

CONSENT AGENDA

POSSIBLE MOTION

**I MOVE TO APPROVE THE CONSENT AGENDA
CONSISTING OF ITEM A**

I wish to remove Item(s) _____

**REMINDER – Read aloud a portion of each item being
voted on that is included in the consent vote.**

If this item is pulled from the consent agenda the following motion would be in order:

POSSIBLE MOTION

I MOVE TO approve the minutes of the September 8, 2015 Assembly meeting.



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
1332 Seward Ave.
Room 229
Sitka, AK
(907)747-1811

Minutes - Draft City and Borough Assembly

Mayor Mim McConnell
Deputy Mayor Matt Hunter
Vice-Deputy Mayor Benjamin Miyasato
Aaron Swanson, Steven Eisenbeisz
Tristan Guevin, and Michelle Putz

Municipal Administrator: Mark Gorman
Municipal Attorney: Robin L. Koutchak
Municipal Clerk: Sara Peterson, CMC

Tuesday, September 8, 2015

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 5 - Hunter, Swanson, Eisenbeisz, Guevin, and Putz

Absent: 1 - Miyasato

Telephonic: 1 - McConnell

IV. CORRESPONDENCE/AGENDA CHANGES

[15-178](#) Correspondence

V. CEREMONIAL MATTERS

[15-166](#) Service Award for Parks and Recreation Committee members Ken Corson and Hans von Rekowski

Deputy Hunter read the awards and gave them to the recipients.

VI. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Sitka Community Hospital, Municipal Departments, School District, Students and Guests (time limits apply)

Tim Fulton, Sitka School Board Clerk gave a report regarding student numbers, talked of the celebration for Herman Davis, and shared that a segment would be aired on television. He reported on the School Board work session that was held on August 27, and the first board meeting in which they accepted Lon Garrison's resignation, thanked him for his service stating that no applications had been turned

in for his seat and encouraged the public to apply. He thanked the candidates that were running, told of the board goal setting that took place on August 27 and 28 and would report details back at a later date and mentioned Debbie Yearwood was the school rep for this school year.

[15-167](#)

Sitka Community Development Corporation and the Community Land Trust proposal for the Old City Shops property (<20 minutes)

McConnell recused herself. Randy Hughey with Sitka Community Development Corporation (SCDC) reported on the housing market, definition of an affordable amount, deeds, and the property. Caitlin Woolsey went over the proposed affordable cottage neighborhood project and showed drawings, aerials, and plat maps.

Hughey answered that they were interested in creating single family dwellings. Hunter told of neighbors concerned with building into the southern end of the property. Hughey answered that engineered retaining walls would be put in place if need be and that no history showed of no slides in the area. Eisenbeisz asked of shared spaces and whom would be responsible and thought of a home owner type situation. Hughey told of how they would select applicants and the process.

[15-168](#)

Chief Finance and Administrative Officer update on emergency expenditures

Jay Sweeney, Chief Finance and Administrative Officer spoke to a summary of costs associated with the landslide emergency response and future added anticipated costs.

[15-176](#)

Sitka Community Hospital report - Rob Allen, CEO

Rob Allen, CEO of Sitka Community Hospital gave an update stating an informational meeting would be held on Thursday, September 10 at the Hospital for anyone interested in being on the newly formed board. Told of financials from closing out the fiscal year. Reported on clearing up the credentialing issue, timeline of paying for the line of credit, and thanked staff.

VII. PERSONS TO BE HEARD

Robb Farmer, Library Director told of upcoming events.

Michael Winters stated that the Sitka Police Department should be prepared to help citizens with mental illnesses and suggested training would be helpful.

VIII. REPORTS

a. Mayor, b. Administrator, c. Attorney, d. Liaison Representatives, e. Clerk, f. Other

Mayor - None.

Municipal Administrator - Mark Gorman met with members of the landslide group and with the State emergency management team after the declaration from the State for financial relief. Told of possible exemptions on property taxes regarding the disaster. Reported after October 6, 2015 the sale of the Administration building at the Gary Paxton Industrial Park could take place. Sitka Hotel was close to a sale, the Harbor system was certified as a clean harbor by the Alaska Clean Harbor Advisory

committee, gave condolences to the family of Paulene Bergdoll, and the first Citizens' Taskforce meeting would be held September 14.

Liaison Representatives - Guevin told that the Health Needs and Human Services Commission recommended support of an ordinance of safe streets, it would go to Police and Fire Commission before coming to the Assembly and told of a Mental Health first aid training by Sitka Counseling September 29th.

Clerk - Reported on election dates, times, and locations of precincts; polled the Assembly for a special meeting date for the non-profit grant application allocation.

Other - None.

IX. CONSENT AGENDA

A [15-164](#) Approve the minutes of the August 11, 21 and 25 Assembly meetings

This item was APPROVED ON THE CONSENT AGENDA.

B [RES 15-19](#) Supporting the Sitka Pioneer Home

This item was APPROVED ON THE CONSENT AGENDA.

C **ORD 15-45** Adjusting the FY16 Budget

This item was APPROVED ON THE CONSENT AGENDA.

D **ORD 15-46** Amending Sitka General Code to remove vacation rates at Chapter 15.04 "Sewer System," Chapter 15.05 "Water System," Chapter 15.06 "Solid Waste Treatment and Refuse Collection" and removing reference to vacation rates in footnotes in Section 15 of the Sitka General Code

Hunter explained the funds had infrastructure needs, saving needed to take place for capital, and told that vacation rates dated back decades when the State gave money freely for infrastructure which was no longer the case. Putz spoke to shared cost amongst rate payers. Eisenbeisz encouraged other ideas from Assembly members. Jay Sweeney, Chief Finance and Administrative Officer told of statistics of fiscal year 2015 for the three funds, and the average credit. He broke out fund costs, told of growth, and cost of a small street replacement.

A motion was made by Putz that this Ordinance be PASSED ON FIRST READING. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Swanson, Guevin, and Putz

No: 1 - Eisenbeisz

Absent: 1 - Miyasato

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- E [15-169](#) Reappoint Judith Ozment to a three-year term on the Historic Preservation Commission and reappoint Lisa Baugher to a three-year term on the Police and Fire Commission

Hunter thanked the applicants.

A motion was made by Putz that this Item be APPROVED. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Eisenbeisz, Guevin, and Putz

Absent: 1 - Miyasato

XI. UNFINISHED BUSINESS:

- F [15-175](#) Award a contract to the Greater Sitka Chamber of Commerce to provide convention and visitor services (executive session anticipated)

A motion was made by Putz to go into Executive Session to discuss communications with legal counsel, Brian Hanson, regarding the transition of services from the Sitka Convention and Visitors Bureau and invite in Chief Finance and Administrative Officer, Jay Sweeney, and Harrigan Centennial Hall Manager, Don Kluting.

Yes: 6 - McConnell, Hunter, Swanson, Eisenbeisz, Guevin, and Putz

Absent: 1 - Miyasato

A motion was made by Swanson to RECONVENE as the Assembly in regular session. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Eisenbeisz, Guevin, and Putz

Absent: 1 - Miyasato

Bonnie Richards expressed concerns with awarding the contract to the Chamber without a management plan.

Municipal Administrator, Mark Gorman spoke to the contract, stating the City had worked closely with the Chamber, it was a solid contract, and felt if it was not awarded, then to bring the services in house.

Suzan Hess, Board President of the Greater Sitka Chamber of Commerce and Ptarmica McConnell, board member stated several Chamber of Commerces in Alaska had cross over with visitor industry. Putz, Hunter, and Guevin had concerns with keeping the visitor services separate from other Chamber functions. Ptarmica McConnell told that controls would be put in place for visitor services, office space would be a shared cost, and they would have additional employees. Hess mentioned they would be moving to the Central Business District. Eisenbeisz shared concerns with the costs of employees. Hunter was in support of the contract, liked the goal of Chamber, and mentioned the similarity of Chamber and visitor services as a commonality. Mayor McConnell had been involved with the Chamber in the past, was impressed with the current Board, and was in support of the contract. Hess stated the board members. Mayor McConnell told of the importance of the visitor industry as a top priority, that the Chamber would have to report to the City and Assembly. Eisenbeisz had concerns with the gala event and restructuring of services. Ptarmica McConnell told of the Gala event and restructuring of services. Putz told she could not

longer support funding the Sitka Convention and Visitors Bureau (SCVB) and was in support of the Chamber contract. Eisenbeisz asked Gorman with concern of paying out of the General Fund. Gorman told of allowable changes of a new contract with negotiations. Hunter told of termination in the contract. Gorman stated that visitor enhancement funds may be available and of the contract date ending on June 30, 2018. Gorman told of the staff assessing the current assets which would transfer and the cash on hand would not be transferable. Guevin had concerns with lobbying of the Chamber, thought it would be contrary to visitor services and was in support of bringing it in house. Mayor McConnell thought bringing it in house would not be cost effective. Gorman spoke to the cost of bringing it in house.

A motion was made by Putz to award a contract to the Greater Sitka Chamber of Commerce to provide convention and visitor services. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Swanson, Eisenbeisz, and Putz

No: 1 - Guevin

Absent: 1 - Miyasato

G [ORD 15-42](#) Amending Sitka General Code Title 22 Zoning to allow asphalt plants and concrete batch plants as a conditional use in the Industrial zone

A motion was made by Putz that this Ordinance be PASSED ON SECOND AND FINAL READING. The motion passed by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Eisenbeisz, Guevin, and Putz

Absent: 1 - Miyasato

XII. NEW BUSINESS:

H [15-170](#) Board of Adjustment: Consideration of a conditional use permit for the expansion of a credit union at 401 and 407 Halibut Point Road filed by Daniel G. Jones, P.E., LLC previously denied by the Planning Commission. Owner of record is ALPS Federal Credit Union

A motion was made by Putz to CONVENE as the Board of Adjustment. The motion PASSED by a unanimous vote.

Michael Scarcelli, Senior Planner gave a staff report stating that the Planning Commission recommended denial and requested it be remanded back to the Planning Commission if the applicant would scale back the expansion and comply with all concerns.

Applicant, Dan Jones spoke of the history of the 1998 approval with four conditions stating that both the Planning Commission and Assembly unanimous approved it. Jones added that ALPS had been compliant and there had not been concerns of traffic issues. John O'Brien, CEO of ALPS stated the credit union would like to optimize space by adding square footage to support the operations, for convenience, and mobile services. They would lease parking spaces at Mt. Verstovia Lodge on Erler Street. Jones went over the staff report stating that DOT would give requirements for traffic flow, thus it would take care of public safety. Jones stated they would comply with parking with the final design and would meet the code for setbacks. He told the height of 40 feet was allowed, read Sitka General Code section 2.24.010e, asked the Assembly for approval, and stated conditions which they would meet. O'Brien addressed total building height currently at 32 feet and told the addition

would continue. He told that the current building was built 16 years ago and they had out grown it. This addition would isolate traffic from the two properties and they were requesting approval. They currently lease five spaces across the street for employees.

Public Comment - Kristy Kissinger Totten, adjacent resident at 311 Erler Street spoke stating that this business should not be allowed in a residential zone, had safety concerns, inadequate parking, below minimum setbacks, and inadequate plans for containing the retaining wall. Hunter asked if a one-story addition would mitigate concerns. Ms. Totten stated that the height was not allowed as a concern per the Code, and that it could morph into more than one-story.

Dr. John Totten spoke in support of the denial of this conditional use permit asking the Assembly to request ALPS abide by the rules, that the burden of proof was upon them, thought that this was an inadequate proposal, had residential impacts, parking issues, and stated that ALPS needed to come back with a clean drawing. Asked the Assembly to deny the proposal with prejudice.

Dr. Karen Zamzow, resident at 310 Erler Street spoke in support of the denial of the conditional use permit as the site plan did not meet or follow the R-2 zoning requirements, Sitka General Code, or the Comprehensive Plan. Lease spaces should not be a part of the required Code and that a site plan should be submitted that would deal with issues first.

Staff Rebuttal - Scarcelli told that the burden of proof was on the applicant, and that the parking agreement did not carry over. Planning and Community Development Director, Maegan Bosak reminded the Assembly that conditional use permits were to be approved based upon plans submitted.

Applicant rebuttal - O'Brien asked for approval and clarified the Code should be met as the architect went over the plans with city staff. Told of the remote service option to minimize transactional traffic. Jones clarified that they were asking for a conditional use permit not a building permit and told it abuts an arterial road, asked if the Assembly would allow a credit union in an R-2 zone.

Deliberation - Putz told of her concerns with the location. Eisenbeisz told his concerns that this was not a complete plan and was in support of the denial and in support of resubmittal. Hunter spoke to the application, conditions, and suggested a remote site for a phone bank.

A motion was made by Guevin to deny a conditional use permit for the expansion of a credit union at 401 and 407 Halibut Point Road. The request is filed by Daniel G. Jones, P.E., LLC. Owner of record is ALPS Federal Credit Union. Denial was recommended by the Planning Commission as the following findings could not be met in accordance with the Planning Commission. Further, in accordance with Sitka General Code the Planning Commission shall not recommend approval of a proposed development unless it can first meet the following findings, conditions and conclusions. The Planning Commission further recommended denial of the conditional use permit due to concerns with the residential quality of the neighborhood, concerns about traffic flow, public safety, and parking. The Board of Adjustment supports the Planning Commission's decision and denies the conditional use permit; and request that they be made a part of the final decision of record.

Required Findings for Conditional Use Permits. The planning commission shall not recommend approval of a proposed development unless it first makes the following findings and conclusions:

1. a. be detrimental to the public health, safety, and general welfare; specifically residential neighbors in the adjacent area.
- b. not adversely affect the established character of the surrounding vicinity; the R-1 single-family and duplex residential district is intended primarily for single-family or duplex residential dwellings at moderate densities; specifically, the residential nature of the R2 zone, nor
- c. not be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located, specifically adjacent property values.
2. That the granting of the proposed Conditional Use Permit is consistent and compatible with the intent of the goals, objectives and policies of the Comprehensive Plan and any implementing regulation, specifically 2.5.2: to encourage commercial and industrial developments of a quality that does not adversely impact any adjacent recreational and residential areas.
3. That all conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.
4. That the proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety and welfare of the community from such hazard.
5. That the conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.
6. Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

The City may approve, approve with conditions, modify, modify with conditions, or deny the conditional use permit. The city may reduce or modify bulk requirements, off-street parking requirements, and use design standards to lessen impacts, as a condition of the granting of the conditional use permit. In considering the granting of a conditional use, the assembly and planning commission shall satisfy themselves that the general criteria set forth for uses specified in this chapter will be met. The City may consider any or all criteria listed and may base conditions or safeguards upon them. The assembly and planning commission may require the applicant to submit whatever reasonable evidence may be needed to protect the public interest.

The general approval criteria are as follows:

1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;
2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;
3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;
4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;

5. Community appearance such as landscaping, fencing and screening, dependent upon the specific use and its visual impacts.

Conditional uses.

E. In evaluating the inputs of a proposed conditional use permit, the municipality may consider a commercial conditional use to be inappropriate for residential neighbors while the same conditional use may be acceptable when it is located along an arterial or collector street. The additional vehicular traffic generated by conditional uses, such as professional offices, may not be able to be adequately mitigated in residential areas.

1. Criteria to Be Used in Determining Impacts of Conditional Uses.

a. Amount of vehicular traffic to be generated and impacts of the traffic on nearby land uses.

b. Amount of noise to be generated and its impacts on surrounding land uses.

c. Odors to be generated by the use and their impacts.

d. Hours of operation.

e. Location along a major or collector street.

f. Potential for users or clients to access the site through residential areas or substandard street creating a cut through traffic scenario.

g. Effects on vehicular and pedestrian safety.

h. Ability of the police, fire, and EMS personnel to respond to emergency calls on the site.

i. Logic of the internal traffic layout.

j. Effects of signage on nearby uses.

k. Presence of existing or proposed buffers on the site or immediately adjacent the site.

l. Relationship if the proposed conditional use is in a specific location to the goals, policies, and objectives of the comprehensive plan.

m. Other criteria that surface through public comments or planning commission assembly review.

Yes: 5 - Hunter, Swanson, Eisenbeisz, Guevin, and Putz

Absent: 2 - McConnell, and Miyasato

A motion was made by Putz to RECONVENE as the Assembly in regular session. The motion PASSED by a unanimous voice vote.

A motion was made by Eisenbeisz to extend the meeting to 11:00pm. The motion PASSED by the following vote.

Yes: 5 - Hunter, Swanson, Eisenbeisz, Guevin, and Putz

Absent: 2 - McConnell, and Miyasato

I [15-177](#)

Decision on whether to allow any sales tax free day(s) following the Thanksgiving holiday and set day(s)

Eisenbeisz recused himself stating he would benefit from the sales of these tax free day(s).

Putz told of history of support in the past. Hunter spoke in support stating it was a long standing tradition and regarded past testimony.

Steven Eisenbeisz spoke as a member of the public in support and noted the money would come back into the community and local businesses. Dr. Karen Zamzow spoke with concerns of fewer businesses and was in support.

A motion was made by Swanson to authorize Friday, November 27 and Saturday, November 28 as Sales Tax Free day(s) for 2015 noting the sales tax free day(s) will not be applicable to any sale of fuel, nor affect any sale which is part of a continuing obligation of the buyer to pay the seller over time.

Yes: 4 - Hunter, Swanson, Guevin, and Putz

Absent: 2 - McConnell, and Miyasato

Recused: 1 - Eisenbeisz

J [15-171](#) Discussion on the concept of a grocery bag tax

Putz told of her thoughts of an added excise tax on grocery bags. Hunter thought this should go to the Citizens' Taskforce. Guevin was in support and told of how other communities were doing it and thought it could be helpful for infrastructure funding. Putz would like to co-sponsor.

K [15-172](#) Discussion on Halibut Point Rec public process and Assembly direction

Municipal Administrator, Mark Gorman summarized the memo that was in the packet. At a previous Assembly meeting, Gorman was directed to determine the role that the City should have in Halibut Point Park. Two meetings were previously held to obtain public comment and stated there was concern with the management of Halibut Point Park and that he was looking for direction.

Public Comment - AnnMarie LaPalme a member from the Sitka State Parks Advisory Board read a letter from the Board that told of the history, wants, and recommendations with regards to the Park. Bonnie Richards spoke as a user of the Park and thought that it had not been managed properly and asked that decisions be postponed until the next legislative session to have the State support the park.

Putz had concerns regarding lack of public comment and the covenant.

Gorman informed the City did not have resources for this. He recommended the Assembly direct him to negotiate a five year agreement contingent that the state give \$50,000 per year to maintain and use other resources to manage it and would obtain Assembly approval prior to execution.

Eisenbeisz questioned the actual cost, how it would be paid for, and what parks were included. Putz had concerns with the costs of infrastructure.

Gorman was directed to bring back a comprehensive management proposal.

L [15-173](#) Discussion/Direction on utilizing existing appropriations to pay for Blue Lake Road and Green Lake Road repairs

Municipal Attorney, Robin Koutchak told of a forest road agreement between the US Department of Agriculture and the City and Borough of Sitka (CBS) for Blue Lake Road stating in the event of a natural disaster the CBS did not assume liability for repair.

Mark Gorman, Municipal Administrator told of a tripartite agreement and hoped that the State would cover the costs.

Eisenbeisz stated this was an emergency that needed to be mitigated, told of the need of access, and was in support of using the emergency funds.

Putz questioned if Blue Lake bonds could be used. Chief Finance and Administrative Officer, Jay Sweeney informed they could not. The Assembly was in support of using emergency funds.

XIII. PERSONS TO BE HEARD:

XIV. EXECUTIVE SESSION

XV. ADJOURNMENT

A motion was made by Hunter to ADJOURN the meeting. Hearing no objection the meeting ADJOURNED at 10:57pm.

ATTEST: _____
Melissa Henshaw
Deputy Clerk