CITY AND BOROUGH OF SITKA



Minutes - Final

Planning Commission

- Wednesday, May 7, 2025	7:00 PM	Harrigan Centennial Hall

I. CALL TO ORDER AND ROLL CALL

Present: Katie Riley (Acting Chair), Stacy Mudry, Robin Sherman, Thor Christianson (Assembly Liaison) Excused: Darrell Windsor, Wendy Alderson Staff: Amy Ainslie, Kim Davis, Ariadne Will Public: Dan Kilkeary, Patrina Kilkeary, Grace Juster, Cathy Li (Sitka Sentinel)

Acting Chair Riley called the meeting to order at 7:00 p.m.

II. CONSIDERATION OF THE AGENDA

III. CONSIDERATION OF THE MINUTES

A PM 25-08 Approve the April 16, 2025 meeting minutes.

M/Mudry-S/Sherman moved to approve the April 16, 2025 meeting minutes. Motion passed 3-0 by voice vote.

IV. PERSONS TO BE HEARD

V. PLANNING DIRECTOR'S REPORT

Ainslie updated the panel on two Planning Commission appeals to the Assembly: an appeal of case file P 24-04 (Harris Island subdivision) had been rescheduled to be heard at the June 10, 2025 Assembly meeting, and an appeal of case file VAR 25-01 (Nancy Court cell tower) had been filed and scheduled for hearing at the May 29 Assembly meeting.

Ainslie said a second reading of the ordinance related to the Community Garden lease was scheduled for May 13, also to be the date of the first reading of the ordinance regarding onsite consumption of marijuana.

VI. REPORTS

B MISC 25-07 2024 Annual Short-Term Rental Report

Will delivered the 2024 Annual Short Term Rental Report to the commission. In her overview, she said there were 62 short-term rental permits in 2024, including four that were issued and activated during the year, three that were issued but not activated during the year, and one that was issued in 2022 with a two-year activation period,

amended in 2024, and not activated in 2024. Two permit holders had retained active permits but communicated with the Planning Department that they intended to deactivate those permits in 2025.

Will said that among permit holders reporting bed tax, \$90,738 was collected by the city, implying that those permits generated \$1,513,057 and charged an average of \$351 per night. The average permit for a short-term rental in 2024 produced \$29,097 for property owners.

Data from optional questions answered by the majority of report respondents indicated that around half of CUPs for short-term rentals used the property owner's primary residence. About a quarter of respondents said that personal use of the property or use as a primary dwelling unit was the only alternative use of their short-term rental.

During commission discussion, the panel asked staff about the possibility of creating financial incentives to lessen the trend of short-term rentals within residential zones, and noted concern regarding the conversion of long-term rental units to short-term rentals. The commission expressed interest in working with city staff and the Assembly to explore options for curbing incentives for property owners to rent short-term.

VII. THE EVENING BUSINESS

C <u>CUP 25-06</u> Public hearing and consideration of a conditional use permit for a short-term rental at 115 Anna Drive in the R-1 MH single-family, duplex and manufactured home zoning district. The property is also known as Lot 4, Verstovia Park Subdivision No. 1. The request is filed by Daniel and Patrina Kilkeary. The owners of record are Daniel and Patrina Kilkeary.

Davis introduced a request of a short-term rental at 115 Anna Drive. Owner-applicants Daniel and Patrina Kilkeary proposed use of a two-bed, one-bath apartment for short-term rental by up to five guests. The apartment had previously been used as a long-term rental and was accessible from the city-maintained portion of Anna Drive.

The applicants had nothing to add and no public comment was received. The commission thanked the applicants for clear language regarding bears and trash handling but otherwise did not deliberate.

M/Mudry-S/Sherman moved to approve the conditional use permit for a short-term rental at 115 Anna Drive in the R-1 MH single-family, duplex, and manufactured home zoning district. The property was also known as Lot 4, Verstovia Park Subdivision No. 1. The request was filed by Daniel and Patrina Kilkeary. The owners of record were Daniel and Patrina Kilkeary. Motion passed 3-0 by voice vote.

M/Mudry-S/Sherman moved to adopt the findings as listed in the staff report. Motion passed 3-0 by voice vote.

D ZA 25-01 Discussion of zoning code changes for cruise related docks.

Ainslie presented slides to the commission regarding the creation of a classification and permitting process for cruise-related docks. The presentation included a proposed definition for cruise-related docks that linked such docks to passenger capacity and commercial use. Ainslie said that Planning Department research revealed no simple classification system for ship size that could be easily tied to the cruise-related uses the commission was interested in regulating. She said a definition linked to ship passenger capacity would be in line with definitions in other Southeast towns, such as Juneau. The proposed passenger capacity outlined in the definition that would trigger definition of a commercial dock as "cruise-related" was 250 passengers. The commission expressed approval of the proposed definition.

Ainslie next asked the commission if it thought cruise-related docks should be permitted outright in any zone, to which the commission said such docks should not be allowed outright. It said it would like cruise-related docks to be a conditional use in public zones (where commercial use docks were prohibited), and that cruise-related docks should be a conditional use in all zones in which they were currently permitted outright as commercial use docks.

Following discussion related to zoning districts, Ainslie asked the commission about levels of approval for cruise-related docks. She said that while conditional use permits were typically reviewed only by the Planning Commission, site plans could require review by the Assembly, as well. The commission said it thought additional readings of cruise-related dock plans were appropriate given the impact of such developments on the community. Ainslie said that submission requirements for cruise-related dock CUPs could include additional materials, such as traffic studies. The commission asked if submission materials could also include anticipated permits from other agencies, a draft schedule with phasing if proposed, plans and provisions for waste disposal, and estimates of supplies and resources to be purchased and used while docked in Sitka.

Ainslie next reviewed possible criteria for evaluating proposals for cruise-related docks. She explained that impact assessment could extend farther in the evaluation of cruise-related docks than in the evaluation of other CUPs, as the impacts would extend much farther than a singular neighborhood or area of town. The commission said the proposed criteria did not reflect on the issue of sustainable levels of tourism. Ainslie said that impacts needed to be quantified to allow for sound consideration by the Planning Commission and evaluation by staff. She said that code could provide a list of different points of evaluation that might not all be considered in each permit request. The commission asked about how different locations of possible cruise-related docks might impact city infrastructure differently.

No motion was made.

VIII. ADJOURNMENT

Acting Chair Riley adjourned the meeting at 8:50 p.m.