cruise ship visitor numbers, must be relied upon.

## PRESENTATION OF MARKET COMPARISONS

The eleven comparisons relied upon in this analysis are presented in this section. They are presented in the market where they are located. Following this section, the upland comparisons presented will be used to establish market value for the subject uplands, and the tideland comparisons will be used to establish market value for the subject tidelands. Additional details to the comparisons is included in the Addenda.

### Juneau Market

Waterfront commercial and industrial uplands are typically privately owned and Juneau has a few established industrial subdivisions where land sales have taken place.

CBJ owns and controls most of the tide and submerged lands along its road system. CBJ's Ports and Harbors department leases these lands by a process based upon appraisals that establish market rent. The State of Alaska leases some of the tidelands in the port area; namely the AJ Dock tidelands. The State of Alaska also relies on appraisals to establish market rent. There are no new tideland leases in the port. The indicators of tideland rents in the port all reflect lease renewals.

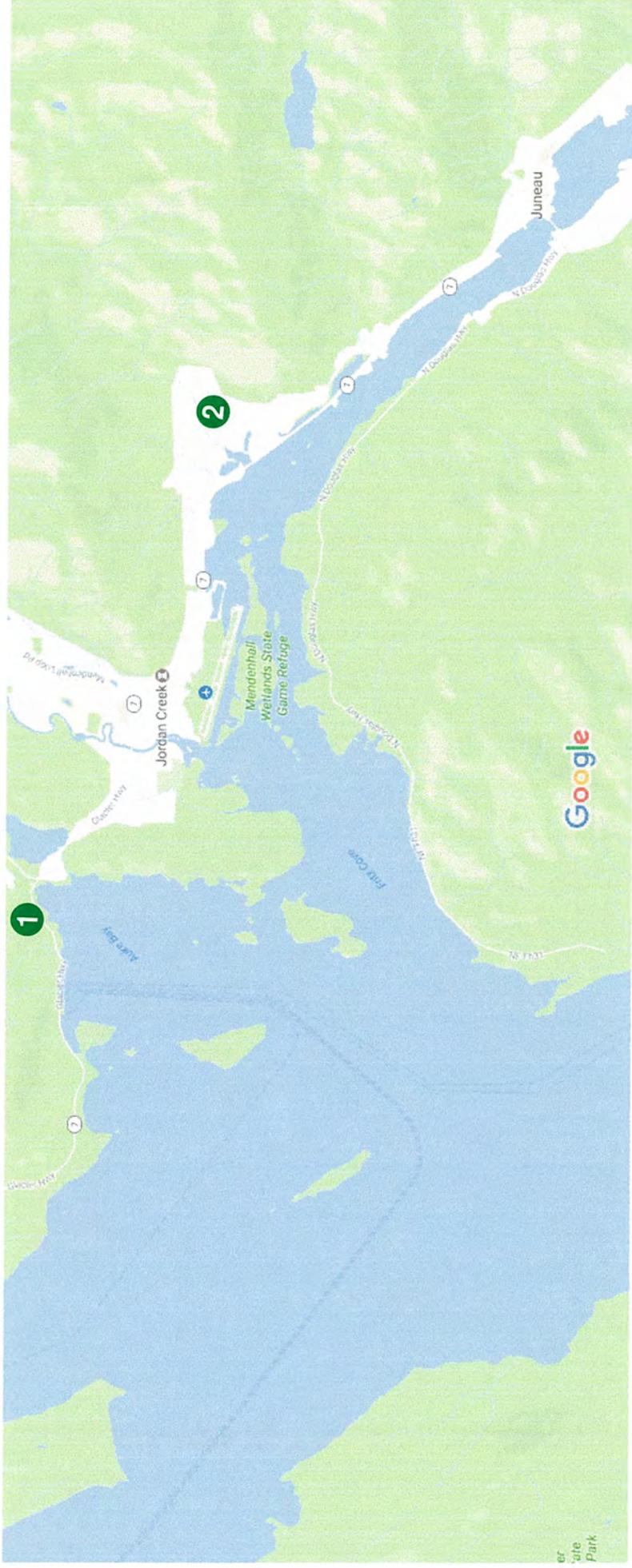
**Comparison No. 1** is a waterfront site in Auke Bay, approximately 11 miles from downtown; the address is 12105-12165 Glacier Highway. The site overlooks Auke Bay and its harbors. The site was listed for \$3,500,000 (\$23.24 SF) for two years before selling to Aukness LLC for \$2,800,000 or **\$18.65 SF** in February of 2017.

The 150,156 SF site slopes gradually from Glacier Highway to the shoreline and is naturally vegetated. It has 450 feet on the waterfront and is zoned WC - waterfront commercial. There is a mixture of uses in the area, including public and private marinas and harbors, water related tourism businesses, NOAA, the University of Alaska Southeast, an elementary school, restaurants and gas stations, and a variety of residential uses. Glacier Highway has been made safer in the past year due to improvements made by DOT, including a round-about at the intersection of the Statter Harbor entrance with Glacier Highway and Back Loop Road.

This sale is included as it reflects one of a very small number of waterfront commercial properties in the region. Given the population and economic base of Juneau and the characteristics of this neighborhood, this sale would set the extreme upper limit for uplands at the subject property along the north shore of the ore basin.

**Comparison No. 2** is at 5220 Commercial Boulevard and is an upland in an established commercial and industrial area anchored by Home Depot, Costco and the Alaskan Brewing Company. This reflects the November 2012 purchase of Tract B in the SSG subdivision to the Alaskan Brewing Company for **\$12.50 SF**. This tract was acquired by

# Google Maps LOCATION OF JUNEAU COMPARISONS



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the brewery because it is located near to it and the brewery was in an expansion phase. The site is level and cleared, borders two streets and is 78,632 SF in size.

This sale is included as it is zoned industrial and is a relatively large parcel. Most of the activity in the Juneau market has been for industrial and commercial sites that are 30,000 SF or less in size.

### **Ketchikan Market**

Ketchikan serves as a regional transportation and industrial hub community for Southeast Alaska, providing a major hospital, growing shipyard, University of Alaska campus, and the Southern Southeast Alaska Technical Education Center. Ketchikan offers ice free, naturally protected deep water ports and harbors on a road system.

Ketchikan's Shipyard, located on 17+ acres near the State ferry terminal, is the largest shipbuilding and repair facility in Alaska. The yard is operated by Vigor Industrial, the leading provider of shipbuilding, ship repair and other Industrial services in the Pacific Northwest and Alaska. The shipyard is owned by AIDEA which has invested heavily in the facility.

The port area has already been described earlier. Northwest of Berth IV, the linear coast line of Ketchikan allows for many waterfront oriented businesses including stevedores, private marinas, fishing lodges, float plane operations, fuel tank farms, state and airport ferries and other marine oriented uses.

Ward Cove is zoned for heavy industrial use and serves as a homeport for the Alaska Marine Highway System, Boyer Towing, Power Systems and Supplies of Alaska, and other marine and Industrial businesses. The AMHS is developing a new terminal and winter facility for use by its ferries and NOAA vessels conducting oceanographic research in Alaskan waters. This deep-water port is located at Mile 6 of the North Tongass Highway.

Ward Cove was home to a pulp mill until 1996 and since then has been in a protracted process of re-inventing itself. The Ketchikan Gateway Borough sold the 387-acre former mill site to Power Systems and Supplies of Alaska in 2011, as well as several waterfront parcels along the cove in a 2005 bid process. In the bidding process, most of the high bidders along the Ward Cove shoreline were made by existing businesses such as Boyer Towing, although two parcels were acquired by an out of state buyer. These upland/tideland sales in Ward Cove reflect the majority of the very few submerged tideland sales in the urban areas of the region. These properties are zoned Heavy Industrial and the buyers were made aware that residual contamination from the operation of the pulp mill may affect them.

The Ketchikan Gateway Borough (KGB) passed Ordinance 1729 in mid-2014, amending Tideland Lease Terms. The ordinance decreases the minimum rental rate from 10% to 2.5%, and authorizes the amendment of existing tideland leases without assembly approval. The KGB and the Assembly evaluated the language of the existing State of Alaska DNR leases (33 leases) conveyed to KGB, as well as the rates charged by other Municipalities for tidelands leases they operate, and determined that the benchmark rental rate for tideland leases should be reduced from 10% to 2.5% of the real property value. The rates are subject to adjustment during the term of the lease at intervals of no less than 5 years, and the lease terms shall not exceed 35 years.

In an interview with Jeff Hurt, assessor, I was told that the primary reason for this ordinance lay in the fact that KGB found tideland properties very difficult to value due to the lack of objective market data. The Assessor indicated that the appraisal process that was employed in the past will not be given priority going forward. Instead the KGB will give priority to open communication with the lessees, and an exchange of all relevant information.

**Comparison No. 3** is in the 4100 block of Tongass Avenue, adjacent to Harbor Point where Taquan Air is located. This location is on the busy waterfront where Vigor, AMHS and the airport ferry landing operate. This is the acquisition of 41,670 SF of upland/tideland area that Taquan Air acquired in 2011 from Petro Marine Alaska for \$11.09 SF. This parcel has 251 feet on the waterfront. Approximately 60% of the site is paved uplands fronting Tongass Avenue and 40% is tidelands. Taquan Air needed additional submerged tidelands to place floats for its growing number of planes, which drove this purchase.

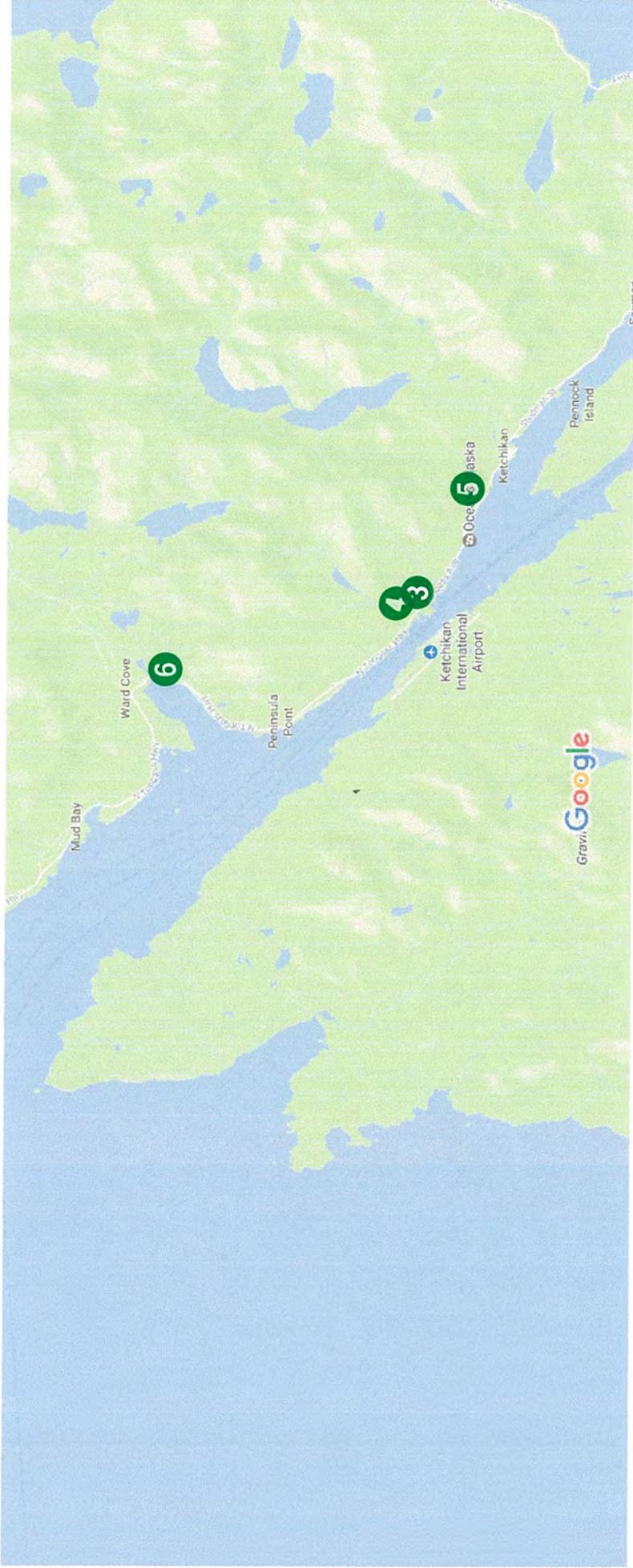
This comparison is included because it is a parcel acquired for a waterfront oriented use in an industrial waterfront area of Ketchikan.

**Comparison No. 4** is the June 2013 sale of a 263,629 SF tract of land zoned IH that is located across Tongass Highway from the airport ferry landing. This site was purchased for the building of a Napa Auto store. Napa had been in a nearby shopping center for many years and their lease was expiring. The owner of the store purchased this site for **\$6.64 SF**. It was a vacated construction yard and had several older shop buildings on it. The buyer felt that the value of the purchase was all in the land.

This comparison is included because it is a recent sale of a relatively large industrial parcel on a busy arterial. The property is in the same area as Comparison No. 3.

**Comparison No. 5** is located between the Westflight office building and the E.C. Phillips & Son fish processing facility at 1645-1705 Tongass Avenue. This property was owned by Trident Seafood's and was excess to their needs, as the main plant is located south of downtown on Stedman Street. This property adjoins the E.C. Phillips seafood plant and is a submerged tideland site of 82,780 SF improved with a 1940's wood

# Google Maps LOCATION OF KETCHIKAN COMPARISONS



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framed warehouse of 38,828 SF. The property was placed on the market in 2010 for \$1,500,000 and sold in 2015 for \$700,000.

The buyers stated that they did not over-analyze this transaction. They made an offer of what they were willing to pay for a property that they had no use for, but that abutted their fish processing facility. The intention of the buyer, then, was to protect their real estate holdings and control this abutting property.

The buyer indicated that the building and its piling foundation were old and in poor condition but would be expensive to tear down. The buyer has no plans now to make changes to this property. They are using the building to store fish nets. Attributing zero value to the improvements, the indicated value of this tideland is **\$8.46 SF**.

This comparison is included because is it one of the few recent submerged tideland sales in the region. It is on a busy arterial in Ketchikan between the West End Shopping district and downtown. This area of town is home to many water oriented businesses.

**Comparison No. 6** is in Ward Cove where, as discussed earlier, waterfront properties on the cove were sold by a bid format in 2005. It is included because tideland sales are scarce, and in this sale, the buyer provided his opinion as to the value of the upland and tideland portions of the purchased property.

Ward Cove Seaport LLC purchased a property located at the head of the cove with approximately 50% of level uplands and 50% of submerged tidelands. The price paid was \$810,000 or **\$1.31 SF**. The buyer indicated that the 50% of the tidelands were worth half the price paid for the parcel, suggesting that there was no difference in price per square foot for the uplands versus the tidelands. The buyer operates a metal scrapyards and barge operation at this location and both the uplands and tidelands are critical to the success of his business. The property is accessible from the highway and is modestly below grade of it.

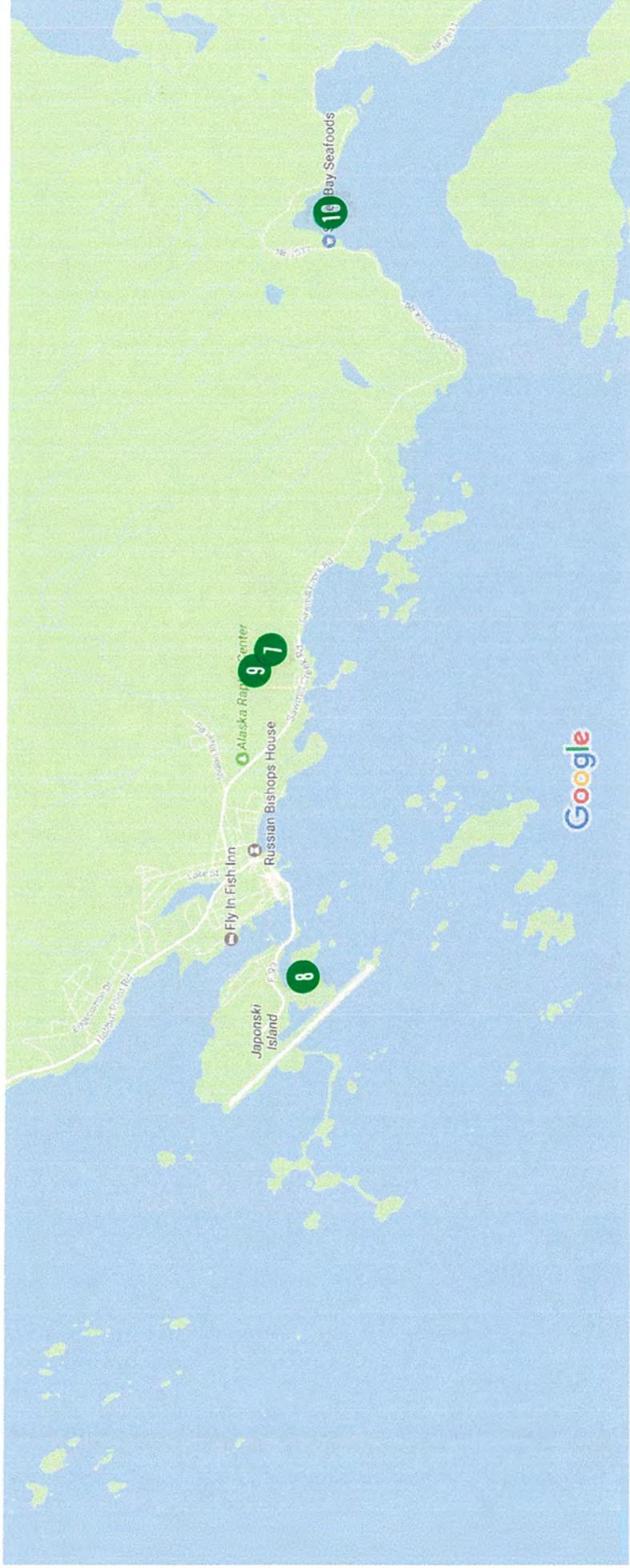
This location is six miles away from the port of Ketchikan and remains in a gradual transition period after the closure of the pulp mill.

### **Sitka Market**

Sitka is a secondary port in Alaska that will host 176,352 passengers in 2017. As noted earlier, Sitka has one cruise ship dock that began operating in 2011 and that is privately owned and operated. The Old Sitka Dock is located at Halibut Point Marine about five miles north of downtown. Ships calling in Sitka also lighter in the downtown area at Crescent Harbor and the O'Connell Bridge facilities. With the recent \$16 million completion of the new visitor center, the downtown facility will be the primary tender location going forward.

The Sitka market is smaller than Juneau and Ketchikan but does have an active maritime industry that provides market data for water oriented uplands and tidelands.

# Google Maps LOCATION OF SITKA COMPARISONS



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The Sitka market has fish processing facilities close to downtown on Katlian Street. There are tide/submerged land sales and leases in this area, typically leased or sold by the City and Borough of Sitka. The tideland sales and leases that have taken place recently in this area are very small and are not relevant for valuing the subject tidelands. However, the lease rates in this market are useful for this analysis.

The Sitka market has a commercial/industrial area one mile south of downtown that is bisected by Smith Street and Price Street above Sawmill Creek Road. Many of the businesses located in this area are tied to the fishing industry. There are several small manufacturing businesses located in this area as well. Two of the upland comparisons are in this established neighborhood.

The City and Borough of Sitka (CBS) owns and operates the Gary Paxton Industrial Park (GPIP) located at Sawmill Cove, five miles southwest of downtown on the highway. This is the location of a former Japanese owned timber pulp mill that operated 34 years before closing in 1995. GPIP is a deep water, ice free location with over 200 acres of uplands and tidelands, as well as 75,000 square feet of warehouse space, 20,000 square feet suitable for heavier industry and 35,000 square feet of office space.

Silver Bay Seafoods acquired a building on the waterfront next to the wharf and adjacent uplands several years ago. In 2015, Silver Bay Seafoods expressed interest in acquiring more property here, but tabled the idea until a decision was made regarding the development of a multi-use dock in the cove.

The lack of a multi-use dock at GPIP has hampered the ability to sell and lease property to prospective users. This situation will change as Turnagain Marine Construction will begin developing a publicly funded multi-use dock in 2017 with completion slated for January of 2018. The dock will primarily support the freight and fishing industries.

**Comparison No. 7** is the sale of an upland industrial lot adjacent to the industrial building at 102 Burkhart Street. This location is in the established commercial/industrial subdivision noted earlier. In this transaction, the buyer purchased the 102 Burkhart building as well as this adjacent lot. In the purchase contract, the buyer allocated \$210,000 to this vacant 30,000 SF site, which equates to **\$7.00 SF**. The lot was purchased for future development opportunities. The buyer is in the excavation business and is also an investor in commercial real estate in Sitka.

**Comparison No. 8** is at 403 Alice Loop in Sitka on Japonksi Island. This location is within a short distance of the downtown and airport areas. The site abuts Sealing Cove but does not have direct access to it; a city operated boat harbor is located here. The buyer purchased the site to develop a building for his boat repair service and a yard for boat storage. The western portion of the site was impacted by easements that bisected the property, limiting its use. After the sale, the buyer made the effort to get the utility

easements relocated to the border, making the site fully usable, aside from required setbacks. The **\$8.80 SF** price paid for this site reflected that work that the buyers would have to do to relocate these easements; as such, it was sold at a modestly discounted price.

**Comparison No. 9** is located at 209 Price Street in Sitka in the same neighborhood as Comparison No. 7. The May 2014 sale is in a formerly quarried area that was subdivided into three lots. This 27,840 SF lot sold for \$10.00 SF and is accessed by a 20-foot-wide access and utility easement off Price Street. This is a level site with good soils and all utilities. This site is in an established commercial, industrial and residential area one mile south of the CBD.

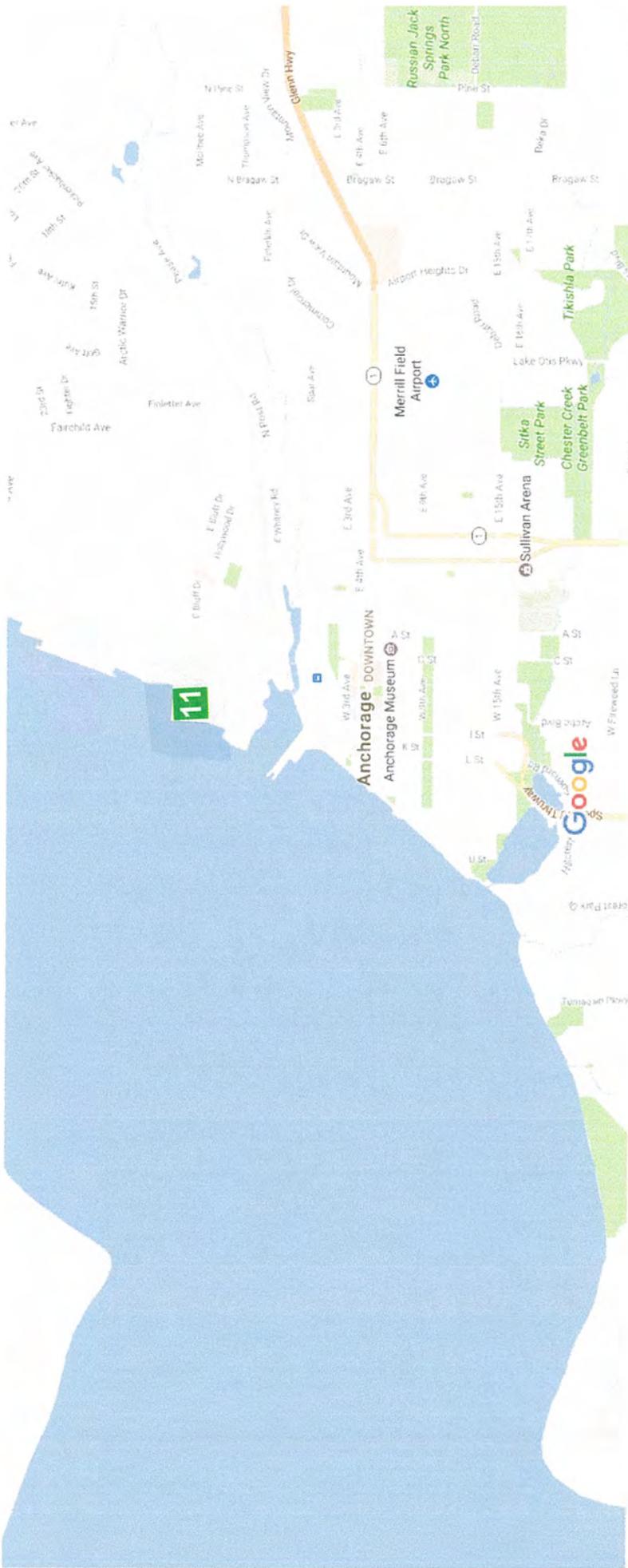
**Comparison No. 10** is in GPIIP at Sawmill Cove, described earlier. Several businesses started and stalled here, including a water exporting business. In the fall of 2014, Alaska Bottled Water proposed to lease 18 acres of deep water tidelands at Sawmill Cove needed to support a bottled water export business. The lessees proposed to lease 18 acres of deep water for **\$.09 SF** which was **4.5%** of the market value established by the lessor of **\$2.00 SF**. The proposed lease was not finalized. It is noteworthy that the lease rate for uplands at GPIIP is 9% of market value; it was 9% in 2014 and remains at this rate as of 2017.

**Comparison No.11** is in the Port of Anchorage (POA). Delta Western began leasing 109,190 SF at the POA in January 2013. The waterfront site is at the end of Ocean Dock Road in an area dominated by fuel tank facilities.

Prior to this lease, there had not been a new lease at the Port of Anchorage in 20 years. The lease payment was determined by an appraisal of the site at **\$13 SF** and the application of a **9%** lease rate.

The revenue collected by the POA over the next 20 years will include the ground lease payments in addition to any wharfage and dockage fees associated with this fuel distributor's operation.

# Google Maps LOCATION OF ANCHORAGE COMPARISONS



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## DETERMINATION OF UPLAND VALUES FOR SUBJECT PARCELS

The indicators of value for upland sales previously discussed are summarized on the table below. This table summarizes the eight comparisons from the market data previously discussed.

SUMMARY UPLAND SALE COMPARISONS						
NO. LOCATION	SALE DATE	SALE PRICE	LAND AREA	ZONING	SP/SF	
1 12105 - 12165 Glacier Hwy Auke Bay	Feb-17	\$ 2,800,000	150,156	WC	\$	18.65
2 5220 Commercial Blvd. Juneau	Nov-12	\$ 982,900	78,632	I	\$	12.50
3 4100 Block Tongass Ave. Ketchikan	May-11	\$ 462,000	41,670	IH	\$	11.09
4 3950 Tongass Ave. Ketchikan	Jun-13	\$ 1,750,000	263,629	IH	\$	6.64
7 Adjacent to 102 Burkhark Street	Apr-15	\$ 210,000	30,000	I	\$	7.00
8 403 Alice Loop Sitka	Apr-15	\$ 280,600	31,890	I	\$	8.80
9 209 Price Street Sitka	May-14	\$ 278,400	27,840	I	\$	10.00
11 Delta Western, Ocean Dock Rd. Anchorage	Apr-13	Lease	101,190	I	\$	13.00

As shown on the table above, the comparisons indicate a range of value of \$6.64 to \$12.50 SF for non-waterfront oriented sites and of \$11.09 SF to \$18.65 SF for the sites that are were acquired because of their waterfront orientation. Given the location of the \$18.65 SF indicator in Juneau, and its commercial zoning, it is considered to be a high indicator for the subject uplands located on the waterfront.

The market data is varied with respect to size, waterfront orientation and location. I have considered adjustments for size and for waterfront orientation in the following paragraphs.

### Adjustments for Land Size

On the chart that follows, I have summarized land sales that are similar in location and time of sale but that differ in size to determine the degree to which price per square foot is impacted by size.

Paired Sales A compares a tract of land in the commercial/industrial area anchored by Walmart at Mile 5 of the North Tongass Highway to a subdivided lot in the immediate area. In this case, the tract of land is almost 10 times larger than the lot. In this case, the lot sold for over twice as much per square foot as the much larger tract.

Paired Sales B indicates that when comparing very large parcels, there is a significant discount for the much larger tract. As shown, this pairing reflects a 510,633 SF tract and a 263,629 SF tract. The lower price for the larger tract reflects the greater risk in the acquisition of a tract that may require subdivision and subsequent marketing of the lots

created. In this case, the larger tract sold for half the price per square foot of the smaller tract.

In Paired Sales C, three sales that sold during a similar period are presented. All three are in Juneau in established commercial/industrial areas. The three sales range from 26,627 SF to 78,632 SF and sold for similar prices, ranging from \$11.27 to \$12.58 SF. These three sales indicate that there is not a notable price per square foot difference for subdivided lots that vary significantly in size, but that are not large tracts of land.

The foregoing information is useful for this analysis. The AIDEA parcel is significant in size, compared to the other subject parcels. When estimating land value, this parcel should be valued at a lower price per square foot than the other upland parcels due to its size.

<b>Paired Sales A</b>	<b>Date</b>	<b>Price/SF</b>	<b>Size</b>
Ridgeway Street at Mile 5 North Tongass Highway, Ketchikan	10/10	\$3.50	233,266 SF
Signal Road at Mile 5 North Tongass Highway, Ketchikan	7/11	\$8.99	24,483 SF
<b>Paired Sales B</b>			
4310 Tongass Avenue, Ketchikan	4/14	\$3.33	510,633 SF
3950 Tongass Avenue, Ketchikan	6/13	\$6.64	263,629 SF
4100 Block Tongass Avenue	5/11	\$11.09	41,670 SF
<b>Paired Sales C</b>			
1944 Allen Court, Juneau	2/13	\$12.58	44,906 SF
Crest & Yandukin Streets, Juneau	6/12	\$11.27	26,627 SF
5220 Commercial Boulevard, Juneau	11/12	\$12.50	78,632 SF

## **Waterfront Orientation**

There is not enough market data to provide highly relevant paired sales for this factor. A review of the upland sales does indicate that the comparisons located on the waterfront form the high end of the overall range reflected by the comparisons.

Comparison No. 1 is on the waterfront in Auke Bay while Comparison No. 2 is a non-waterfront site in an established commercial and industrial district. Comparing these sales, the waterfront site sold for 49% more than the non-waterfront site. The sales differ in time of sale and in size, which weakens this indicator to some degree.

Comparison No. 3 and No. 4 are in the same neighborhood in Ketchikan; the waterfront site sold for 67% more than the non-waterfront site. The waterfront site is significantly smaller in size which weakens this indicator to some degree.

In the Anchorage market, the Delta Western lease is based upon a land value for waterfront industrial land of \$13.00 SF. In conversations with the Municipality of Anchorage and the Alaska Railroad, both lessors in the port area, industrial land that is inland from the waterfront is valued at \$8 to \$9 SF. This would indicate that the waterfront land is attached a premium of 44% to 63%.

The foregoing paragraphs indicated that waterfront properties command a premium over non-waterfront properties. A premium of 44% to 67% is suggested by this data; for the purpose of this analysis, a range of 45-65% is relied upon.

## **Conclusions**

Based upon the foregoing, the market value range for the water oriented subject parcels (excluding the AIDEA parcel) is \$11 to \$14 SF. The Broadway, AML, CLAA and Ore Dock Staging/Walkway parcels are valued within this range. Given their location, the parcels along the north shore of the ore basin are valued at the higher end of this range.

Based upon the discussion of size adjustments, the AIDEA parcel should reflect a discount for its relatively large size. A 30 to 40 percent adjustment is deemed reasonable and is applied to the range of \$11 to \$13 SF in order determine a discounted range for this parcel of \$7.00 to \$9.00 SF.

The subject industrial parcels along Terminal Way are valued within the range of \$7 to \$9 SF depending upon location. The TEMSCO parcel is valued at the high end of this range, considering its waterfront location that provides it with unfettered access for its helicopters.

<b>SUBJECT PARCEL</b>	<b>AREA</b>	<b>VALUE RANGE</b>	
<b>TEMSCO Helicopters - Parcel 1</b>	<b>SQ.FT.</b>	69,696	\$ 69,696
Upland Value Range	\$	8.00	\$ 9.00
Indicated Values	\$	557,568	\$ 627,264
<b>Petro Marine - Parcel 2</b>	<b>SQ.FT.</b>	86,205	\$ 86,205
Upland Value Range	\$	7.00	\$ 8.00
Values	\$	603,435	\$ 689,640
<b>AIDEA - Parcel 3</b>	<b>SQ.FT.</b>	307,969	\$ 307,969
Upland Value Range	\$	7.00	\$ 9.00
Values	\$	2,155,783	\$ 2,771,721
<b>Ore Dock Staging/Walkway - Parcel 4</b>	<b>SQ.FT.</b>	59,500	\$ 59,500
Upland Value Range	\$	11.00	\$ 13.00
Values	\$	654,500	\$ 773,500
<b>Parcel W. of AIDEA &amp; S. of Petro - Parcel 5</b>	<b>SQ.FT.</b>	34,500	\$ 34,500
Upland Value Range	\$	7.00	\$ 8.00
Values	\$	241,500	\$ 276,000
<b>CLAA Parcel - Parcel 6</b>	<b>SQ.FT.</b>	81,400	\$ 81,400
Upland Value Range	\$	11.00	\$ 12.00
Values	\$	895,400	\$ 976,800
<b>Broadway Dock Staging Area - Parcel 7</b>	<b>SQ.FT.</b>	110,380	\$ 110,380
Upland Value Range	\$	13.00	\$ 14.00
Values	\$	1,434,940	\$ 1,545,320
<b>AML Barge Line - Parcel 8</b>	<b>SQ.FT.</b>	112,500	\$ 112,500
Upland Value Range	\$	12.00	\$ 13.00
Values	\$	1,350,000	\$ 1,462,500
<b>Range of Market Value for Upland Parcels</b>	\$	7,893,126	\$ 9,122,745
<b>Rounded</b>	\$	<b>7,893,000</b>	<b>\$ 9,123,000</b>

## MARKET LEASE RATE INDICATORS - UPLANDS

Market rent for ground leases (uplands and tidelands) is typically determined by applying a market oriented lease rate to the estimated market value. The market comparisons presented earlier provide several indications of lease rates.

### Upland Land Lease Rate Indicators

As noted earlier in this report, at the Gary Paxton Industrial Park in Sitka, upland leases are based upon a rate of **9%** of estimated market value.

At the Port of Anchorage, where there is a relatively new lease that is relevant to this analysis. Delta Western began leasing 109,190 SF at the POA in January 2013 for. The lease payment was determined by an appraisal of the site at **\$13 SF** and the application of a **9%** lease rate.

The Alaska Railroad Corporation leases uplands along the railroad corridor from Fairbanks south to Seward. I have interviewed the Director of Real Estate at ARRC, Karen Morrissey at Alaska Railroad Corporation (ARRC). The ARRC determines the lease amount by applying an **8%** lease rate to industrial lands, and a **9%** lease rate to industrial parcels that are proximate to the port of Anchorage

A review of several leases within the Municipality of Skagway for upland properties indicates that a land lease rate of **8%** of market value is typically applied.

### Conclusion of Market Lease Rates for Subject Uplands

The market data is consistent regarding upland ground lease rates, indicating a range of 8-9%. This range has been applied to the estimated market value of the uplands to determine ranges of market rent for the subject parcels.

Range of Market Value for Upland Parcels	\$	7,893,126	\$	9,122,745
Rounded	\$	7,893,000	\$	9,123,000
Market Lease Rates		8%		9%
Indicated Range of Market Rent	\$	631,440	\$	821,070

## DETERMINATION OF MARKET VALUE FOR TIDE/SUBMERGED LANDS

Patented or fee owned tideland sales are not common in any of the market areas researched for this report. Public entities own and control nearly all this property type in the region. This aspect of the tideland market in Alaska makes the valuation of tidelands difficult, as there is very little arm's length market data to rely on that involves a competitive and open market.

The market data discussed earlier in this report presents three indicators of value for tide and submerged lands. As shown, these comparisons range in size from 82,780 SF to 784,080 SF and in value from \$1.31 SF to \$8.46 SF.

TIDELAND COMPARISONS					
NO. LOCATION	DATE	SALE PRICE	LAND AREA	ZONING	VALUE/SF
5 1645-1705 Tongass Avenue, Ketchikan	Sep-15	\$ 700,000	82,780	IH	\$ 8.46
6 6100 Blk. Tongass Highway - Ward Cove	Jun-06	\$ 405,000	309,712	IH	\$ 1.31
10 Alaska Bulk Water - GPIP Sitka	Sep-14	Lease	784,080	I	\$ 2.00
A Railroad Dock Skagway - ATS 1502	Jun-16	Adjusted lease	90,605	W	\$ 4.30
B AJ Dock Tidelands Juneau	Jan-13	Adjusted lease	379,694	W	\$ 5.00
C Railroad Dock Skagway - ATS 1625	Jun-17	Adjusted lease	77,537	W	\$ 4.30
D Franklin Dock - Juneau	Jun-16	Adjusted lease	126,498	WI	\$ 6.00

The two indicators at the low end of the range are located 5-6 miles outside of the city center of Ketchikan and Sitka. Both are in industrial areas where pulp mills operated years ago and where transition to new uses has been protracted. As such, these two indicators are considered low for the tide and submerged lands at the subject property.

The high indicator reflects its size and its location in a very busy commercial and industrial waterfront area in Ketchikan that is close to downtown.

Since the market data is so limited, I have expanded my review of indicators to include the pertinent data to four leases of tidelands in the region that support cruise ship docks. These indicators are identified on the above table as A-D. The leases originated years ago and have all been adjusted at 3 or 5 year intervals (3 years for the Franklin Dock lease and 5 years for the remaining three leases). These indicators are discussed below:

**Comparison A** is the lease of ATS 1502 at the southern end of the Railroad Dock in Skagway. This lease began in June of 1996 and was last adjusted by the State of Alaska, based upon an appraisal, in June of 2016. The appraiser estimated fair market value at **\$4.30 SF** and applying a lease rate of **8%**, determined that market rent to be **\$.34 SF**. This lease is for 90,605 SF of deep water with no usable adjacent uplands. The initial lease began in 2002 and is subject to adjustment at five year intervals.



COMPARISON A

COMPARISON C

**Comparison B** is in Juneau, approximately one mile by the road system from the south end of the tourist district. The AJ Dock is in an established industrial area south of downtown, commonly called "the rock dump". The AJ Dock has uplands at the end of Jacobsen Drive totaling 212,063 SF. The State owned deep water tidelands are offshore of the uplands and are 379,694 SF. The tideland was leased initially in June of 2002 to support a floating cruise ship dock. The State of Alaska lease is subject to adjustment at five year intervals; the most recent adjustment for this lease of this ATS (January 2013) was determined by applying an **8%** lease rate to a market value estimate for the ATS of **\$5.00 SF**. The rent per square foot is **\$.40**.

**Comparison C** is in Skagway at the end of the Railroad Dock. ATS 1625 is located south of Comparison A (ATS 1502). The lease of this 77,537 SF parcel began in June of 2004. The ATS was leased to allow for the extension of dock improvements to the south to accommodate larger cruise ships. The lease is adjusted at five year intervals per the requirements of the State of Alaska (lessor). The last adjustment date was June of 2014. White Pass provided the current lease amount is \$27,138 SF or **\$.35 SF** which falls closely in line with Comparison A. Comparisons A and C, then are predicated upon an estimated market value of about **\$4.30 SF**.

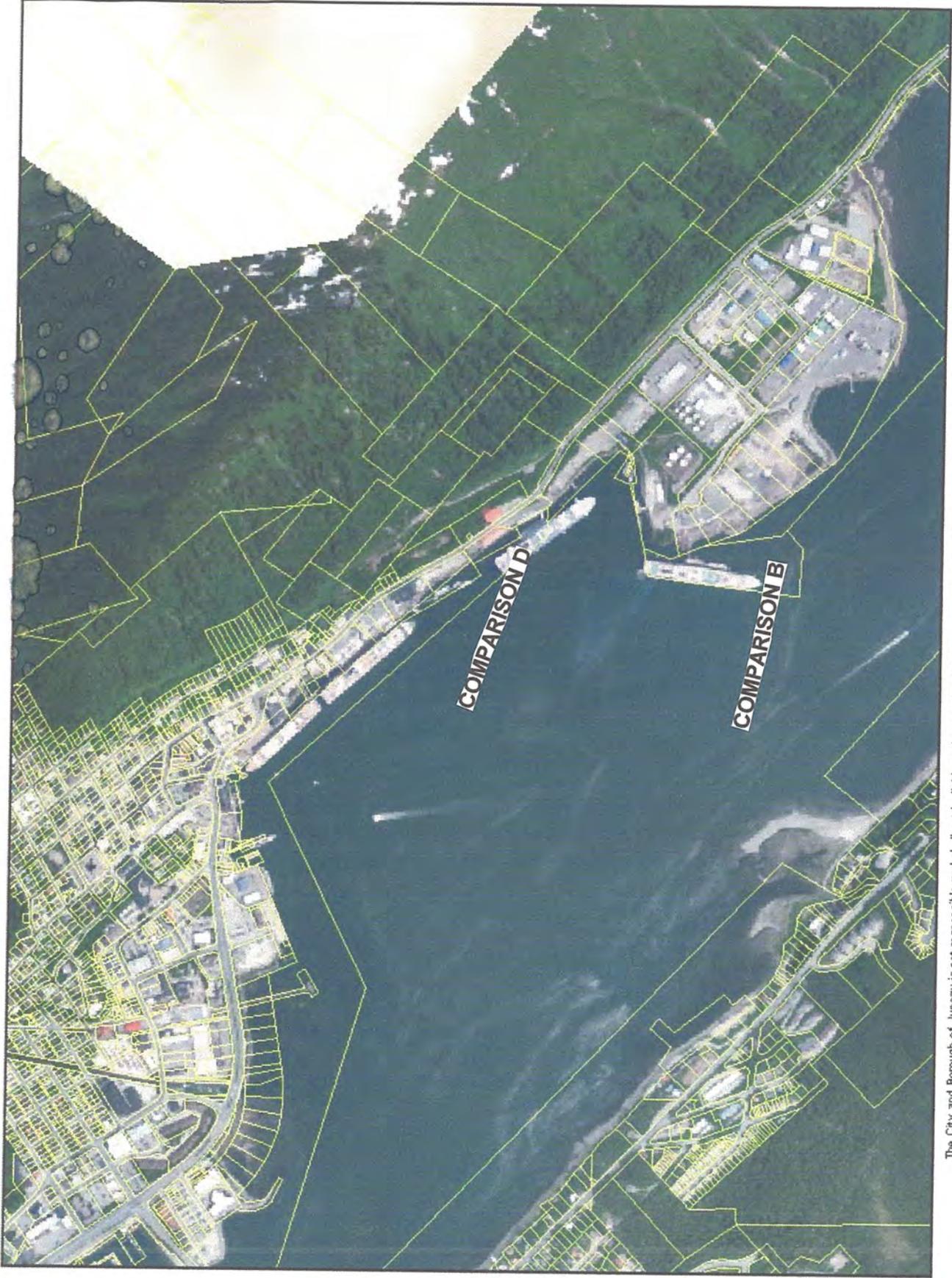
**Comparison D** reflects the tidelands that support the Franklin Dock at 880 South Franklin Street in Juneau. This dock is to the south of the two city docks. The initial lease for this 126,498 SF tideland, owned by the City and Borough of Juneau, began in November of 1995. The lease is subject to adjustment at 3 year intervals and the lease rate is set in the lease document at 10% of market value. A 2016 appraisal of this tideland to establish market rent indicated a market value for the tidelands of **\$6.00 SF** and market rent of **\$.60 SF**.

## **Conclusions**

It was discussed earlier that market value for the subject tidelands should fall above the low indicators of \$1.31 to \$2.00 SF and below the high indicator of \$8.46 SF.

Comparisons A-D augment this analysis and suggest market values for tidelands that support cruise ship docks of \$4.30 to \$6.00 SF. This range must be considered with care as the market data for tideland sales in port areas is scarce; there are not tideland sales in the \$4.30 to \$6.00 SF range that I am aware of.

Lacking sales, the accepted valuation methodology involves a series of steps to arrive at market rent. First, the abutting uplands are valued and the value of the tideland is backed in to, relying upon the premise that per square foot tideland values are typically a percentage of the uplands per square footage value. Articles pertaining to the valuation of tideland property opine that tidelands are typically worth 25-40% of the abutting upland values. Appraisals of tideland properties that are available for public review indicate that this range also applies to the Alaska market.



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While the appraisals determining market rent follow the appropriate steps to estimate market rent, the lack of upland and tideland sales in the port areas weakens the overall reliability of the process, in my view. It is useful to provide this information in this analysis; however, it is not given a great deal of weight in the reconciliation process.

As a final step in this analysis, I have interviewed private cruise ship dock owners/operators in Juneau and Sitka. All reported competitive market conditions, very little ability to increase dock fees over the years, difficulty competing with the public-sector docks because they receive CPV funds that private docks do not, and the high costs of construction for modern dock facilities and/or improvements to existing docks. All reported that tideland lease payments are a significant expense in their operating budgets and that the factors discussed above should be taken into consideration when estimating market rent.

Considering all the information presented above, market value for the subject tide and submerged lands is estimated at **\$3.00 to \$4.00 SF**.

### **Tideland Lease Rate Indicators**

As noted earlier in this report, tidelands in the Sitka market are leased at 4.5% of market value, in Ketchikan, the minimum lease rate for leases has been lowered from 10% to 2.5% of market value, and the State of Alaska leases tend to reflect a rate of 8%.

Considering the foregoing, the range of lease rates applied to the subject tide and submerged lands is 6-7%.

### **Conclusions of Market Rent for Subject Tidelands**

The estimated market value range and lease rate range is carried forward to the following exhibit which summarizes the value findings for the subject tidelands.

<b>Tide and Submerged Lands</b>	<b>SQ.FT.</b>	1,336,000	\$	1,336,000
Tideland Value Range per Square Foot	\$	3.00	\$	4.00
Total Values	\$	4,008,000	\$	5,344,000
Range of Market Lease Rates		6%		7%
<b>Indicated Range of Market Rent</b>	<b>\$</b>	<b>240,480</b>	<b>\$</b>	<b>374,080</b>

## FINAL REPORTING OF CONCLUSIONS

The conclusions of the upland and tideland analyses are carried forward below.

<b>Range of Market Value for Upland Parcels</b>	\$	7,893,126	\$	9,122,745
<b>Rounded</b>	\$	7,893,000	\$	9,123,000
<b>Market Lease Rates</b>		8%		9%
<b>Indicated Range of Market Rent</b>	\$	631,440	\$	821,070

<b>Tide and Submerged Lands</b>	<b>SQ.FT.</b>	1,336,000	\$	1,336,000
<b>Tideland Value Range per Square Foot</b>	\$	3.00	\$	4.00
<b>Total Values</b>	\$	4,008,000	\$	5,344,000
<b>Range of Market Lease Rates</b>		6%		7%
<b>Indicated Range of Market Rent</b>	\$	240,480	\$	374,080

Below, the combined values are shown for the subject parcels.

<b>Market Value Range - All Parcels</b>	\$	11,901,000	\$	14,467,000
<b>Market Rent Range - All Parcels</b>	\$	871,920	\$	1,195,150

## ADDENDA

## **ALASKA ECONOMIC TRENDS – SOUTHEAST REGION ECONOMY**

# Southeast forecasted to lose about 600 jobs

By CONOR BELL

Southeast Alaska is forecasted to fare slightly better than the state as a whole in 2017, a first in recent years. Southeast has underperformed the state overall for some time, plus it lost a greater share of jobs in 2009 — the only year Alaska lost jobs during the national recession — and regained fewer in the years that followed. (See Exhibit 1.) With that tepid history, the region has less ground to lose.

Southeast began to shed state government and construction jobs in 2015, and like the rest of the state, the effects are seeping into the secondary industries that depend on how well the region's economic drivers fare. (See Exhibit 2.)

Southeast is disproportionately affected by weakness in state government, but the region has almost none of the oil and gas employment that has been the state's biggest source of loss. Southeast also has more of a buffer from tourism than other regions, which will further temper its losses.

## Migration and an aging population

More people left Southeast than moved in between July 2014 and 2015, a trend that's likely to continue statewide. (See Exhibit 3.) The region lost about 500 people through net migration over the period, and though natural increase largely offset that loss, births don't mitigate migration's effect on the current working-age population. Fewer working-age people means less competition for jobs, but it also means fewer people spending money in their communities.

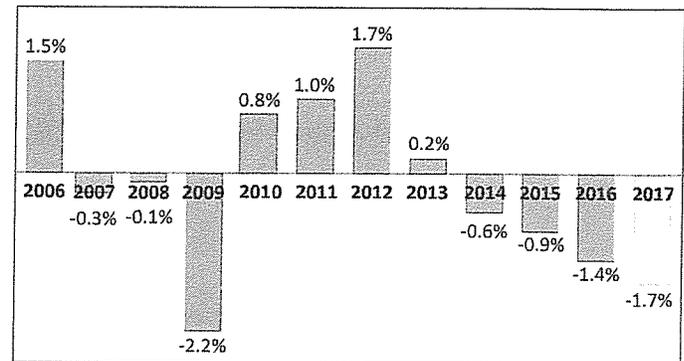
The region is also older than the state overall, and its largest age group is between 50 and 59. Many baby boomers moved in when Alaska was awash in oil money during the late 1970s and early 1980s, and they will continue to age out of the workforce in the near future.

In a lackluster economy, not all vacated jobs will be re-filled, but these retirements will open some job oppor-

# 1

## Region Has a Longer Period of Loss

SOUTHEAST, PERCENT CHANGE, 2006 TO 2017



Note: The 2016 number is preliminary, and 2017 is forecasted.  
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

tunities despite lower employment. However, workers who have built up their salaries over time will often be replaced by young workers who will be paid less, dampening the region's total wages.

## Most job loss will be in government

Southeast lost more than 500 state government jobs between 2014 and 2016, and state government is expected to remain the fastest-losing industry this year, at 300 jobs. (See Exhibit 4.)

Cuts will likely slow in the coming fiscal year, though, with less low-hanging fruit remaining. After two years of cutting costs in government, opportunities for savings will be harder to find. While layoffs seem certain, most state government losses will continue to come from attrition in 2017. Baby boomers are still reaching retirement age, and many of their positions will be eliminated or left unfilled.

Federal government employment has been flat for the past few years and is forecasted to decline slightly in 2017. Prior to its recent stability, federal employment fell continually for a decade except in 2010 when the U.S. Census was conducted.

Local government in Southeast has also remained fairly



# 2

## Southeast Job Forecast by Industry

WAGE AND SALARY EMPLOYMENT, 2015 TO 2017

	2015 Monthly Average <sup>1</sup>	2016 Monthly Average <sup>1</sup>	Change 2015 to 2016	Percent Change 2015-16	2017 Monthly Average	Change 2016 to 2017	Percent Change 2016-17
Total Nonfarm Employment <sup>2</sup>	36,850	36,350	-500	-1.4%	35,750	-600	-1.7%
Total Private	23,950	23,800	-150	-0.6%	23,650	-150	-0.6%
Mining and Logging	950	950	0	0%	950	0	0%
Construction	1,500	1,450	-50	-3.3%	1,350	-100	-7.1%
Manufacturing	2,300	2,200	-100	-4.3%	2,250	50	2.3%
Trade, Transportation, and Utilities	7,100	7,050	-50	-0.7%	7,000	-50	-0.7%
Information	500	500	0	0%	500	0	0%
Financial Activities	1,050	1,000	-50	-4.8%	1,000	0	0%
Professional and Business Services	1,650	1,650	0	0%	1,600	-50	-3.0%
Education <sup>3</sup> and Health Services	3,800	3,850	50	1.3%	3,900	50	1.3%
Leisure and Hospitality	4,050	4,150	100	2.5%	4,150	0	0%
Other Services	1,050	1,050	0	0%	1,000	-50	-4.8%
Government	12,900	12,500	-400	-3.1%	12,050	-450	-3.6%
Federal <sup>4</sup>	1,450	1,450	0	0%	1,400	-50	-3.4%
State <sup>5</sup>	5,300	4,950	-350	-6.6%	4,650	-300	-6.1%
Local <sup>6</sup>	6,150	6,100	-50	-0.8%	6,000	-100	-1.6%

<sup>1</sup>Preliminary and adjusted estimates

<sup>2</sup>Excludes self-employed workers, fishermen, domestic workers, and unpaid family workers

<sup>3</sup>Private education only

<sup>4</sup>Excludes uniformed military

<sup>5</sup>Includes the University of Alaska

<sup>6</sup>Includes public school systems

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

steady amid steep declines in state funding, with a small loss of 50 jobs in 2016. This year will likely be slightly harder for school districts and local governments due to diminishing state funding. Even if schools sustain sharp funding cuts, though, they won't feel them until the next school year begins in the fall.

Tribal government, which is counted as part of local government, will likely fare better, as it's largely federally funded.

### Fishing to rebound after a dismal 2016

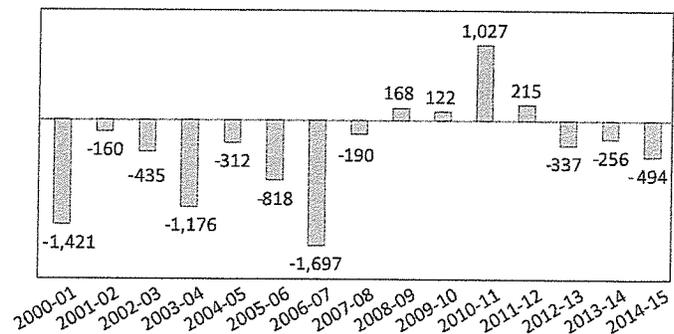
Commercial fishing is a significant part of Southeast's economy, but because most harvesters are self-employed, their jobs aren't part of this forecast. Still, 2017 is set to be a markedly better year for fishermen than 2016, which had lower-than-expected pink salmon runs compounded by low prices.

Odd years tend to have bigger pink salmon runs, and the Alaska Department of Fish and Game forecasts

# 3

## Several Years of Net Migration Loss

SOUTHEAST, JULY TO JULY, 2000 TO 2015



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

a higher-than-average harvest of 43 million pinks in 2017. Prices have also rebounded somewhat since last summer, partly due to the weaker-than-expected runs. A potential tariff on U.S. imports could hurt prices, though, as fish is commonly exported to China, processed, and imported back into the U.S.

While a better fishing season doesn't necessarily mean more people fishing, as many vessels operate with a fixed number of crew, those harvesting in 2017 are likely to earn more because they're typically paid a share of their vessels' revenue.

Seafood processing jobs, which make up the bulk of Southeast's manufacturing sector and are included in this forecast's data, are expected to get a corresponding boost this year from the higher catch volume.

## Construction will continue to decline

A third year of minimal capital budgets is all but certain, and while the Southeast construction industry hasn't yet sustained the full impact of the change because past funding from larger budgets has carried over, that pool is diminishing.

A handful of major projects will continue in 2017. The Haines highway project, which received \$30 million in federal funding, is the biggest. Others include the Juneau capitol building upgrade, the Tenakee ferry terminal project, and improvements to Juneau's Glacier Highway.

Federal transportation funding will remain strong, with four years left of the generous Fixing America's Surface Transportation Act. Federal funding won't be enough to counter minimal state funding and dreary economic conditions, though, so the industry is forecasted to lose 100 jobs in 2017.

## Tourism will boost some industries

Though decreased economic activity may put a dent in locals' spending, summer tourism will remain strong as long as the U.S. economy is growing.

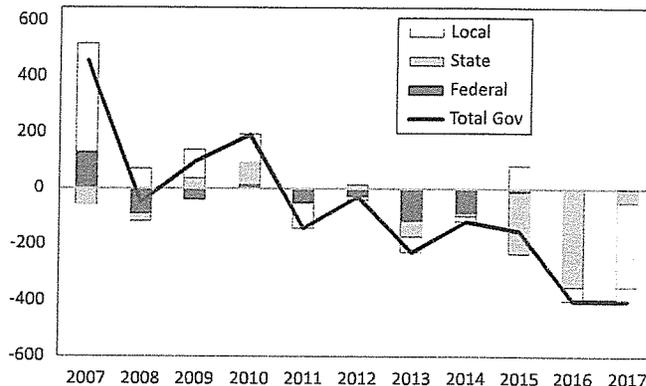
Southeast had more than 1 million cruise ship visitors in 2016, and 2017 is set to be just as big. Tourism is more significant in Southeast than the state as a whole, and it will shield restaurants and stores from the drop in business anticipated elsewhere.

The trade, transportation, and utilities sector, which is tied to tourism as well as local consumption, fell by a modest 50 jobs in 2016. This year's forecast is similar. Walmart closed its Juneau location partway through 2016, so last year's data reflected only part of the loss. And while a strong tourism season will boost retail and transportation employers, declining local incomes will

4

## Government Job Losses Continue

SOUTHEAST, 2007 TO 2017



Note: The 2016 number is preliminary, and 2017 is forecasted.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

reduce demand during the rest of the year and counter visitor-related gains.

Leisure and hospitality is even more heavily based in tourism, and it's forecasted to hold steady in 2017. While restaurants and bars will perform worse outside of the summer months due to less local spending, visitor spending on everything from tours to hotels will probably be enough to keep the industry stable.

## Other private industries

- The education and health services sector includes private health care and social assistance as well as private education, though Southeast has little of the latter. Private health care in Southeast has historically underperformed the state overall, partly due to the region's recent economic stagnation, but it grew somewhat in 2016 and is likely to add jobs again in 2017. Growth is also likely in the long term, mostly to serve the region's aging population. Social assistance was stable in 2016 but will be vulnerable to decreased state and federal funding.
- Southeast mining employment is forecasted to hold steady through existing mines and contractors. Exploration employment is minimal, and no potential sites are expected to open in the near future.

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## **Sales Tax Revenues – Skagway**

Service Business Revenue**				Gift shop/Jewelry store sales				Tour Sales						
				Taxable				Taxable						
Year	Taxable Revenue	Tax Collected	Year	Revenue	Tax Collected	Year	Revenue	Tax Collected	Year	Revenue	Tax Collected			
2008	19,046,389	875,050	2008	44,547,141	2,216,972	2008	45,464,038	2,237,294	2008	45,464,038	2,237,294			
2009	18,570,097	845,155	2009	41,514,734	2,066,882	2009	43,863,190	2,187,650	2009	43,863,190	2,187,650			
2010	21,324,600	965,781	2010	24,102,811	955,905	2010	34,764,568	1,442,652	2010	34,764,568	1,442,652			
2011	14,984,996	235,024	2011	34,413,012	1,685,087	2011	26,971,542	1,284,668	2011	26,971,542	1,284,668			
2012	43,714,070	2,168,835	2012	45,120,790	2,239,700	2012	20,349,301	1,006,287	2012	20,349,301	1,006,287			
2013	40,035,987	1,973,023	2013	46,310,023	2,306,240	2013	29,013,071	1,442,861	2013	29,013,071	1,442,861			
2014	34,986,079	1,726,381	2014	53,021,982	2,643,236	2014	33,178,216	1,653,979	2014	33,178,216	1,653,979			
2015	33,630,656	1,661,444	2015	51,933,238	2,581,582	2015	33,253,393	1,654,636	2015	33,253,393	1,654,636			
2016	36,890,272	1,822,012	2016	48,502,758	2,415,510	2016	34,208,973	1,703,096	2016	34,208,973	1,703,096			
			4.94%				4.98%				4.98%			

Rental Revenue**				Restaurant Revenue**						
				Taxable						
Year	Taxable Revenue	Tax Collected	Year	Revenue	Tax Collected	Year	Revenue	Tax Collected		
2012	10,629,284	483,860	2012	9,166,301	450,378	2012	9,166,301	450,378		
2013	11,579,841	523,603	2013	8,920,179	443,248	2013	8,920,179	443,248		
2014	10,667,191	497,445	2014	9,830,234	488,977	2014	9,830,234	488,977		
2015	11,880,349	566,223	2015	10,162,435	505,337	2015	10,162,435	505,337		
2016	12,785,598	574,503	2016	11,352,883	565,502	2016	11,352,883	565,502		
			4.49%				4.98%			

Total Sales Tax Revenues							
Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Revenue	Tax Collected	Year
2008	3,761,247	47,126,574	82,849,223	3,014,772	136,751,816	6,690,745	2008
2009	3,571,135	45,126,466	73,348,305	2,668,372	124,714,278	6,097,096	2009
2010	2,375,504	42,001,806	69,811,912	3,479,535	117,668,757	5,771,317	2010
2011	5,647,753	55,123,546	91,245,478	7,900,073	159,916,850	6,362,401	2011
2012	1,846,277	43,913,188	79,741,770	3,478,511	128,979,746	6,349,061	2012
2013	2,383,422	48,045,901	82,363,690	3,066,088	135,859,101	6,688,975	2013
2014	3,978,661	48,591,807	82,121,958	6,991,276	141,683,703	7,010,017	2014
2015	750,873	50,288,659	84,578,488	5,242,051	140,860,071	6,969,221	2015
2016	2,672,245	50,491,870	87,357,174	3,219,195	143,740,483	7,080,622	2016

\* Service Business Revenue includes construction companies, repair services, beauty shops, RV parks, power & phone company, realtors, day care, and cleaning.  
 \*\* In previous years, Rental & Restaurant revenue were not published as a category.



## **Visitor Statistics – Skagway**

### Skagway Incoming Visitors by Category 1983-2016

YEAR	May - Sept		May - Sept			May - Sept			TOTAL	% change
	CRUISE	CREW	AMHS	HIGHWAY	WP&YR	FWX	AIR	Marine		
1983	48,066		25,288	72,384	NA	15,000	3,500	NA	164,238	
1984	54,907		25,196	79,215	NA	15,000	3,750	NA	178,068	8.42%
1985	77,623		31,522	89,542	NA	15,000	4,000	NA	217,687	22.25%
1986	100,695		30,981	91,908	NA	15,000	4,250	NA	242,834	11.55%
1987	119,279		30,905	70,993	NA	15,498	4,953	NA	241,628	-0.50%
1988	115,505		31,481	74,614	NA	15,123	5,957	NA	242,680	0.44%
1989	112,692		29,997	63,789	15,972	14,562	7,233	NA	244,245	0.64%
1990	136,512		33,234	63,237	16,072	17,767	4,799	NA	271,621	11.21%
1991	141,284		33,630	64,610	19,069	19,157	4,853	1,163	283,766	4.47%
1992	145,973		37,216	79,946	17,809	18,852	7,947	2,000	309,743	9.15%
1993	192,549		33,650	80,709	16,313	13,220	10,092	3,000	349,533	12.85%
1994	204,387		34,270	81,172	15,865	13,000	10,000	3,000	361,694	3.48%
1995	256,788		33,961	87,977	15,521	13,000	17,000	4,100	428,347	18.43%
1996	299,651		35,760	86,536	20,871	14,782	20,721	4,000	482,321	12.60%
1997	438,305		27,659	91,849	14,416	0	11,466	7,173	590,868	22.51%
1998	494,961		31,324	100,784	20,432	2,671	20,679	7,923	678,774	14.88%
1999	525,507		31,467	92,291	20,422	0	15,963	4,767	690,417	1.72%
2000	565,639		30,732	94,925	19,231	0	15,626	8,362	734,515	6.39%
2001	599,520		23,232	82,629	20,674	0	7,479	10,205	743,739	1.26%
2002	611,638	258,031	26,224	80,421	14,361	0	5,641	12,154	1,008,470	35.59%
2003	639,742		23,814	74,750	13,065	0	6,340	23,724	781,435	-22.51%
2004	722,095	308,472	23,171	77,837	13,187	0	6,046	15,069	1,165,877	49.20%
2005	772,332	326,188	21,264	71,387	17,071	0	6,382	14,343	1,228,967	5.41%
2006	755,314		20,581	61,870	17,826	0	5,687	13,558	874,836	-28.82%
2007	820,744	344,338	17,738	68,855	16,514	0	4,890	5,069	1,278,148	46.10%
2008	765,492	323,017	16,076	65,826	18,326	0	3,787	13,833	1,206,357	-5.62%
2009	779,043	323,861	16,462	67,232	16,157	0	4,611	9,760	1,217,126	0.89%
2010	713,733	284,139	17,687	66,238	16,822	0	5,406	7,958	1,111,983	-8.64%
2011	708,015	293,190	16,393	64,368	16,059	0	6,419	8,726	1,113,170	0.11%
2012	754,255	308,812	17,410	66,016	15,293	0	5,129	8,029	1,174,944	5.55%
2013	821,971	336,189	17,321	67,610	15,054	0	5,963	7,530	1,271,638	8.23%
2014	821,888	337,773	17,006	64,844	15,230	0	6,178	6,898	1,269,817	-0.14%
2015	786,228	320,406	15,112	90,252	21,317	0	6,320	3,749	1,243,384	-2.08%
2016	779,232	312,497	15,251	99,956	13,114	0	4,821	6,955	1,231,826	-0.95%
<b>2015-16 Change</b>	<b>-0.89%</b>	<b>-2.47%</b>	<b>0.92%</b>	<b>10.75%</b>	<b>-38.48%</b>		<b>-23.72%</b>	<b>85.52%</b>	<b>-0.93%</b>	

"Marine Transit" Category includes: Allen Marine, Fjord Express & Haines Fast Ferry

## **Alaska – Per Capita Tax Revenues**

# Table 1

## Per-Capita Tax Revenues

This table lists only those municipalities which levy a sales, severance, property or other type of local tax.

Municipality	Property Tax	Sales Tax	Other Tax (1)	Total Tax	Population	Tax Per Capita
North Slope Borough	\$386,127,153	\$0	\$0	\$386,127,153	10,420	\$37,056
Valdez	\$48,928,301	\$0	\$409,848	\$49,338,149	4,011	\$12,301
Municipality of Skagway	\$1,821,411	\$7,068,042	\$120,267	\$9,009,720	1,040	\$8,663
Pilot Point	\$0	\$642,583	\$0	\$642,583	76	\$8,455
Egegik	\$0	\$0	\$812,706	\$812,706	104	\$7,814
Bristol Bay Borough	\$4,196,650	\$0	\$1,797,161	\$5,993,811	887	\$6,757
Whittier	\$626,526	\$557,265	\$322,638	\$1,506,429	253	\$5,954
Saint Paul	\$0	\$376,326	\$1,771,910	\$2,148,236	427	\$5,031
Unalaska	\$5,929,241	\$7,766,849	\$9,212,254	\$22,908,344	4,605	\$4,975
City and Borough of Juneau	\$47,205,860	\$46,187,130	\$4,890,873	\$98,283,863	33,277	\$2,954
Cordova	\$2,305,133	\$3,347,140	\$130,813	\$5,783,086	2,321	\$2,492
City and Borough of Yakutat	\$364,617	\$924,232	\$148,430	\$1,437,279	613	\$2,345
Seward	\$1,007,672	\$4,883,996	\$458,605	\$6,350,273	2,740	\$2,318
Haines Borough	\$2,825,480	\$2,828,963	\$109,808	\$5,764,251	2,493	\$2,312
Dillingham	\$2,383,255	\$2,620,237	\$478,994	\$5,482,486	2,386	\$2,298
Akutan	\$0	\$0	\$2,098,763	\$2,098,763	933	\$2,249
King Cove	\$0	\$854,750	\$1,145,831	\$2,000,581	900	\$2,223
Nome	\$3,051,603	\$5,121,497	\$151,997	\$8,325,097	3,819	\$2,180
Ketchikan	\$5,488,642	\$11,461,271	\$486,838	\$17,436,751	8,277	\$2,107
Wasilla	\$0	\$17,504,642	\$0	\$17,504,642	8,468	\$2,067
Homer	\$3,101,669	\$7,533,680	\$0	\$10,635,349	5,153	\$2,064
Kodiak	\$921,916	\$11,512,936	\$210,098	\$12,644,950	6,288	\$2,011
Hoonah	\$0	\$1,550,134	\$0	\$1,550,134	783	\$1,980
Denali Borough	\$0	\$0	\$3,503,040	\$3,503,040	1,781	\$1,967
North Pole	\$819,274	\$2,845,466	\$516,272	\$4,181,012	2,138	\$1,956
Petersburg Borough	\$3,167,360	\$3,030,191	\$55,461	\$6,253,012	3,199	\$1,955
Municipality of Anchorage	\$515,260,957	\$0	\$68,130,079	\$583,391,036	298,908	\$1,952
City and Borough of Sitka	\$6,194,986	\$10,014,174	\$1,000,917	\$17,210,077	8,929	\$1,927
Craig	\$602,456	\$1,552,438	\$0	\$2,154,894	1,180	\$1,826
City and Borough of Wrangell	\$1,703,619	\$2,642,785	\$39,114	\$4,385,518	2,442	\$1,796
Sand Point	\$0	\$908,182	\$688,517	\$1,596,699	951	\$1,679
Soldotna	\$287,379	\$6,920,246	\$0	\$7,207,625	4,319	\$1,669
Seldovia	\$181,892	\$179,068	\$0	\$360,960	226	\$1,597
Kenai Peninsula Borough	\$62,078,842	\$30,103,266	\$0	\$92,182,108	57,763	\$1,596
Adak	\$0	\$331,940	\$89,537	\$421,477	275	\$1,533
False Pass	\$0	\$28,735	\$80,210	\$108,945	73	\$1,492
Kenai	\$3,771,925	\$6,781,037	\$0	\$10,552,962	7,229	\$1,460
Aleutians East Borough	\$0	\$0	\$4,268,884	\$4,268,884	2,969	\$1,438
Matanuska Susitna Borough	\$119,269,340	\$0	\$9,474,899	\$128,744,239	100,178	\$1,285
Palmer	\$1,316,111	\$6,503,870	\$0	\$7,819,981	6,135	\$1,275
Ketchikan Gateway Borough	\$8,427,766	\$8,452,793	\$50,666	\$16,931,225	13,778	\$1,229
Kotzebue	\$0	\$3,711,382	\$295,408	\$4,006,790	3,267	\$1,226
Kodiak Island Borough	\$14,397,697	\$0	\$1,839,867	\$16,237,564	13,819	\$1,175
Bethel	\$0	\$5,720,309	\$1,376,723	\$7,097,032	6,205	\$1,144
Fairbanks North Star Borough	\$107,140,828	\$0	\$4,392,485	\$111,533,313	98,645	\$1,131
Chignik	\$0	\$0	\$105,464	\$105,464	95	\$1,110
Nenana	\$197,740	\$181,723	\$7,527	\$386,990	380	\$1,018

(1) Could include: bed, alcohol, car rental, raw fish, tobacco and other miscellaneous taxes

**Average statewide per-capita revenue (Excludes North Slope) \$1,855**  
**Average statewide per-capita revenue (Including North Slope) \$2,353**

Municipality	Property Tax	Sales Tax	Other Tax (1)	Total Tax	Population	Tax Per Capita
Pelican	\$54,055	\$38,092	\$9,829	\$101,976	101	\$1,010
Lake and Peninsula Borough	\$0	\$0	\$1,482,180	\$1,482,180	1,668	\$889
Thorne Bay	\$0	\$421,313	\$6,324	\$427,637	510	\$839
Klawock	\$0	\$674,663	\$11,318	\$685,981	820	\$837
Gustavus	\$0	\$364,200	\$71,402	\$435,602	533	\$817
Aleknagik	\$0	\$67,397	\$98,238	\$165,635	246	\$673
Fairbanks	\$15,209,182	\$0	\$6,116,410	\$21,325,592	32,116	\$664
Larsen Bay	\$0	\$14,344	\$36,466	\$50,810	85	\$598
Cold Bay	\$0	\$0	\$45,390	\$45,390	78	\$582
Galena	\$0	\$267,061	\$0	\$267,061	484	\$552
Unalakleet	\$0	\$353,398	\$11,801	\$365,199	745	\$490
Port Alexander	\$0	\$22,080	\$2,636	\$24,716	62	\$399
Bettles	\$0	\$0	\$4,283	\$4,283	11	\$389
Saint Marys	\$0	\$179,204	\$38,587	\$217,791	561	\$388
Saint Michael	\$0	\$127,429	\$0	\$127,429	428	\$298
Emmonak	\$0	\$241,048	\$0	\$241,048	827	\$291
Kake	\$0	\$172,566	\$0	\$172,566	620	\$278
Fort Yukon	\$0	\$154,342	\$0	\$154,342	564	\$274
Houston	\$377,513	\$165,744	\$13,750	\$557,007	2,096	\$266
Point Hope	\$0	\$188,126	\$0	\$188,126	711	\$265
Nuiqsut	\$0	\$0	\$117,446	\$117,446	446	\$263
Shaktoolik	\$0	\$71,548	\$0	\$71,548	274	\$261
Saxman	\$0	\$107,556	\$0	\$107,556	413	\$260
Buckland	\$0	\$111,025	\$0	\$111,025	463	\$240
Russian Mission	\$0	\$77,607	\$0	\$77,607	334	\$232
Hooper Bay	\$0	\$251,990	\$18,582	\$270,572	1,210	\$224
Elim	\$0	\$72,401	\$0	\$72,401	340	\$213
Marshall	\$0	\$97,500	\$0	\$97,500	462	\$211
Quinhagak	\$0	\$154,496	\$124	\$154,620	745	\$208
Scammon Bay	\$0	\$116,253	\$0	\$116,253	561	\$207
Pilot Station	\$0	\$125,484	\$0	\$125,484	625	\$201
Mountain Village	\$0	\$173,755	\$0	\$173,755	902	\$193
Deering	\$0	\$29,344	\$0	\$29,344	157	\$187
Napakiaik	\$0	\$68,978	\$0	\$68,978	379	\$182
Noorvik	\$0	\$116,043	\$0	\$116,043	638	\$182
Selawik	\$0	\$154,725	\$0	\$154,725	873	\$177
Togiak	\$0	\$121,579	\$32,598	\$154,177	888	\$174
Aniak	\$0	\$52,418	\$35,041	\$87,459	532	\$164
Old Harbor	\$0	\$26,787	\$8,559	\$35,346	228	\$155
Nunapitchuk	\$0	\$77,290	\$12,765	\$90,055	607	\$148
Wales	\$0	\$25,227	\$0	\$25,227	171	\$148
Kotlik	\$0	\$92,689	\$0	\$92,689	645	\$144
Kachemak	\$68,158	\$0	\$0	\$68,158	483	\$141
Diomede	\$0	\$13,047	\$0	\$13,047	94	\$139
Koyuk	\$0	\$44,847	\$0	\$44,847	333	\$135
Anderson	\$0	\$0	\$27,711	\$27,711	217	\$128
Stebbins	\$0	\$80,558	\$0	\$80,558	627	\$128
Savoonga	\$0	\$90,000	\$0	\$90,000	723	\$124
Tenakee Springs	\$0	\$15,854	\$1,523	\$17,377	142	\$122
Eek	\$0	\$41,200	\$0	\$41,200	348	\$118
Brevig Mission	\$0	\$48,201	\$0	\$48,201	415	\$116
Chevak	\$0	\$113,669	\$0	\$113,669	1,023	\$111
Gambell	\$0	\$76,450	\$0	\$76,450	698	\$110

(1) Could include: bed, alcohol, car rental, raw fish, tobacco and other miscellaneous taxes

**Average statewide per-capita revenue (Excludes North Slope) \$1,855**

**Average statewide per-capita revenue (Including North Slope) \$2,353**

Municipality	Property Tax	Sales Tax	Other Tax (1)	Total Tax	Population	Tax Per Capita
Mekoryuk	\$0	\$24,301	\$0	\$24,301	222	\$109
Hydaburg	\$0	\$43,408	\$0	\$43,408	402	\$108
Shishmaref	\$0	\$61,543	\$0	\$61,543	574	\$107
Kivalina	\$0	\$42,245	\$0	\$42,245	412	\$103
Teller	\$0	\$26,267	\$0	\$26,267	261	\$101
Tanana	\$0	\$23,635	\$0	\$23,635	240	\$98
Kiana	\$0	\$40,102	\$0	\$40,102	425	\$94
Chefornak	\$0	\$42,150	\$0	\$42,150	457	\$92
Shungnak	\$0	\$25,496	\$0	\$25,496	290	\$88
Barrow	\$0	\$0	\$362,095	\$362,095	4,933	\$73
Angoon	\$0	\$27,402	\$794	\$28,196	426	\$66
White Mountain	\$0	\$10,380	\$0	\$10,380	187	\$56
Napaskiak	\$0	\$24,919	\$0	\$24,919	444	\$56
Toksook Bay	\$0	\$27,074	\$0	\$27,074	622	\$44
Ouzinkie	\$0	\$5,585	\$0	\$5,585	172	\$32
Port Lions	\$0	\$0	\$4,443	\$4,443	174	\$26
McGrath	\$0	\$0	\$8,237	\$8,237	327	\$25
Nunam Iqua	\$0	\$5,032	\$0	\$5,032	210	\$24
Kwethluk	\$0	\$17,270	\$0	\$17,270	793	\$22
Nightmute	\$0	\$3,334	\$0	\$3,334	285	\$12
Manokotak	\$0	\$4,984	\$0	\$4,984	482	\$10
Anaktuvuk Pass	\$0	\$0	\$3,452	\$3,452	393	\$9
<b>Statewide</b>	<b>\$1,376,812,209</b>	<b>\$229,203,933</b>	<b>\$129,254,888</b>	<b>\$1,735,271,030</b>	<b>737,625</b>	<b>\$2,347</b>

(1) Could include: bed, alcohol, car rental, raw fish, tobacco and other miscellaneous taxes

**Average statewide per-capita revenue (Excludes North Slope) \$1,855**  
**Average statewide per-capita revenue (Including North Slope) \$2,353**

## **CLIA Letter to Municipality**

May 3, 2017

Mark Schaefer, Borough Mayor  
Municipality of Skagway  
P.O. Box 415  
Skagway, AK 99840

Dear Mayor Schaefer,

During a recent meeting of the CLIA – North West & Canada Operations & Technical Committee it was brought to our attention by Cruise Line Agencies of Alaska that the existing dock facilities of Skagway will not be able to accommodate certain ships of existing brands that have proposed port calls to Skagway in 2019. More specifically, brands are replacing existing ships with larger ships as the Alaska market continues to grow, which by any measure is a good problem to have.

If Skagway is to keep up with this growing market it is important that the existing facilities are upgraded to accommodate the larger ships coming to Alaska. We understand that the City has engaged the services of Moffatt & Nichol who has provided suggested plans that identify options for pier renovations at the White Pass Dock (berths) and the Ore Dock. Based on what we have seen of these plans it appears the best short-term solution is the renovation plan for the Ore Dock, which would address the immediate need for Skagway ships scheduled in 2019.

Understanding the timing of everything required for a project like this, we encourage the City of Skagway and White Pass & Yukon Route to work together and immediately take the necessary steps to put a plan in motion to renovate the Ore Dock. We are happy to participate where we might add value and/or answer any questions you may have. Cruise Line Agencies of Alaska has done an excellent job of updating our committee of the current situation and will continue to serve in that capacity.

Sincerely,



Greg Wirtz, President – CLIA-North West & Canada  
On behalf of Alan Wilson, Chair – Operations & Technical Committee

cc: John Finlayson, President, White Pass & Yukon Route

## **Additional Information on Subject Parcels**

**PARCEL 1**

# Municipality of Skagway Assessment Card

Tax Parcel 2TOWN141080

## .: PARCEL INFORMATION

Parcel #: 2TOWN141080      Zone: WF      Use: C - Commercial  
 Street #: 901      Street Name: Terminal Way  
 Block: 141      Lot #: 080      Descip: ATS #4 6G  
 Name: Temsco  
 Address: Box 5057, Ketchikan AK 99901  
 Sale Date:      Price \$:      Deed:  
 Prev. Owner:  
 Mailing:



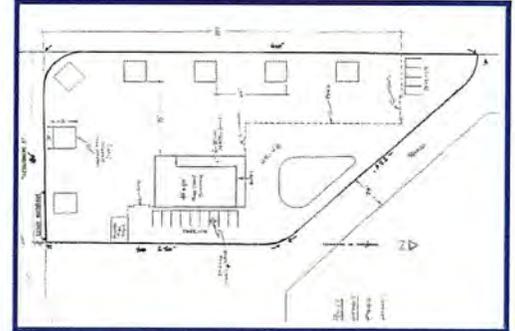
052808\_3811(2)

## .: LAND DETAIL

Description:

LandSize: 69,696 SF

- Base Site Value (69,696 SF x \$6.00/SF)      \$      418176
- Total:      \$      418176



## .: POSSESSORY INTEREST DETAIL

Description

Amount      Site:      **\$158500**      Improvements:

## .: ASSESSMENT

Year	Interest	Land	Improvement	Total	Comments
2016	PossInt	\$158500	\$1568900	\$1727400	
2015	PossInt	\$182100	\$1568900	\$1751000	
2014	PossInt	\$203600	\$1568900	\$1772500	
2013	PossInt	\$223100	\$1568900	\$1792000	

Percent Change over Prior Year

Land

Imp.

**PARCEL 2**

# Municipality of Skagway Assessment Card

Tax Parcel 2TOWN141050

## .: PARCEL INFORMATION

Parcel #: 2TOWN141050      Zone: WF      Use: I - Industrial  
 Street #:                      Street Name:  
 Block: 141      Lot #: 050      Descip: Bulk Plant, 6B  
 Name: Skagway Terminal Co.  
 Address: Box 435, Skagway AK 99840  
 Sale Date:                      Price \$:                      Deed:  
 Prev. Owner:  
 Mailing:

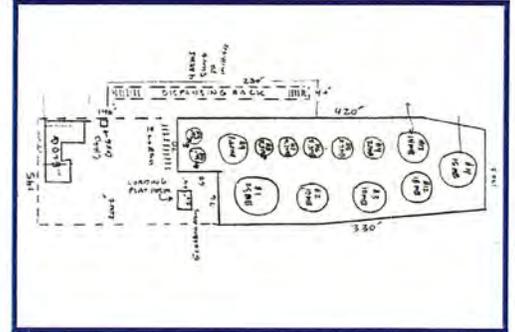


052808\_3808

## .: LAND DETAIL

Description:

LandSize:	• Base Site Value (86,205 SF x \$6.00/SF)	\$	517230
86,205 SF	• Total:	\$	517230



## .: POSSESSORY INTEREST DETAIL

Description

Amount      Site: **\$251800**      Improvements:

## .: ASSESSMENT

Year	Interest	Land	Improvement	Total	Comments
2016	PossInt	\$251800	\$5510600	\$5762400	
2015	PossInt	\$275900	\$5510600	\$5786500	
2014	PossInt	\$297900	\$5510600	\$5808500	
2013	PossInt	\$317800	\$5510600	\$5828400	

Percent Change over Prior Year

Land

Imp.

**PARCEL 3**

# Municipality of Skagway Assessment Card

Tax Parcel 2TOWN141060

## .: PARCEL INFORMATION

Parcel #: 2TOWN141060      Zone: WF      Use: I - Industrial  
 Street #:      Street Name: Ore Terminal  
 Block: 141      Lot #: 060      Descip: Ptn Lot 4 (TL6A) ATS #4  
 Name: Capstone Mining Corp.  
 Address: Ste 2100 510 West Georgia St. Vancouver, BC V6B 0M3  
 Sale Date: 1/1/2007      Price \$: 11,500,000      Deed: USF Agreement  
 Prev. Owner: AIDEA, leased to Sherwood Copper Corp.  
 Mailing: 625 Howe St, Ste 860, Vancouver, BC V6C2T6

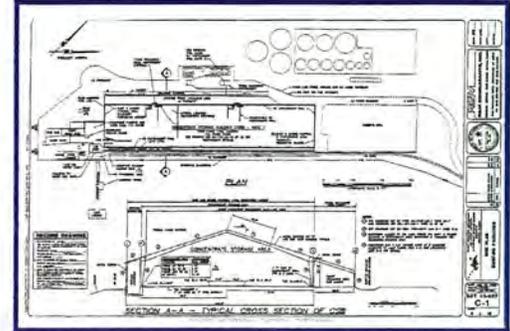


052808\_3811

## .: LAND DETAIL

Description: Ore Terminal, Upland Waterfront Site

LandSize:	• Base Site Value (291852 sf SF x \$10/SF)	\$	2918520
291,852 SF	• Total:	\$	2918520



## .: POSSESSORY INTEREST DETAIL

Description **25% Site Use, Lease from City expires 2023**  
 Amount      Site: **\$355200**      Improvements:

## .: ASSESSMENT

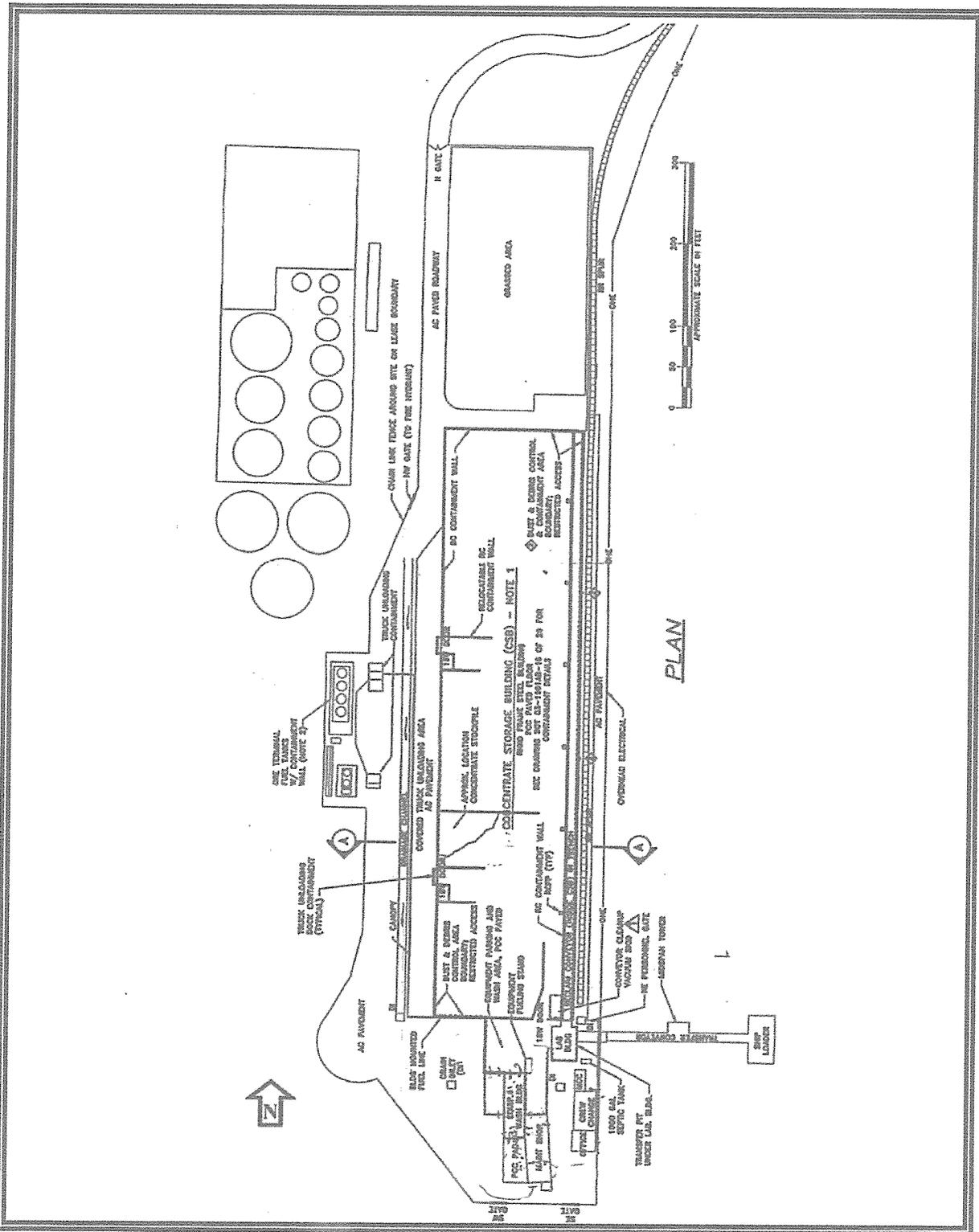
Year	Interest	Land	Improvement	Total	Comments
2016	PossInt	\$355200	\$6480000	\$6835200	
2015	PossInt	\$389200	\$6480000	\$6869200	
2014	PossInt	\$420200	\$6480000	\$6900200	
2013	PossInt	\$448300	\$6480000	\$6928300	

Percent Change over Prior Year

Land

Imp.

In 2007, the property was upgraded by AIDEA the new tenant Sherwood, built a CSB (Concentrate Storage Building) on 25% of slab for its own use. Sherwood uses 25% of the property's "Common Elements" and has exclusive use on 25% of the slab upon which its building is on.



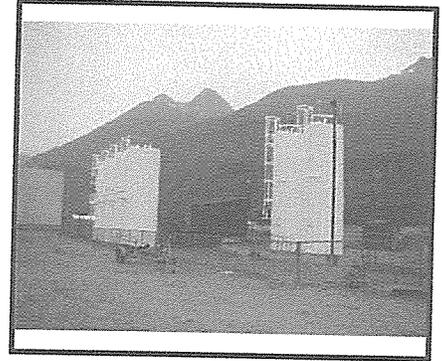
SITE PLAN

# City of Skagway Assessment Card

Tax Parcel 2TOWN141070

.: PARCEL INFORMATION  NO  EXEMPTION  POSSESSORY Revisit:

Parcel # **2TOWN141070** Zone: **WF** Use: **I - Industrial**  
 Street # Street Name **TANK FARM**  
 Block **141** Lot # **070** Descrip **ATS #4 Ore Term. 6C**  
 Name **AIDEA (EXEMPT)**  
 Address **813 West Northern Lights Blvd. Anchorage, AK**  
 Sale Date Price Deed  
 Prev. Owner  
 Mailing



091008\_1060

.: LAND DETAIL

Description Tank Farm built in 1992 for \$350,000 and sold to AIDEA.

LandSize	Base Site Value	16,177 SF X \$	10.00 = \$	161,770.00
16,177 SF	<input type="text"/>	SF X \$	= \$	
<input type="radio"/> AC	<input type="text"/>	SF X \$	= \$	
<input checked="" type="radio"/> SF	Totals	16,177 SF	Fee Value: \$	161,770.00



052808\_3811

.: EXEMPTION DETAIL

Description  MANDATORY  
 OPTIONAL  
 Exemption Land: Improvement:

.: POSSESSORY INTEREST DETAIL

Description  
 Amount Site: \$105100 Improvements: \$266800

[More Photos or Documents](#)

.: ASSESSMENT - Values

After entering Land Detail Values above or Possessory Interest Values at left, click REFRESH so they change below.

Year	Interest	Land	Improvement	Total	Comments	M&S Costs
2017	Exempt	\$161,800		\$161,800		
2016	Exempt	\$161,800		\$161,800		
2015	Exempt	\$161,800		\$161,800		
2014	Posses	\$105,100	\$266,800	\$371,900		

Percent Change over Prior Year

Land	
Imp.	

Taxes Paid

Date Paid	Amount
<input type="text"/>	<input type="text"/>

Non-Printing Notes:

**PARCEL 4**



**PARCEL 5**

# Google Maps Skagway



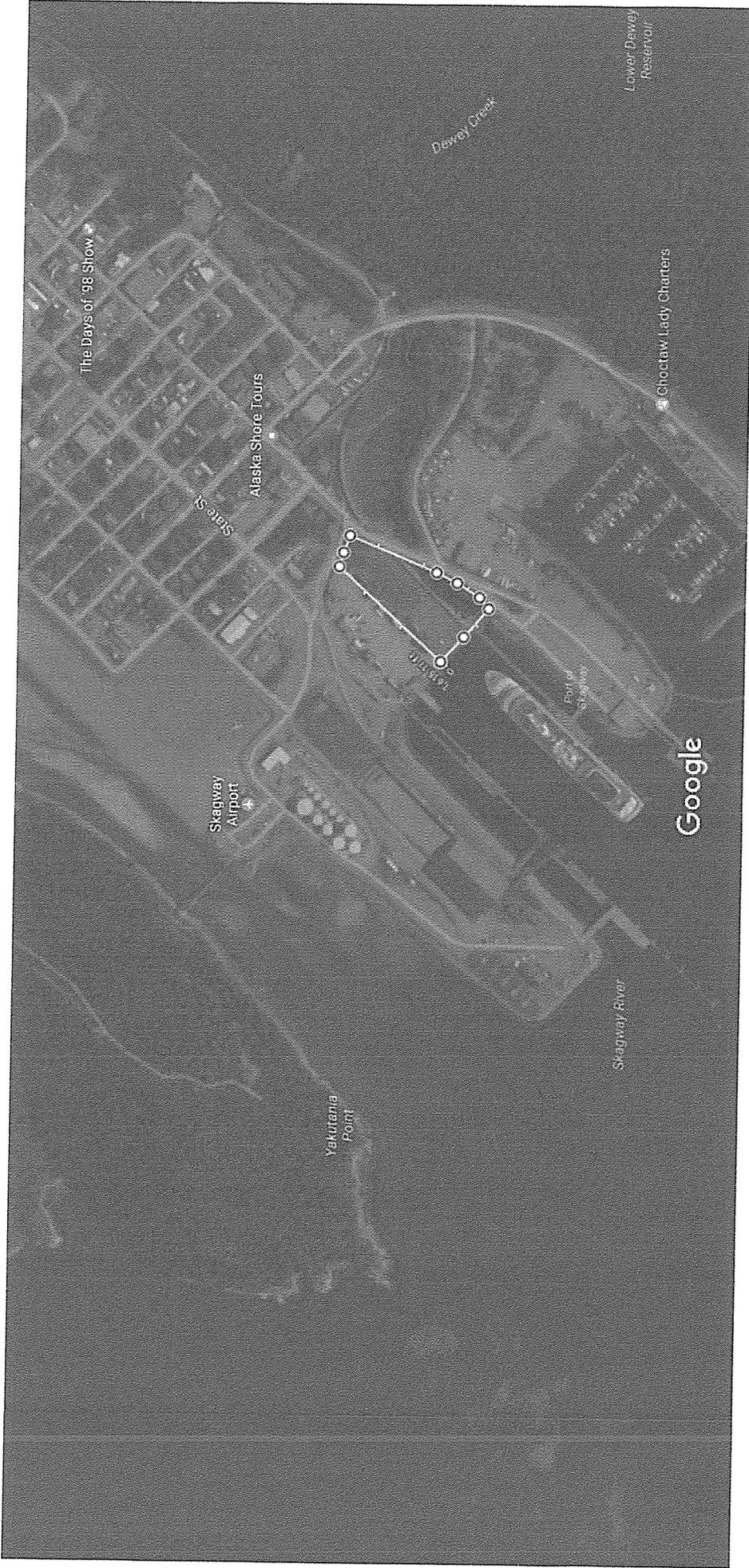
Imagery ©2017 DigitalGlobe, Map data ©2017 Google 200 ft



**PARCEL 6**



**PARCEL 7**



Imagery ©2017 DigitalGlobe, Map data ©2017 Google 200 ft

Measure distance

Total area: 134,031.72 ft² (12,451.95 m²)

Total distance: 1,615.11 ft (492.29 m)

# City of Skagway Assessment Card

Tax Parcel 2TOWN141030

**PARCEL INFORMATION**  NO  EXEMPTION  POSSESSORY Revisit:

Parcel # **2TOWN141030** Zone: **WF** Use: **V - Vacant Land**  
 Street # \_\_\_\_\_ Street Name \_\_\_\_\_  
 Block **141** Lot # **030** Descrip **Lot 3, ATS 4**  
 Name **Skagway Terminal Company**  
 Address **P.O. Box 435, Skagway, AK 99840**  
 Sale Date \_\_\_\_\_ Price \_\_\_\_\_ Deed \_\_\_\_\_  
 Prev. Owner \_\_\_\_\_  
 Mailing \_\_\_\_\_



**LAND DETAIL**

Description **23,653 SF @ \$15/SF = \$354,796. Track and pavement on Broadway Dock File (see 2TOWN141100)**

LandSize	Base Site Value	23,653SF X \$	15.00 = \$	354,795.00
23,653 SF	<input type="text"/>	SF X \$	= \$	
<input type="radio"/> AC	<input type="text"/>	SF X \$	= \$	
<input checked="" type="radio"/> SF	Totals	23,653SF	Fee Value: \$	354,795.00

**EXEMPTION DETAIL**

Description \_\_\_\_\_  MANDATORY  
 Exemption Land: \_\_\_\_\_ Improvement: \_\_\_\_\_  OPTIONAL

**POSSESSORY INTEREST DETAIL**

Description \_\_\_\_\_  
 Amount Site: **\$346200** Improvements: \_\_\_\_\_

[More Photos or Documents](#)

**ASSESSMENT - Values**

After entering Land Detail Values above or Possessory Interest Values at left, click REFRESH so they change below.

Year	Interest	Land	Improvement	Total	Comments	M&S Costs
2017	Fee	\$354,800		\$354,800		
2016	Fee	\$354,800		\$354,800		
2015	Fee	\$354,800		\$354,800		
2014	Fee	\$354,800		\$354,800		

Taxes Paid	
Date Paid	Amount
<input type="text"/>	<input type="text"/>

Percent Change over Prior Year
Land
Imp.

Track, sidewalk site improvements on Broadway Dock File 2TOWN141100.

Non-Printing Notes:

# State St

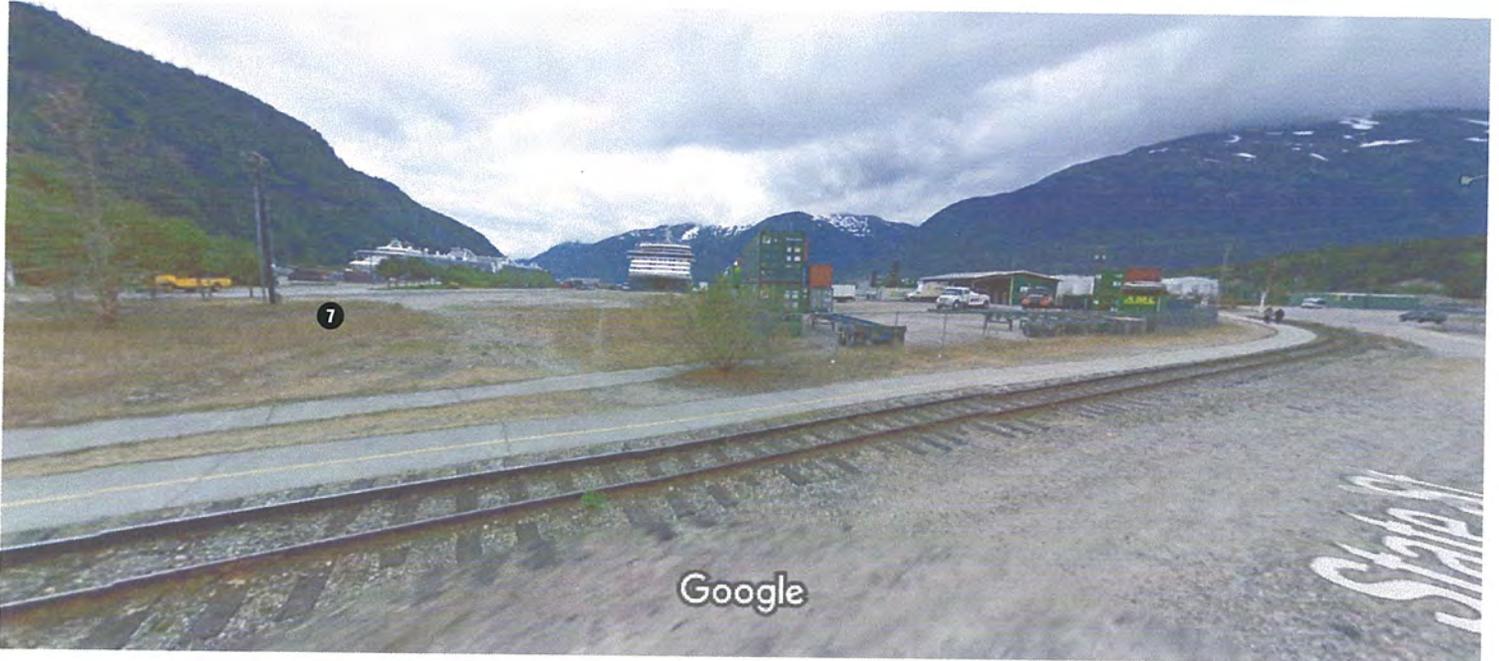


Image capture: Jul 2009 © 2017 Google

Skagway, Alaska

Street View - Jul 2009



**PARCEL 8**

# Municipality of Skagway Assessment Card

Tax Parcel 2TOWN141040

## .: PARCEL INFORMATION

Parcel #: 2TOWN141040      Zone: WF      Use: I - Industrial  
 Street #: 100      Street Name: Otter Way  
 Block: 141      Lot #: 040      Descr: ATS-AML Lease 6F  
 Name: Alagnak Holdings, LLC  
 Address: PO Box 3757, Seattle WA 98124  
 Sale Date:      Price \$:      Deed:  
 Prev. Owner:  
 Mailing:



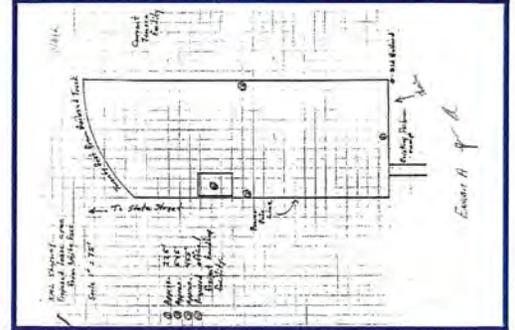
052808\_3810(2)

## .: LAND DETAIL

Description:

LandSize: 112,500 SF

- Base Site Value (112500 SF x \$10.00/SF)      \$ 1125000
- Total:      \$ 1125000



## .: POSSESSORY INTEREST DETAIL

Description

Amount      Site: **\$426500**      Improvements:

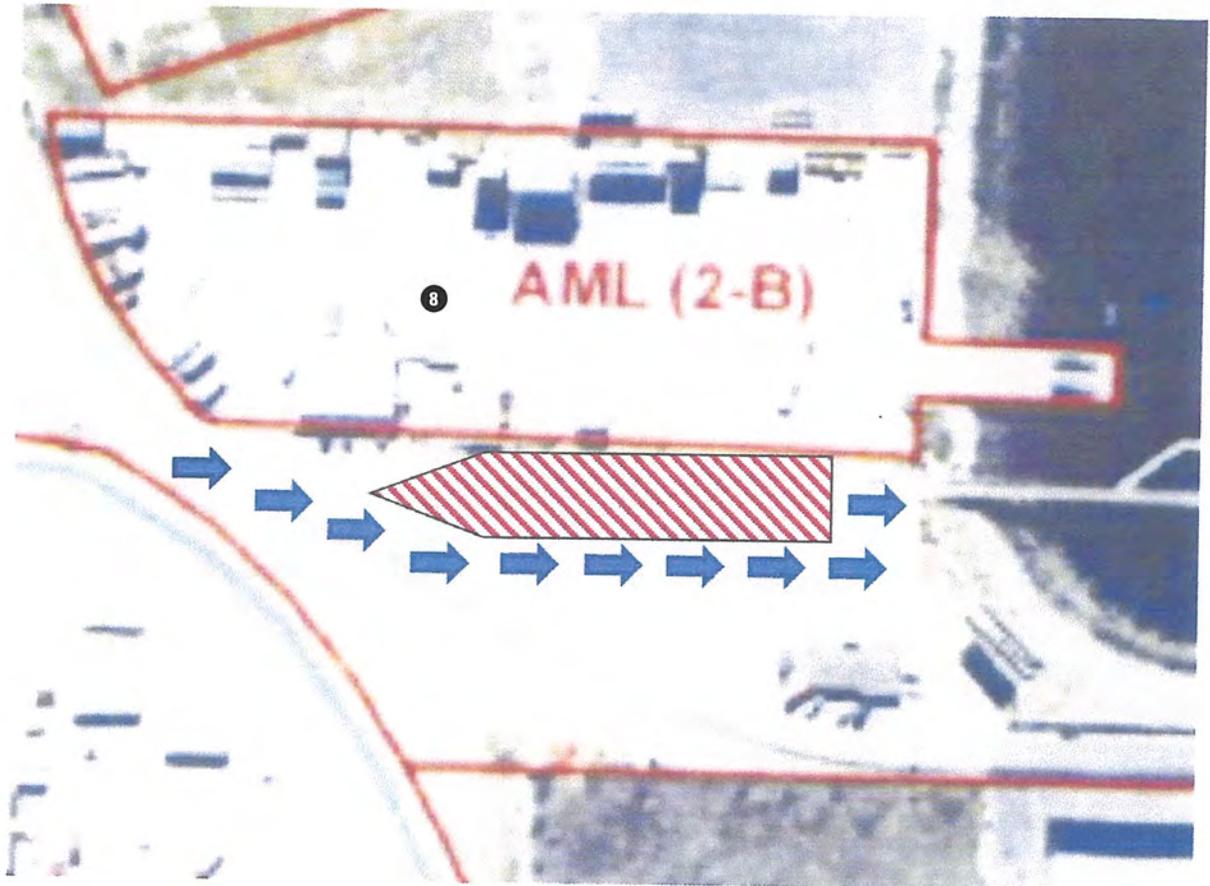
## .: ASSESSMENT

Year	Interest	Land	Improvement	Total	Comments
2016	PossInt	\$426500	\$896500	\$1323000	
2015	PossInt	\$490000	\$896500	\$1386500	
2014	PossInt	\$547700	\$896500	\$1444200	
2013	PossInt	\$600200	\$896500	\$1496700	

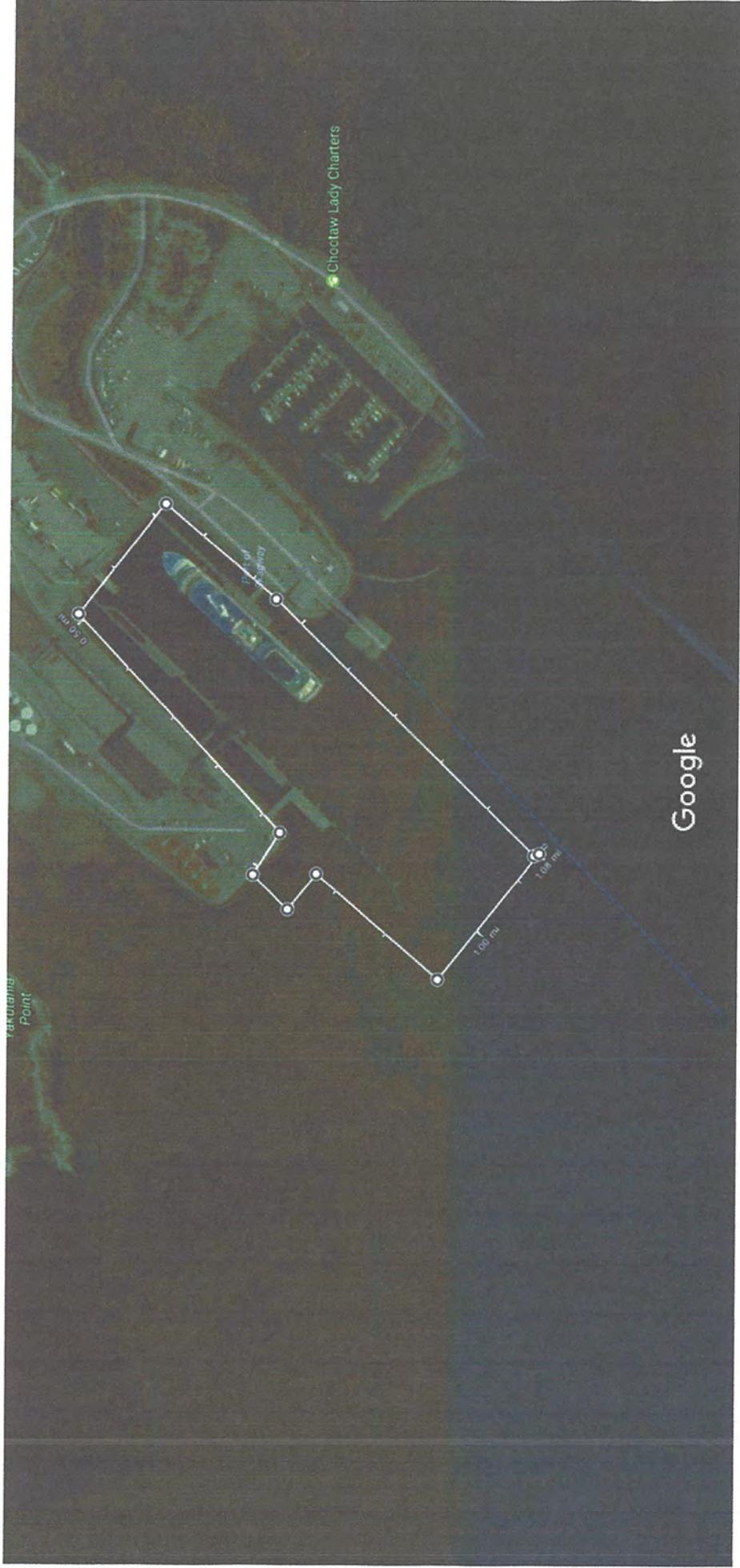
Percent Change over Prior Year

Land

Imp.



**PARCEL 9**



Imagery ©2017 Landsat / Copernicus, DigitalGlobe, Map data ©2017 Google 200 ft

Measure distance

Total area: 1,336,048.67 ft² (124,122.98 m²)

Total distance: 1.08 mi (1.73 km)

## **Market Comparisons**

## COMPARISON No. 1

**Location:** 12105-12165 Glacier Highway, Auke Bay

**Legal Description:** Lot 1, Lot 2A and Lot 3A of Plat 2007-19, JRD.

**Sale Date:** February 2017

**Grantor:** Eric Lloyd Lindegaard

**Grantee:** Aukness LLC

**Recording:** SWD 2017-000583

**Price:** \$2,800,000

**Terms:** cash to seller

**Land Size:** 150,156 SF with approximately 250 feet on highway and 450 feet on waterfront

**Access:** paved two lane State highway

**Zoning:** Waterfront commercial/WC

**Utilities:** all

**Soils/Topography:** moderate slope from highway to waterfront.

**Description:** This property is located between the highway and Auke Bay and consists of three contiguous parcels sold together. The property is located between Spaulding Condominiums and the Auke Bay commercial area. The State has recently completed significant highway upgrades to make travel through Auke Bay safer, including the installation of a round- about at the intersection of the highway with the entrance to Statter Harbor and with Back Loop Road. Auke Bay includes a wide mix of uses including public and private marinas, commercial, educational and recreational uses and a variety of residential uses.

The property was on the market for about two years at \$3,490,000 before selling to residents who plan to develop it.

**Confirmation:** Marty McKeown, broker, ReMax of Juneau by Julie C. Dinneen, MAI

**Analysis:** \$2,800,000/150,156 SF = \$18.65 SF





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## COMPARISON No. 2

**Location:** 5220 Commercial Boulevard, Lemon Creek

**Legal Description:** Tract B, SSG IV, Plat 93-17, JRD.

**Sale Date:** November 16, 2012

**Grantor:** Tlingit & Haida Regional Housing Authority

**Grantee:** AKBEV Group LLC

**Recording:** WD 2012-007408

**Price:** \$982,900

**Terms:** cash to seller

**Land Size:** 78,632 SF

**Access:** paved neighborhood street

**Zoning:** Industrial

**Utilities:** all underground

**Soils/Topography:** level with good soils and natural vegetation

**Improvements:** none

**Description:** This site fronts Shaune Way, Charles Way and Commercial Boulevard and is proximate to Costco. This site was marketed for an extended period at \$14.99 SF before this transaction took place.

The buyer is in an expansion phase and needed growing room. Alaska Brewery's plant is close by on Shaune Drive. With this acquisition, the Brewery owns 160,865 SF of land in the neighborhood, as well as their brewery improvements.

**Confirmation:** Mike Ban, THRHA Realty Department by Julie C. Dinneen, MAI

**Analysis:** \$982,900/78,632 SF = \$12.50 SF



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### COMPARISON NO. 3

**Location:** 4100 Block of Tongass Avenue, Ketchikan

**Legal Description:** Lot 2 Plat 2011-12, KRD.

**Sale Date:** May 2011

**Grantor:** Petro Alaska Inc.

**Grantee:** Harbor Point LLC

**Recording:** SWD 2011-001567

**Price:** \$462,000

**Terms:** cash to seller

**Land Size:** 41,670 SF

**Access:** 100 feet on Tongass Highway

**Waterfrontage:** approximately 250 feet on the water

**Zoning:** IH

**Utilities:** all available

**Soils/Topography:** Uplands are paved and generally level with Tongass Avenue.

Tidelands are submerged at all tide and water depth is 10 to 15 feet.

**Description:** This parcel of land is located between the ferry landing and Taquan Air on Tongass Narrows. The property was marketed with a realtor and eventually sold without a realtor involved. The buyer, Taquan Air, was expanding its operations and needed more tidelands for airplane floats.

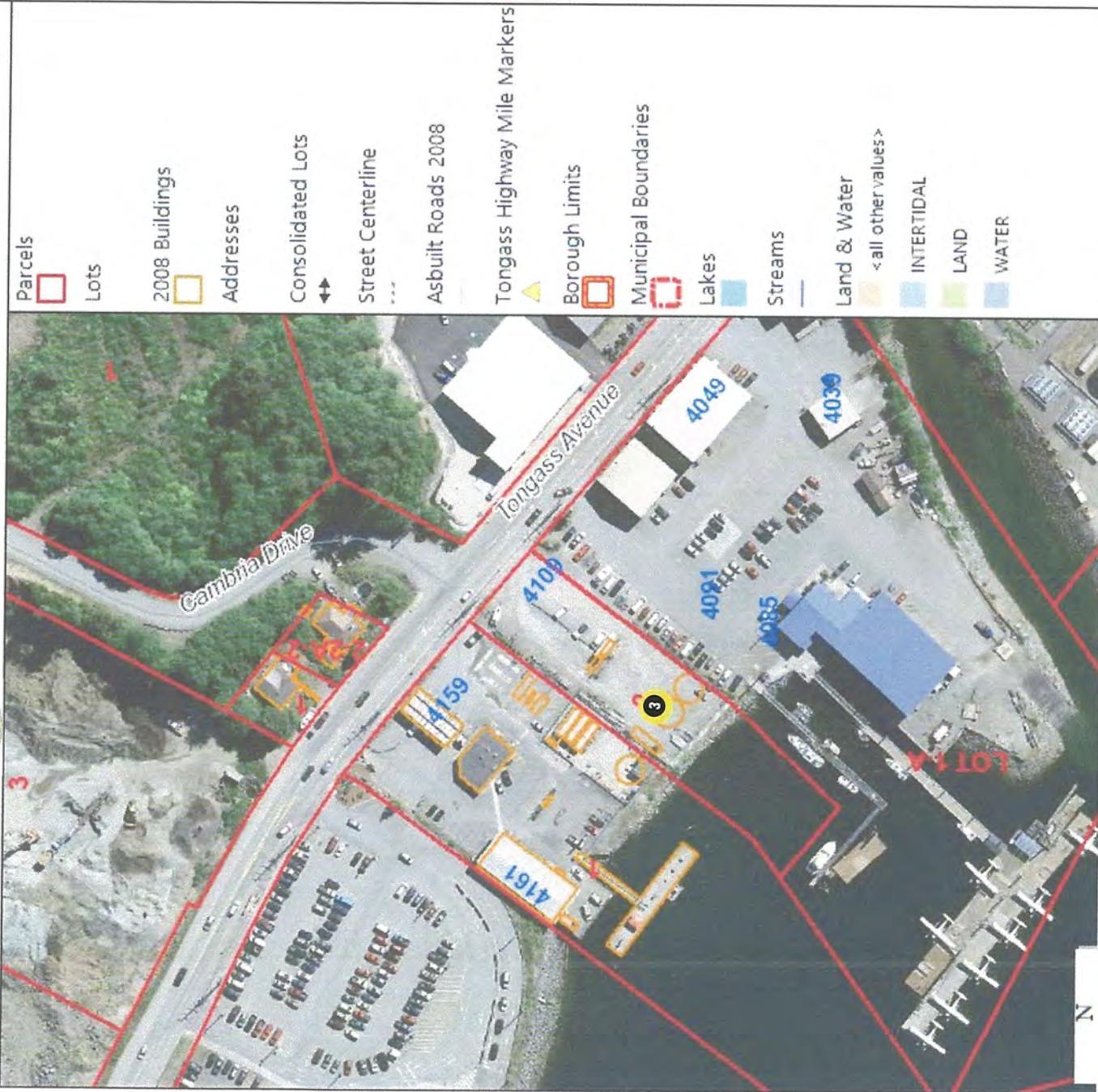
Approximately 60% of this property is uplands and 40% is tidelands. The buyer has placed floats on the tideland portion of the property and the uplands remain unchanged as of May 2017.

**Analysis:**  $\$462,000/41,670 \text{ SF} = \$11.09 \text{ SF}$

**Confirmation:** Nick Gefre, Petro Alaska by Julie C. Dinneen, MAI



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## COMPARISON NO. 4

**Location:** 3950 Tongass Avenue, Ketchikan

**Legal Description:** Tract 1013 Plat 99-24, KR.D.

**Sale Date:** June 2013 sale contract

**Grantor:** Carlanna Construction Inc.

**Grantee:** STC Properties LLC (Sean Conley)

**Recording:** WD 2013-002934

**Price:** \$1,750,000

**Terms:** cash to seller

**Land Size:** 263,629 SF

**Access:** 936 feet on Tongass Highway

**Zoning:** IH

**Utilities:** all available

**Soils/Topography:** level, cleared with good soils and drainage

**Improvements:** Four 1974 shop, office and utility buildings assessed at \$145,500 and totaling 12,543 SF. All vacant.

**Description:** This parcel of land is located near the airport ferry landing and a short distance north of the Family Village Shopping Center. This parcel is no longer being used by Carlanna Construction Inc. and is level with several older buildings on it.

The buyer acquired this parcel as the lease of his Napa Auto Parts store at the nearby shopping center was expiring and he wanted to build a new store on this site. The site was marketed through ReMax of Ketchikan.

**Confirmation:** Guy Mickel, ReMax, by Julie C. Dinneen, MAI

**Analysis:** \$1,750,000/263,629 SF = \$6.64 SF

B. MAPS



## COMPARISON NO. 5

**Location:** 1645-1705 Tongass Avenue, Ketchikan

**Legal Description:** Lot 1 Plat 85-10 and Lot 6-B Plat 85-47, KRD

**Grantor:** Trident Seafoods Corporation

**Grantee:** E.C. Phillips and Son Inc.

**Sale Price:** \$700,000

**Sale Date:** September 2, 2015

**Recording:** SWD 2015-002415

**Terms:** cash to seller

**Zoning:** IH

**Site:** 82,780 SF submerged tidelands – 246 feet wide and 350 feet deep

**Water Depth:** 35-40 feet

**Improvements:** Old warehouse built in 1940 on pilings in poor condition

**Description:** This property abuts the east end of the E.C. Phillips and Son Inc. fish processing facilities in Ketchikan. The seller, Trident Seafoods, is located south of the downtown and this property was excess to their needs. The property includes 1940's wood framed warehouse facilities on a piling foundation with approximately 5,100 SF of dock area for staging etc. The Tongass Avenue view of the property is shown below and includes the two structures. The dock platform at the right is E.C. Phillips and Son Inc. property.

This property was marketed beginning in 2014 and sold after 311 days on the market. The asking price was \$1,500,000. The property sold in 2015 for \$700,000 which reflects land value as the buyer did not have a need for the property, but purchased it as it was next to their facilities to eliminate the potential of it being purchased by a competitor in the same industry.

**Land Value Indicator:**  $\$700,000/82,780 \text{ SF} = \$8.46 \text{ SF}$   
 $\$700,000/246 \text{ FF} = \$2,846 \text{ FF}$

**Confirmation:** Mary Wanzer, Coastal Realty, Paul Cyr, buyer, by Julie Dinneen, MAI





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- Parcels
- Lots
- 2008 Buildings
- Addresses
- Consolidated Lots
- Street Centerline
- Asbuilt Roads 2008
- Tongass Highway Mile Markers
- Borough Limits
- Municipal Boundaries
- Lakes
- Streams
- Land & Water <all other values>
  - INTERTIDAL
  - LAND
  - WATER

N

## COMPARISON NO. 6

**Location:** 6100 Block of North Tongass Highway

**Legal Description:** Tract 3017 of Plat 2005-30, KRD

**Date:** August 15, 2006

**Grantor:** Ketchikan Gateway Borough

**Grantee:** Ward Cove Seaport. LLC

**Recording:** SWD 2006-003293

**Price:** \$810,000

**Terms:** cash to seller

**Land Size:** 619,423 SF

**Access:** Tongass Highway, state owned two lane highway

**Zoning:** Heavy Industrial

**Utilities:** sewer, power, phone. Water is by catchment in this area

**Soils/Topography:** level uplands slightly below grade of highway and submerged tidelands

**Easements:** none

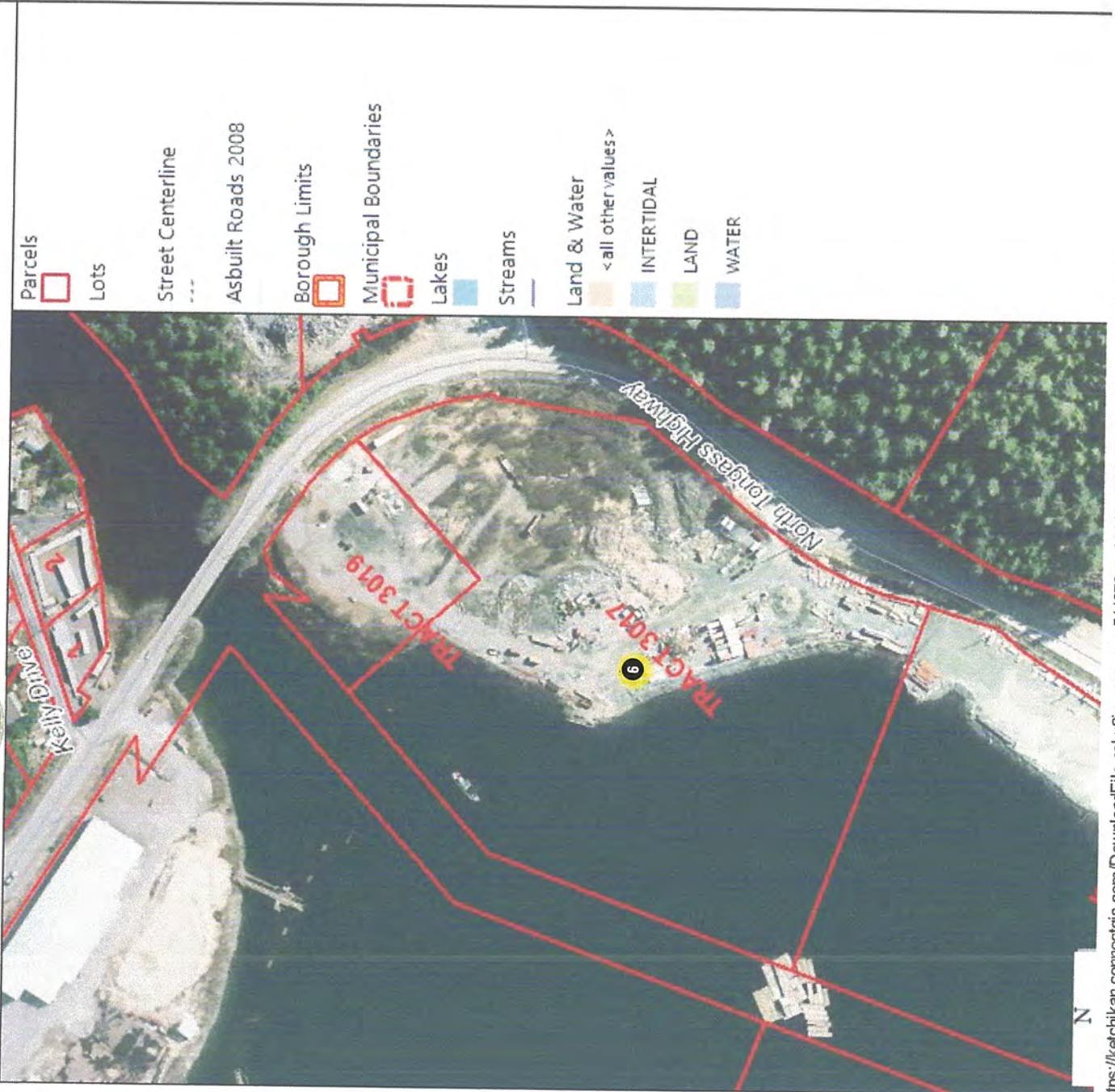
**Description:** This parcel is near the head of the cove and includes a level upland that is somewhat irregular in shape adjoining submerged tidelands. Ward Cove is a protected, deep water, ice free port in Ketchikan. This property was offered for sale by the Ketchikan Gateway Borough through a bid process. The buyer is a local resident who works and lives in the Ward Cove area. The buyer operates a scrap metal operation at this location. The submerged tidelands are used for boat moorage, barge landings and docks, etc. The upland and tideland areas are approximately 50/50. Both the uplands and tideland aspects of this property were critical to the needs of the buyer and he gave equal land value to each in this transaction. The buyer indicated that conditions of the sale and other parcels sold by KGB in the Ward Cove area, prohibit any residential type of use due to possible soil contamination that may exist due to the long operation of the pulp mill.

**Analysis:** \$810,000/619,423 SF = \$1.31 SF

**Confirmation:** Chuck Pool, buyer by Julie Dinneen, MAI



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## COMPARISON NO. 7

**Location:** Immediately East of 102 Burkhart Street, Sitka

**Legal Description:** Lot 3, Turney Burkhart Subdivision, Plat 85-21, SRD

**Sale Date:** April 30, 2015

**Grantor:** Patricia R. Bickar

**Grantee:** Purchase and Sale Agreement

**Recording:** 2014-000551

**Price:** \$210,000

**Terms:** cash to seller

**Land Size:** 30,000 SF (150 x 200 feet)

**Access:** 150 feet on Burkhart Street, paved two-way neighborhood street

**Zoning:** C-1

**Utilities:** water, sewer, power, telephone

**Soils/Topography:** generally, level, cleared site with good soils

**Description:** This site had been remediated by the buyer (at seller's cost) before this transaction. The buyer purchased the adjacent industrial building as well as this adjacent lot. The buyer disclosed the price for this lot at \$210,000. The buyer planned to upgrade the industrial building and partially owner occupy it. This lot was to be held for future potential development. The surrounding neighborhood has a diverse mix of uses, including industrial buildings, apartments, commercial developments, and services. It is close to Sawmill Creek Road, the main arterial in the area. Downtown is one mile to the west via Sawmill Creek Road.

**SP/SF:** \$7.00 SF

**Confirmation:** Kris Pearson, buyer by Julie Dinneen, MAI





City & Borough of Sitka, Alaska  
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Base Map: **Aerial Photo 2012**

30

Address Parcel ID Google Owner

GIS Map Street View Layer Maps

Property

209 PRICE  
30360010



## COMPARISON NO. 8

**Location:** 403 Alice Loop, Japonski Island, Sitka

**Legal Description:** Lot 1, Sealing Cove Subdivision, Plat 2011-1, SRD

**Grantor:** Shee Atika Incorporated

**Grantee:** Ann F. Walker, Lawrence Trani, Mica Trani

**Sale Price:** \$280,600

**Sale Date:** April 2015

**Recording:** SWD 2015-000425

**Terms:** cash to seller

**Zoning:** Waterfront District

**Site Area:** 31,890 SF

**Utilities:** water, sewer, power, telephone

**Soils and Topography:** a generally level, lightly vegetated parcel with good soils

**Easements:** utility easements are centrally located and could be relocated, at buyer's time & cost

**Shape:** Irregular

**Description:** This property has frontage on Alice Loop as well as Sealing Cove. There is a boat harbor in Sealing Cove that abuts the subject property. The subject does not have direct access to the water.

The buyers have an established boat repair and storage business in Sitka and purchased this site to building their own repair shop and storage yard. They viewed this location as good given its proximately to the harbor and to other harbors in Sitka. The buyers intended to relocate the utility easements in order place the building and storage yard where they wanted to.

**Land Value Indicator:**  $\$280,600/31,890 \text{ SF} = \$8.80 \text{ SF}$

**Confirmation:** Mica Trani and Ann Walker by Julie Dinneen, MAI



# City & Borough of Sitka, Alaska



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## COMPARISON NO. 9

**Location:** 209 Price Street, Sitka

**Legal Description:** Lot 2, Mick's Subdivision, Plat 2013-18, SRD

**Sale Date:** May 2014

**Grantor:** Michael Tisher

**Grantee:** Roger Ingman

**Recording:** 2014-000551

**Price:** \$278,400

**Terms:** cash to seller

**Land Size:** 27,840 SF

**Access:** private drive off Price Street

**Zoning:** Industrial

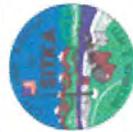
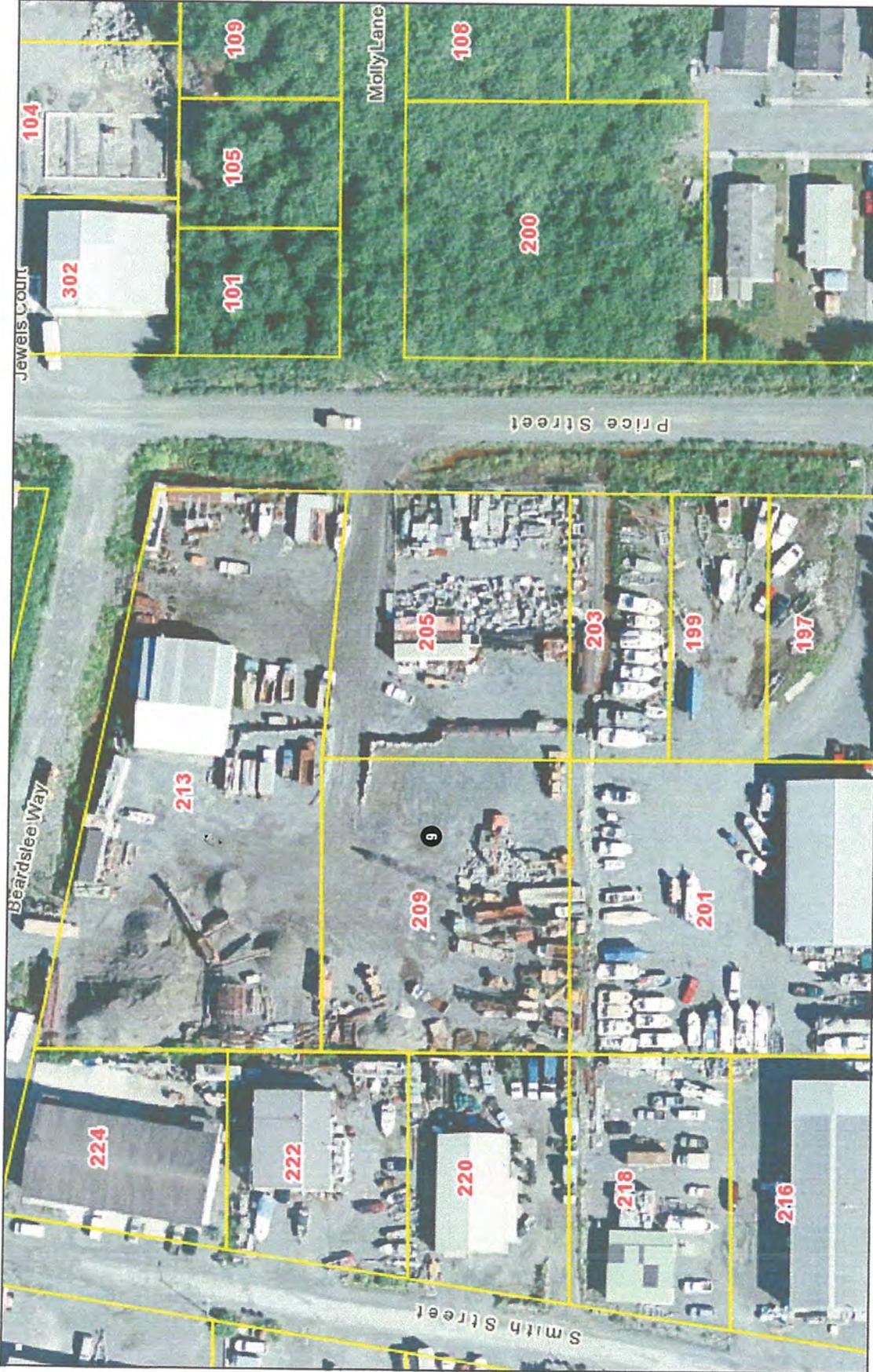
**Utilities:** all

**Soils/Topography:** level quarried site with good soils

**Description:** Three lots were created on this parcel which is at the corner of Price Street and Beardsley Way. This site, Lot 2, does not front either of these two streets and is accessed by a private drive. The seller was of the understanding that the buyer purchased the site for equipment storage. No broker was involved in the transaction.

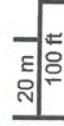
**SP/SF:** \$10.00 SF

**Confirmation:** Mike Tisher by Julie Dinneen, MAI



# City & Borough of Sitka, Alaska

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## COMPARABLE NO. 10

**Location:** Gary Paxton Industrial Park, Sawmill Cove, Mile 5 South Tongass Highway, Sitka

**Legal Description:** Portion of tidelands in GPIIP

**Date:** September 2014 proposal

**Lessor:** City and Borough of Sitka

**Lessee:** Alaska Bulk Water Inc.

**Annual Lease Payment:** \$70,568

**Term of Lease:** month to month

**Land Size:** 18 acres or 784,080 SF

**Access:** no upland access

**Zoning:** Industrial

**Utilities:** water, sewer, power, phone serve uplands

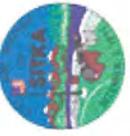
**Soils/Topography:** continuously submerged deep water tidelands

**Easements:** None

**Description:** This was the proposal by Alaska Bulk Water to lease property at GPIIP to support their planned water export business. ABW had, at the date of this agreement, an agreement with CBS to export 27,773 acre-feet annually of raw water.

**Analysis:**  $\$1,568,160/784,080 \text{ SF} = \$2.00 \text{ SF market value of tidelands}$   
 $\$1,568,160 \times 4.5\% \text{ lease rate} = \$70,568 \text{ lease payment/year}$   
 $\$70,568/784,080 \text{ SF} = \$.09 \text{ SF rental rate per square foot}$

**Confirmation:** City and Borough of Sitka by Julie Dinneen, MAI



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## COMPARISON NO. 11

**Location:** 1300 Ocean Dock Road, Port of Anchorage

**Legal Description:** Port of Anchorage – Tract H, Plat 2011-59

**Date:** January 2013

**Lessor:** Municipality of Anchorage/Port of Anchorage

**Lessee:** Delta Western Inc.

**Annual Lease Payment:** \$127,755

**Term of Lease:** January 2013, 20 years with 7, five-year renewal options

**Land Size:** 109,190 SF

**Access:** Ocean Dock Road

**Zoning:** MI - Industrial

**Utilities:** water, sewer, power

**Soils/Topography:** level with good soils

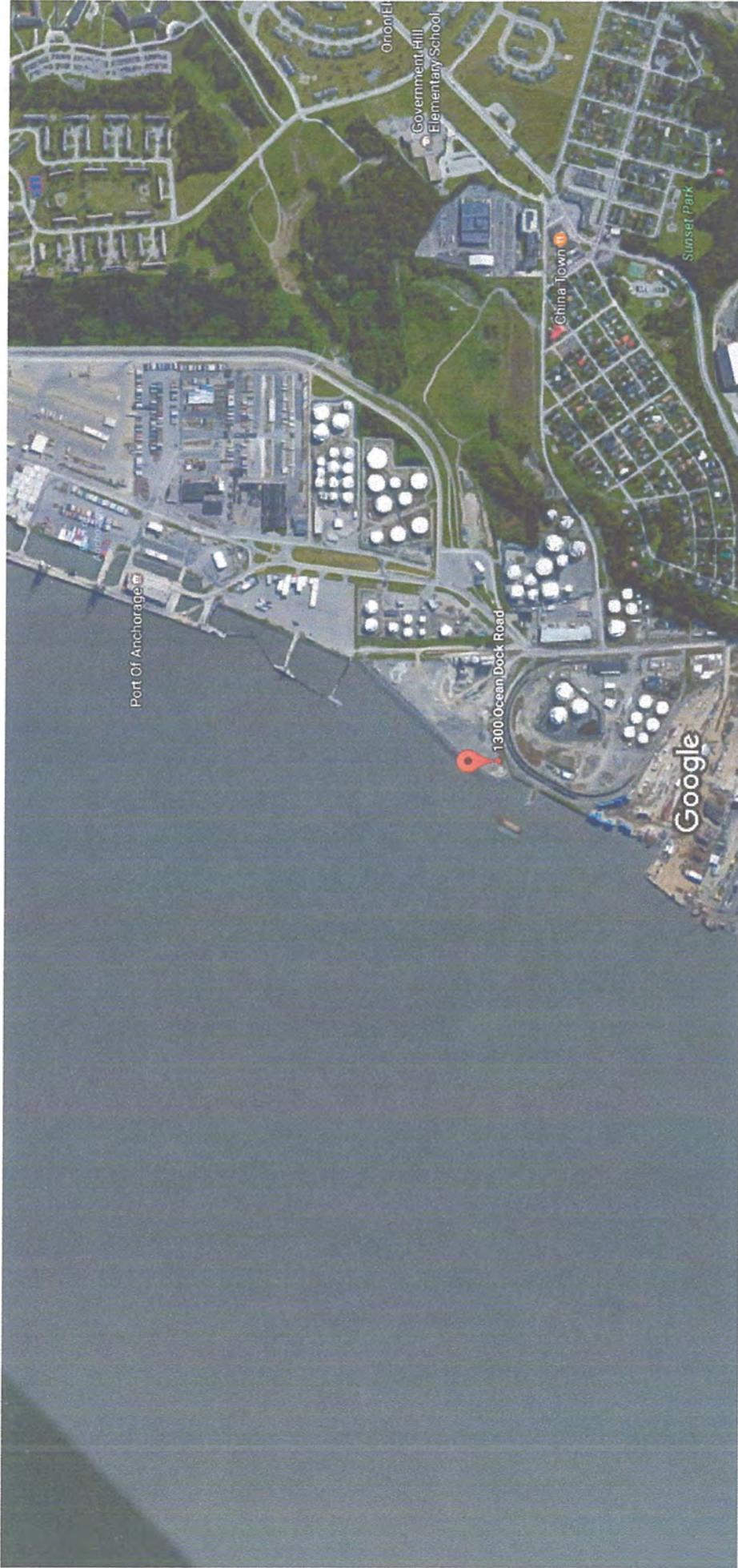
**Easements:** None

**Description:** Delta Western Inc. plans to build a facility with a capacity of 360,000 barrels of petroleum products. This marks the first long term lease at the POA in over 20 years. The site is proximate to the dock at the port. It is a level site at the north end of the POA that is served by paved access and all utilities. The lessee will pay wharf and fuel flow fees to the POA when fuel ships berth.

**Analysis:** Market Value of Leased Property: \$13 SF

Lease Rate: 9%

**Confirmation:** Darby Grant, Port of Anchorage by Julie Dinneen, MAI



Imagery ©2017 Google, Map data ©2017 Google 500 ft



## **Assumptions and Limiting Conditions**

## ASSUMPTIONS AND LIMITING CONDITIONS

- No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
- The property is appraised free and clear of any or all liens or encumbrances, unless otherwise stated.
- Responsible ownership and competent property management are assumed.
- The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
- All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
- It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it valuable. No responsibility is assumed for such conditions, or for arranging of engineering studies that may be required to discover them.
- It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws, unless noncompliance is stated, defined and considered in this appraisal report.
- It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined and considered in the appraisal report.
- It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state or national government or private entity or organization have been, or can be obtained or renewed, for any use on which the value estimate in this report is based.
- It is assumed that the utilization of the land and improvements, if any, lie within the boundaries or property lines of the property described, and that there is no encroachment or trespass unless noted in the report.
- Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on, or in, the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials, may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
- Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose, or by any person other than the party to whom it is addressed without the written consent of the appraiser, and, in any event, only with proper written qualification, and, only in its entirety.

- The appraiser herein by reason of this appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
- Neither all, nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media

## **Qualifications of Appraiser**

**PROFESSIONAL  
QUALIFICATIONS**

**JULIE C. DINNEEN, MAI**

302 W. Chester Street  
Lafayette, CO. 80026

(303) 579-3589

juliedinneencompany@gmail.com

**EDUCATION**

Bachelor of Science, Economics, Lewis & Clark College. Portland, Oregon, 1981

**PROFESSIONAL AFFILIATIONS**

**APPRAISAL INSTITUTE** - Member Appraisal Institute #7898

**STATE OF ALASKA** – Certified General Real Estate Appraiser #AA90

**EMPLOYMENT HISTORY**

**1993-Present**

Julie Dinneen Company – Sole Proprietor

Fee Appraisal Shop with a wide variety of assignments in Southeast Region of Alaska.

Board of Equalization Referee for four counties in Metro Denver.

**1991-1993**

Manager of Juneau Office - Real Estate Services Corporation

Fee Appraisal Shop with a wide variety of assignments in Southeast Region

**1989-1993**

Associate Appraiser in Anchorage Office – Real Estate Services Corporation

Fee Appraisal Shop with a wide variety of assignments in Southcentral Alaska

**1988-1989**

Associate Appraiser in San Francisco Office – Arthur Gimmy International

Extensive travel in western states, predominantly skilled nursing facility assignments

**1982-1988**

Associate Appraiser in Anchorage Office – Shorett & Riely

Fee Appraisal Shop with a wide variety of assignments in Southcentral Alaska

**1981-1982**

Research Assistant in Portland Office – Curtis, MacKenzie & Slocum