

**Agency: Commerce, Community and Economic Development****Grants to Municipalities (AS 37.05.315)****Grant Recipient: Saxman****Federal Tax ID: 92-0041226****Project Title:****Project Type: Maintenance and Repairs**

# Saxman - Saxman Seaport Emergency Repairs & Improvements

**State Funding Requested: \$750,000****House District: 1 / A**

One-Time Need

**Brief Project Description:**

Improvements to the Saxman Seaport, including roof and wall repairs, and other enhancements to support renewed use of the Seaport as a public multi-use port facility.

**Funding Plan:**

Total Project Cost:	\$750,000
Funding Already Secured:	(\$0)
FY2013 State Funding Request:	<u>(\$750,000)</u>
Project Deficit:	\$0

**Detailed Project Description and Justification:**

The Saxman Seaport is a public port facility constructed in the 1960s. The facility consists of a transfer bridge capable of safely supporting loads up to 160,000 lbs, mooring dolphins, a marine rail system, a rubblemound breakwater, a float/dock for small craft, a warehouse approximately 30,000 square feet in size, and uplands areas for container storage and staging. In the 1970s, 25% of all of Southeast Alaska's freight passed through the facility, mostly as containerized roll-on/roll-off "rubber wheel" freight. Use of the terminal for trans-shipment began to decline when Foss Maritime, the facility's private operator, constructed a new terminal in Ketchikan.

Since that time, the City of Saxman has maintained the facility as public maritime infrastructure. The property is currently used for waterfront storage, shop and work space for small businesses, and intermodal transfer of gear and supplies. The port's potential is significantly under-realized due to the warehouse facility's deferred maintenance needs. At present, economic activity at the Saxman Seaport is so sluggish that the property is barely able to cover its operating expenses, making financing of emergency repairs a challenge.

A 2011 assessment of the facility and cost estimate provided by PND Engineers and Millard and Associates Architects reports: "The metal roofing and siding have deteriorated to the point where they are allowing water intrusion to affect the wood roof decking and wood wall framing and sheathing below. This repair and upgrade work needs to be addressed immediately to protect the structural integrity of the building, and to strengthen the economic viability of the facility." The estimated cost of correcting these deficiencies is estimated at \$750,000.

The City of Saxman is requesting a state legislative appropriation to correct deficiencies and ensure the Seaport warehouse is safe for use and occupancy. In the event federal funding opportunities become available, Saxman may use state funds

as match, pending appropriation.

Improvements will allow the Saxman Seaport terminal to support continued development of the Ketchikan region maritime industry. The improved port facility will attract new private sector investment to Saxman, which suffers from considerable socioeconomic disparity, and generate job opportunities for residents.

Additional business activity in Saxman will generate new sales tax and lease revenue streams, which will support greater levels of services to residents, and reduce dependence upon government grants to address future maintenance needs.

#### Current Interest in Facility Use:

Opportunities for maritime warehousing and intermodal access along Ketchikan's road system are insufficient to meet the demands of the maritime industry. Proposed emergency repairs to the Saxman Seaport Warehouse will help meet this critical area of need.

Over the past year, the City of Saxman has been approached by many private businesses interested in utilizing the Saxman Seaport facility, contingent upon construction of site improvements. In December of 2011, The City of Saxman developed and approved a formal "Saxman Seaport: Redevelopment Master Plan" for the Saxman Seaport facility (attached). The Redevelopment Master Plan was developed with significant input and donated technical assistance from private sector businesses. The City of Saxman is committed to working closely with private businesses to create new Alaskan jobs and transportation options at the Saxman Seaport.

Kristoff Trucking, a trans-shipment business based in Prince Rupert, Canada, has expressed interest in utilizing the Saxman Seaport as a trans-shipment hub for southeast Alaskan seafood. Kristoff's key area of interest is delivering wild Alaskan seafood to growing markets in the American midwest and Canada, utilizing the Port of Prince Rupert's highly efficient connection to continental railways. Kristoff visited the Saxman Seaport in September of 2011, is currently working to build connections within the southeast Alaskan Seafood industry, and anticipates that transshipment activities could begin in 2013. The Saxman Seaport warehouse would play a critical role in supporting Kristoff's plans, and fostering export of southeast Alaskan seafoods to high-demand markets in the American midwest.

Aurora Sport Fishing has created a business plan and submitted a proposal for use of the Saxman Seaport property for upland storage of marine vessels, and maritime warehousing services. Aurora has agreed to undertake site preparation activities and construct locking storage units in the Saxman Seaport Warehouse, sized to meet the needs of local commercial fishermen. In return, the City of Saxman will credit the cost of these improvements towards Aurora's initial lease payments. Immediate replacement of the Saxman Seaport roof will help ensure the Saxman Seaport Warehouse is fit for use by Aurora, their customers in the maritime/tourism/fishing industries, and other businesses.

World Market Seafood, LLC, a Washington-based Geoduck and seafood company, expressed interest in utilizing the Saxman Seaport to establish a base of operations in the Ketchikan region. A safe, functional warehouse is a key component of WMS's ability to establish operations at the Saxman Seaport.

The North End Ferry Authority, based out of Coffman Cove, has proposed use of the Saxman Seaport as a terminal for their Rainforest Islands Ferry (RIF) project, beginning in May of 2012. The City of Saxman plans to finance some improvements to the Saxman Seaport property "back to back" with a 5-year lease for use of the property. Replacement of the Saxman Seaport Roof will help provide a safe structure which could potentially be leased to RIF. RIF planners assisted in

developing the Saxman Seaport: Redevelopment Master Plan as an "in-kind" service to the City of Saxman.

Commercial fishermen have visited the facility and expressed interest in utilizing the warehouse for gear storage and transfer. A repaired Seaport Warehouse facility will support commercial fishing gear storage, and compliment drive down access available at Saxman's transfer bridge. Currently, many fishermen must resort to storing gear at the George Inlet Cannery; a turn of the 20th century cannery "ghost town" located in a remote area without road or intermodal access, 30 minutes by water from Saxman.

Emergency preparedness organizations, including the Southeast Alaska Petroleum Resource Organization (SEAPRO), the Coast Guard, the Local Emergency Planning Committee, and others have expressed interest in using the Saxman Seaport for storing and staging emergency preparedness and oil spill response equipment.

Saxman Harbor -- The City of Saxman is also seeking to develop a public harbor to meet the significant regional demand for ice-free, deepwater, protected moorage. At the time of this request, planning/design funding for the project was included in the Governor's draft SFY2013 budget. The improved Saxman Seaport Warehouse will play a supporting role to Saxman Harbor, and will be one of the few locales within the community offering warehousing and mooring opportunities in close proximity.

#### Transportation and Infrastructure:

The Saxman Seaport is one of very few public port options located along the Ketchikan road system, and offers true intermodal (road/rail/marine) connectivity. The terminal's location outside of the Pennock Island "reduced speed zone" is ideal for increasing transportation efficiency and decreasing congestion in local waterways. The terminal is sorely underutilized, primarily due to the deferred maintenance needs of the Seaport warehouse. Opportunities for new port/harbor development along the Ketchikan road system are few and costly, making it vital to protect existing infrastructure. The Ketchikan Gateway Borough and area businesses have begun exploring the possibility of transshipment coordinated through Port of Prince Rupert, the most efficient link between Asia and the US Midwest, and located only 90 miles south of Saxman. As the southernmost port terminal located on Revillagigedo Island's road system, Saxman Seaport is ideal for Ketchikan-area transshipment activities coordinated with Port of Prince Rupert.

#### Deferred Maintenance:

The City of Saxman has requested State Capital Appropriations funding to help meet this critical deferred maintenance need since 2006. Needs throughout the community are significant enough that Saxman is unable to finance the necessary repairs to the Saxman Seaport Warehouse. Businesses are hesitant to commit to utilizing the property until repairs can be completed. The community has been pursuing federal funding opportunities for renovation of the property, with limited success due to matching funding requirements. In the event federal funding opportunities requiring State match become available, Saxman could utilize State funds to leverage federal investment, pending appropriation.

#### Public Safety / Health and Welfare:

Addressing the Saxman Seaport warehouse's deficiencies will help ensure the facility is safe for use and occupancy. It will also support use of the Seaport terminal as an area for storing and staging emergency response equipment.

#### Investment in Future:

Alaska requires more ports and harbors to sustain growth of the maritime industry sector -- an industry sector which supports nearly all facets of Alaska's economy. Rehabilitating the Saxman Seaport terminal will help provide the infrastructure required to assure continued growth and development of Alaska's economy, and will facilitate new economic opportunities (such as transshipment via Port of Prince Rupert). Additional business activity in Saxman will generate new sales tax and lease revenue streams, which will support greater levels of services to residents, and reduce dependence upon government grants to address future maintenance needs.

**Economic Development:**

The maritime industry's demand for ports and harbors in Alaska exceeds the state's available infrastructure. As a result, many vessels operating in Alaska waters must homeport and operate out of the Puget Sound, three steaming days south of the Saxman/Ketchikan region. Demand for Alaskan ports and harbors is expected to increase significantly due to new development in the Arctic, and increased use of Arctic trade routes.

The Saxman Seaport terminal and warehouse are a vital and underrealized component of Saxman's economy. The Ketchikan region's maritime industry suffers from a lack of public port infrastructure and convenient uplands warehousing. Once deferred maintenance needs are addressed, the Saxman Seaport will have greater capacity to meet regional needs for public port infrastructure, intermodal connectivity, and waterfront warehousing. New business activity at the facility will help address Saxman's socioeconomic disparity.

**Project Timeline:**

FY13

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

City of Saxman

**Grant Recipient Contact Information:**

Name: Jason Custer  
Title: Grant Coordinator  
Address: Rt 2, Box 1 -- Saxman  
Ketchikan, Alaska 99901  
Phone Number: (907)225-4166  
Email: jasonryancuster@gmail.com

Has this project been through a public review process at the local level and is it a community priority? ☒ Yes ☐ No

## 2011 KETCHIKAN GATEWAY BOROUGH CEDS PROJECT LIST

Community	Priority	Tribal	Strategy	Project	Contact	Estimated Cost	Project Status	Potential Funding Sources
Ketchikan Gateway Borough				<b>ECONOMIC DEVELOPMENT</b>				
			1 & 6	Ketchikan Shipyard Expansion and Improvement	Alaska Ship & Drydock, Inc. 907-225-7199	\$70 m / \$12.1 m (13.7 m KLL)	Construction-- Dry Dock 2 completed	Federal, State
			1 & 4	Commercial Fishing Vessel Fleet infrastructure in Ketchikan: Drive down dock	Ketchikan Gateway Borough 907-228-6625	\$5 mil	Planning	Federal, State, Local
			1 & 8	Business Expansion and Retention Program	Greater Ketchikan Chamber of Commerce 907-225-3184	\$60,000	Conceptual	Federal, State, Local
			1, 3 & 4	Airport Dock move seafood south rebuild & expand dock	Ketchikan Gateway Borough 907-228-6625			Federal, State, Local
			1 & 3	Performing Arts Center	First City Players 907-225-4792			Federal, State, Local
			4	Mariculture Project needs to be identified				Federal, State, Local
			1 & 6	Maritime & Marine Technology Consortium Work Plan	Greater Ketchikan Chamber of Commerce	\$440,000	Planning	Federal, State, Local

# 2011 KETCHIKAN GATEWAY BOROUGH CEDS PROJECT LIST

			I.1.S., I.1.T., II.1.D., II.5.A.	Waterfront Development: a.) Harbor Planning, b.) Seaport Renovation, c.) Ferry Terminal	City of Saxman 907-225-4166	\$350,000 Harbor Planning, \$1,000,000 Seaport Renovation, Ferry TBD	a.) Planning, b.) Construction c.) Construction	Private, State, Federal, Local
			I.1.L., I.1.M., I.1.R.II.5. G.,	Mahoney Lake Hydroelectric Project	City of Saxman 907-225-4167	TBD	Construction	Private, State, Federal, Local
			7	Mining				Federal, State, Local
			1	KIC Hatchery				Federal, State, Local
			3	White River Access				Federal, State
			1	Peace Health Medical Center				Federal, State, Local
			2	Biomass Boilers				Federal, State, Local

City of Saxman / Organized Village of Saxman  
2011 Comprehensive Economic Development Strategy List (CEDS List)  
Updated 4/19/2011

Page 1 of 2

Community Development		Economic Development		Project												
Priority		Priority		Strategy	Project	Contact	Estimated Cost	Project Status	Funding Source							
		1		I.1.S., I.1.T., II.1.D., II.5.A.	Waterfront Development: a.) Harbor Planning, b.) Seaport Renovation, c.) Ferry Terminal	City of Saxman: 907-225-4166	\$350,000 Harbor Planning, \$1,000,000 Seaport Renovation, Ferry TBD (State DOT)	a.) Planning, b.) Construction c.) Planning	State, Federal, Local							
		2		I.1.L., I.1.M., I.1.R.II.5.G.,	Mahoney Lake Hydroelectric Project	City of Saxman: 907-225-4166	TBD	Planning / Construction	State, Federal, Local							
		3		II.2.A., II.4.K., II.5.C., II.5.G., II.6.A-S.,	Business Development	City of Saxman: 907-225-4166	TBD	Implementation of Small Scale Projects (ex: Outdoor Market)	State, Federal, Local							
		4		I.1.T., II.1.A., II.1.D., II.1.F., II.1.H., II.7.D.,	Tourism Master Plan / Carving Center Expansion	City of Saxman: 907-225-4166	\$50,000 Planning	Planning / Design	State, Federal, Local							
1				I.1.T., I.2.K., II.1.E.	Saxman Community Center: a.) Parking Lot and b.) Youth Programming	City of Saxman: 907-225-4166	\$600,000 Parking Lot	a.) Construction, b.) Programming Implementation	State, Federal, Local							
2				I.1.R.	Organized Village of Saxman: Tribal Offices	Organized Village of Saxman: 907-247-2502	TBD	Planning/Design	State, Federal, Local							
3				I.1.K., I.1.R., I.1.T., I.2.K., II.1.E., III.1.B., III.1.F., III.1.G.	Stormwater Infrastructure	City of Saxman: 907-225-4166	\$30,000 for Stormwater Master Plan	Planning	State, Federal, Local							

4		I.1.R.	Residential Water Meters	City of Saxman: 907-225-4166	\$62,000	Construction	State, Federal, Local
5		I.1.R.	Wastewater System Upgrade / Mountain Point Tie-in	City of Saxman: 907-225-4166	\$1,500,000	Implementation	State, Federal, Local
6		I.1.R.	New Raw Water Source / Tie in to Borough	City of Saxman: 907-225-4166	\$2,000,000	Implementation	State, Federal, Local
7		I.1.R., II.1.E.	Totem Row Park Improvements: Benches and Lighting	City of Saxman: 907-225-4166	\$50,000	Implementation	State, Federal, Local

Resolution No. 09-2011-51

**A RESOLUTION OF THE SAXMAN CITY COUNCIL REGARDING  
REVENUES, MANAGEMENT, OWNERSHIP, AND MAINTENANCE OF  
WATERFRONT INFRASTRUCTURE FOR THE CITY OF SAXMAN.**

WHEREAS, the City of Saxman wishes to develop its waterfront through activities including the improvement of Saxman Seaport and the creation of a public harbor; and

WHEREAS, waterfront development is listed on Saxman's Comprehensive Economic Development Strategy list (CEDS list) as the community's number one Economic Development priority for 2010; and

WHEREAS, the City of Saxman anticipates using due diligence in the planning of improvements and waterfront development that can be affordably maintained through revenues such as moorage, space rental, and boat launch fees; and

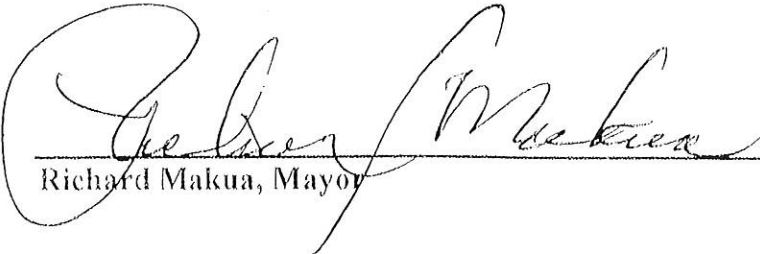
WHEREAS, key funders for waterfront development, such as the Denali Commission, wish to see a firm commitment regarding ownership, management, and maintenance of marine infrastructure; and

**NOW THEREFORE BE IT RESOLVED BY THE CITY OF SAXMAN AS  
FOLLOWS:**

**Section 1.** The City of Saxman affirms its commitment to owning, managing, maintaining, and collecting revenues for new waterfront infrastructure, including a community harbor, and improvements to the Saxman Seaport property.

DATED THIS 22<sup>nd</sup> Day of Sept., 2010

ATTEST:

  
Richard Makua, Mayor

  
Leona Haffner, City Administrator

# United States Senate

WASHINGTON, DC 20510

November 15, 2010

Mike McKinnon  
Denali Commission  
510 L Street, Suite 410  
Anchorage, AK 99501-1956

Dear Mr. McKinnon:


This letter is to express support for efforts by the City of Saxman to improve its community and local economy by developing a public harbor and renovating the Saxman Seaport.

Both projects have broad local support. The harbor and seaport projects have been identified by the City of Saxman as the community's two highest priorities. Furthermore, both the City of Ketchikan and the Ketchikan Gateway Borough Assembly, in resolutions adopted specifically in support of the harbor project, noted how that project aligns with the economic development strategy for the area. The development of additional maritime industry infrastructure, including vessel moorage, will help diversify the economy and create jobs in a community and region still suffering economically from the collapse of the timber industry in Southeast Alaska.

Last month, I had the opportunity to visit Saxman and to discuss the project first hand with local officials from the City of Saxman. It is my understanding that the City of Saxman has applied to the Denali Commission's Transportation Program for partial funding of these projects. I believe these projects are most deserving of support from the Denali Commission and ask that the Denali Commission consider approving the funding as requested.

Thank you in advance for your consideration of this letter. Please do not hesitate to contact Bob Weinstein in my Ketchikan office at (907) 225-3000 if you have any questions.

Sincerely,



Mark Begich  
United States Senator

SUITE 750  
510 L STREET  
ANCHORAGE, AK 99501  
(907) 271-5915

SUITE 200  
101 12TH AVENUE  
FAIRBANKS, AK 99701  
(907) 458-0261

SUITE 308  
ONE SEALASKA PLAZA  
JUNEAU, AK 99801  
(907) 686-7700

SUITE 101  
805 FRONTAGE ROAD  
KENAI, AK 99611  
(907) 283-4000

SUITE 230  
1900 FIRST AVENUE  
KETCHIKAN, AK 99901  
(907) 225-3000

SUITE SR-144  
RUSSELL BUILDING  
WASHINGTON, DC 20510  
(202) 224-3004



ALASKA  
SHIP AND DRYDOCK, INC

3001 TONGASS AVENUE  
P.O. BOX 9470 • KETCHIKAN, ALASKA 99901  
BUS. (907) 225-7199 FAX: (907) 247-7200

Nov

November 4, 2010

To Whom it May Concern,

Alaska Ship & Drydock, Inc. is writing to express its support of the City of Saxman's waterfront development efforts, specifically:

- Development of a public harbor
- Renovation of the Saxman Seaport

In 2010, the McDowell Group completed a study for the Alaska Industrial Development and Export Authority (AIDEA), which illustrates that the maritime industry cluster comprises 50% of the Ketchikan region's economy. The maritime industry cluster plays a vital role in supporting business activities throughout Alaska, and the nation. Business growth, economic diversification, and job creation within this sector is presently constrained by the lack of moorage opportunities and marine infrastructure within the Ketchikan region.

Due to insufficient in-state infrastructure, many vessels which operate in Alaskan waters are currently forced to home port in the Puget Sound area, three steaming days south of Ketchikan. The Ketchikan region -- including Saxman -- offers quality opportunities for ice-free, protected moorage within Alaska. Developing these opportunities will increase transportation efficiency, support the continued growth of businesses, create new jobs, and enhance America's economic competitiveness.

With sheltered tidelands and uplands areas well suited to harbor development, and existing intermodal seaport infrastructure, Saxman is favorably positioned to help meet the evolving needs of Alaska's maritime industry.

It is anticipated that waterfront development within Saxman will not detract from use of other harbors or facilities in the region, but rather, will satisfy longstanding unmet demands, and support continued business growth. Since 2003, the waiting list for moorage in Ketchikan's Ports and Harbors has ranged between 114 and 210 vessels -- most of which are 39+ feet in length. Ketchikan's waiting list for moorage is reflective of construction trends, which have tended towards increased vessel sizes.

We request that Saxman's waterfront development efforts be given favorable consideration, and supported to the fullest extent possible.

Sincerely,

Doug Ward  
Director of Shipyard Development

# **Aurora Sport Fishing**

## **Maritime Vessel Upland Storage and Warehousing Services at Saxman Seaport Terminal**

### *Project Executive Summary*

#### **Contact:**

Captain Anthony Knuteson  
400 Spruce Mill Way  
Ketchikan, AK 99901

**907-617-FISH**

[captain@aurorasportfishing.com](mailto:captain@aurorasportfishing.com)

[www.aurorasportfishing.com](http://www.aurorasportfishing.com)

#### **1. Executive Summary:**

Aurora Sport Fishing wishes to expand operations to meet substantial demand for maritime vessel upland storage and warehousing services in Ketchikan, and surrounding communities in southern Southeast Alaska. Activities are proposed for industrial waterfront property at the Saxman Seaport, 2.5 road miles south of Ketchikan.

Primary customers will include Ketchikan's formidable sport fishing fleet, commercial passenger vessel fleet, and recreational vessels, as well as smaller commercial fishing vessels.

Customers will also include vessels which frequent Ketchikan but are forced to homeport in more remote communities (ex: Craig, Klawock, Metlakatla) due to insufficient moorage, upland storage, and warehousing opportunities in Ketchikan. Owners of many of these vessels would prefer to homeport and operate out of Ketchikan, due to Ketchikan's large volume of cruise ship passengers (1,000,000 per year), proximity to the Ketchikan International Airport, and superior supplies, services, and amenities. Additionally, an estimated 2,000 vessels currently operating in Alaska waters are forced to homeport in the Puget Sound, three days south of Ketchikan by water, due to insufficient moorage and uplands storage opportunities in Alaskan communities; this represents another area of significant market opportunity.

With business management skills, experience, and connections developed through 15+ years of experience in the maritime and tourism industries, Aurora Sport Fishing's

owner -- Tony Knuteson -- has what it takes to provide the flexible storage services which vessel owners require.

## **2. Products and Services:**

- Secure uplands storage for marine vessels – Beginning Spring, 2012
- Gear storage and warehousing in locking storage units – Tentatively beginning Fall, 2012

## **3. Location: Ketchikan Region**

Ketchikan, known as “the Salmon Capitol of the World,” is the epicenter of southern southeast Alaska’s maritime and tourism industries. The community features 4 cruise ship docks which accommodate 1,000,000 cruise ship passengers per year. Ketchikan International Airport offers daily jet service to Seattle, which is a short 90 minute flight away. Ketchikan’s world class salmon and halibut fishing opportunities attract sport fishing enthusiasts from around the globe, and support a strong commercial fishing fleet presence. Waterborne tour companies transport commercial passengers to natural attractions such as the Misty Fjords Wilderness Area, and provide opportunities to view wildlife including bears, marine mammals, and eagles. Three public boat launch ramps offer ample opportunities for vessel owners to trailer craft to and from the water. A number of private businesses in the area offer travelift and vessel haul-out services. Ketchikan serves as home to Alaska Ship and Drydock – the largest shipbuilding and repair business in the State, as well as many other businesses offering supplies, provisions, repair services, and amenities required by marine vessel owners and crews.

## **4. Facility: Saxman Seaport**

Upland storage and warehousing activities will occur at the Saxman Seaport Terminal – an underutilized public port owned by the City of Saxman. The Saxman Seaport is the industrial waterfront property nearest to downtown Ketchikan. The property is ideally located outside of the Pennock Island Reduced Speed Zone, and downtown Ketchikan’s congested waterways. The Saxman Seaport facility is 2.5 road miles from Ketchikan’s cruise ship berths, 5.5 miles from the Ketchikan International Airport, and 2 road miles from the Mountain Point boat launch – one of the most heavily used boat launches in the greater Ketchikan area. World class sport fishing (king salmon, halibut, and more) is located just minutes away at Mountain Point and Herring Cove – two of Ketchikan’s most popular fishing destinations. Misty Fjords National Monument – a wonder of the natural world, and annual tourist destination for thousands – is located 35 miles away by water.

## **5. Site Development Requirements:**

**A. Maritime Vessel Uplands Storage:**

Aurora Sport Fishing intends to lease a dedicated 15,000 to 20,000 square foot area of the Saxman Seaport yard, to be used for upland storage of maritime vessels. Service would begin in Spring of 2012. Lease would be on a renewable annual term, with monthly payments.

Some site prep activities – including relocation of existing customers, site clean-up / maintenance, and regrading would be required. Aurora Sport Fishing is willing to use its own equipment and staff to undertake these necessary improvements, providing the City of Saxman credit some of the cost of these improvements towards Aurora Sportfishing's monthly lease payments.

City of Saxman is currently working with the Rainforest Islands Ferry (RIF) to establish ferry service at the Saxman Seaport property, beginning in May of 2012. Aurora Sport Fishing, Saxman, and RIF are coordinating to ensure ferry service and upland vessel storage will be compatible activities. Saxman intends to finance improvements necessary for ferry service "back to back" with RIF's 5-year lease for use of the property. Improvements will include site clean-up, relocating existing customers, landscaping, and paving/grading activities. It may be possible to reduce the cost of improvements to all parties by combining site improvements required by RIF and Aurora into a single scope of work.

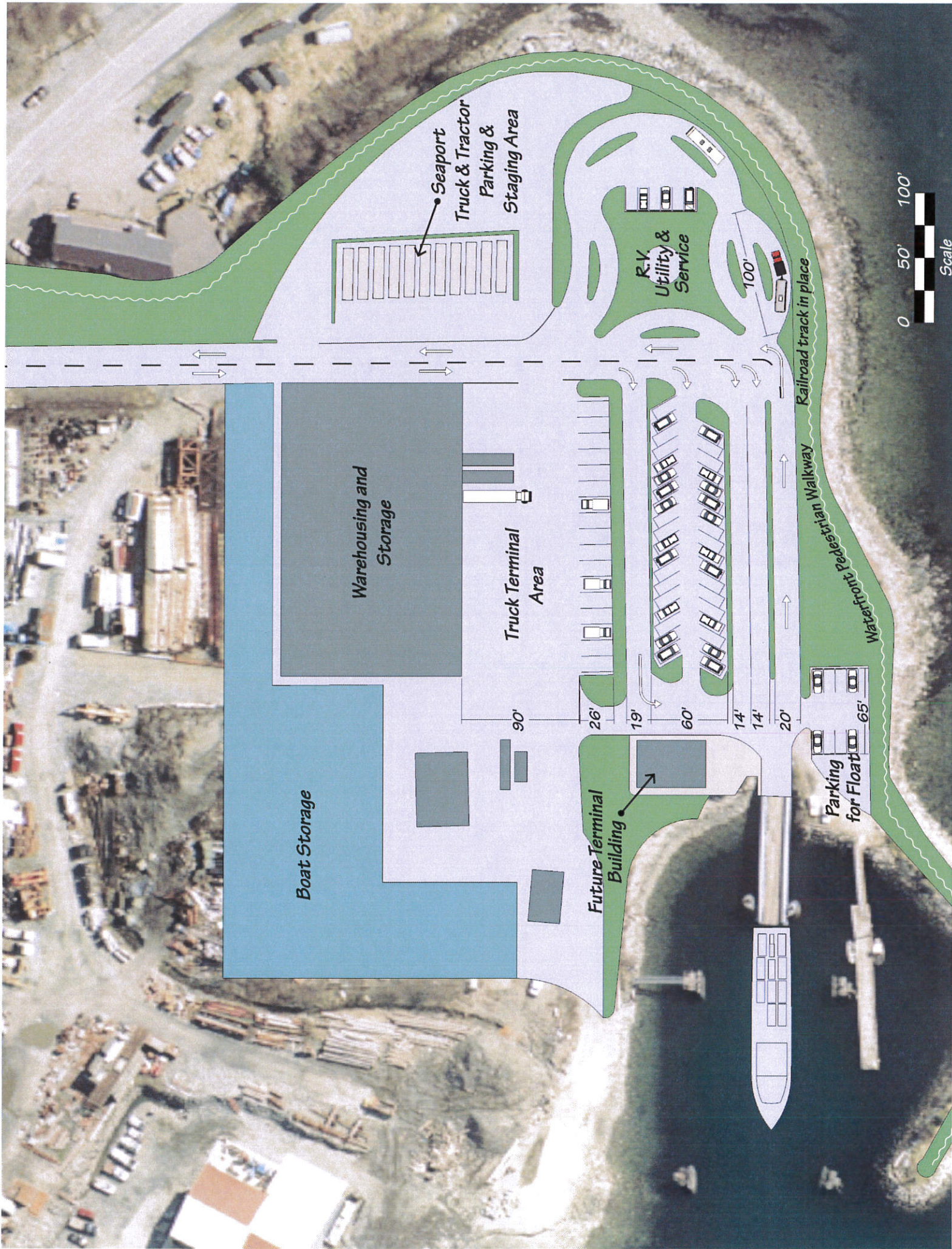
**B. Maritime Warehousing**

Aurora Sport Fishing is interested in providing maritime warehousing opportunities for commercial fishermen, sport fishing, and tourism businesses, beginning at the conclusion of the summer tourism and fishing seasons in Fall of 2012. Proposed activities would require construction of individually-partitioned locking storage units, using pressure-treated lumber and chicken wire. Approximately \$9,000 in of capital investment is required to create 15 locking storage units measuring 10 feet by 15.5 feet by 8 feet tall. Construction would feature load-bearing wall materials so that overhead storage lofts (for nets and other gear) can be added to the units at a later time. Aurora Sport Fishing may be willing to undertake these improvements, providing the City of Saxman is willing to credit some of the cost of construction towards monthly lease payments.

# SAXMAN SEAPORT REDEVELOPMENT MASTER PLAN

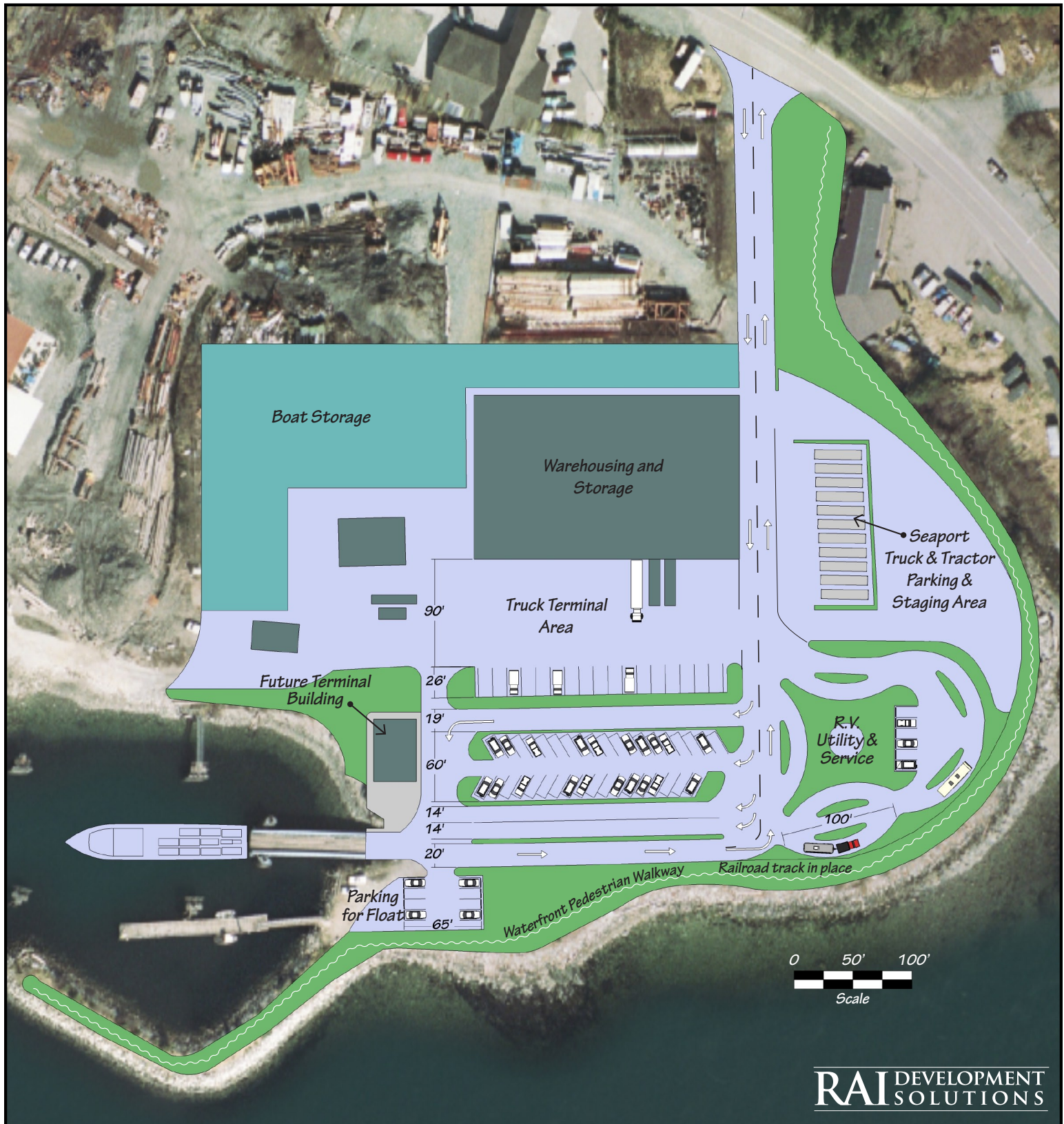
9 DECEMBER 2011





# SAXMAN SEAPORT REDEVELOPMENT MASTER PLAN

9 DECEMBER 2011



**CITY OF SAXMAN**

**Resolution #12-2012-69**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAXMAN, ALASKA,  
REGARDING REDEVELOPMENT OF THE SAXMAN SEAPORT MASTER  
PLAN**

**WHEREAS**, the Saxman/Ketchikan region is the epicenter of southern southeast Alaska's maritime industry; and

**WHEREAS**, regional demand for maritime infrastructure, intermodal access, and waterfront industrial property far exceeds what is currently available; and

**WHEREAS**, the Saxman Seaport terminal is a resource capable of serving as a flexible "multi-use" port terminal, which would accommodate an array of complimentary uses; and

**WHEREAS**, the City of Saxman wishes to redevelop the Saxman Seaport in a manner which provides more reliable revenue streams, and offers the Saxman community new economic, transportation, and job opportunities; and

**WHEREAS**, the City of Saxman wishes to redevelop the Saxman Seaport in a manner which makes the property attractive to businesses and their customers; and

**WHEREAS**, waterfront development, including revitalization of the Saxman Seaport, and establishment of passenger ferry service, is listed on Saxman's Comprehensive Economic Development Strategy list (CEDS list) as the community's number one Economic Development priority; and

**WHEREAS**, the City of Saxman is interested in attracting new grant and private sector investment in the Saxman Seaport property; and


**WHEREAS**, grant makers and private businesses have requested that the City of Saxman adopt a formal redevelopment plan for the Saxman Seaport property; and

**NOW THEREFORE BE IT RESOLVED BY THE CITY OF SAXMAN AS  
FOLLOWS:**

**Section 1.** The City of Saxman formally endorses the attached "Saxman Seaport: Redevelopment Master Plan" [Exhibit 1] as the document guiding redevelopment of the Saxman Seaport.

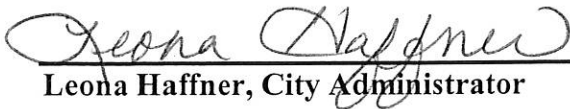
**Section 2.** The City of Saxman anticipates that this plan will undergo continued refinement, which will be guided by the Saxman City Council and Saxman Seaport Committee, with continued input from private sector businesses.

**Adopted by a duly constituted quorum of the City Council of the City of Saxman, Alaska, at its meeting held on December 21, 2011.**



Harvey Shields, Mayor

**ATTEST:**



Leona Haffner, City Administrator