

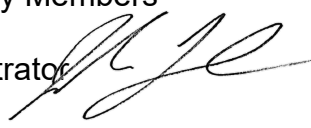


# CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

## MEMORANDUM

**To:** Mayor Eisenbeisz and Assembly Members

**From:** John Leach, Municipal Administrator 

**Date:** April 8, 2026

**Subject:** Proposed Ordinances: SGC Chapter 1.36 – Acceptance of Donations to the City; SGC Chapter 14.35 – Naming of Public Places; and Administrative Procedure No. 23.02-01 – Procedures for Applying for and Accepting Grants and Donations

---

### Background

The City and Borough of Sitka (CBS) currently has no unified framework governing the acceptance of donations by municipal departments or the naming of public places. Over time, individual departments have developed their own informal practices for receiving and managing donated funds, materials, and services. While these practices have generally served CBS well, the absence of formal codified authority and standardized administrative procedures creates inconsistency in how donations are evaluated, accepted, recorded, and acknowledged across the organization. The proposed ordinances and updated administrative procedure are intended to remedy this gap.

Administration has developed three related documents that, taken together, establish a comprehensive and aligned framework for donation acceptance and facility naming. SGC Chapter 1.36 establishes the legal authority and policy framework for accepting donations organization-wide, replacing the patchwork of informal practices currently in place. SGC Chapter 14.35 establishes criteria and procedures for naming or renaming public places, including facilities, parks, and other city-owned spaces, with specific provisions addressing donations that are conditioned on naming rights. Administrative Procedure No. 23.02-01, which has been updated to align with the new code provisions, provides the operational procedures staff will follow in applying the policy framework established in Chapter 1.36.

These documents were developed collaboratively by the Municipal Administrator's office in consultation with the Finance Director, the Municipal Attorney, and affected department heads. Earlier drafts were reviewed by the Parks and Recreation Committee and reflect comments from multiple internal reviewers. The drafts have been refined and aligned across all three documents prior to submission to the Assembly.

## **Analysis**

The proposed Chapter 1.36 establishes citywide legal authority for accepting donations of funds, real and personal property, materials, and services from private parties and organizations. Prior to this ordinance, CBS lacked a formal, codified basis for donation acceptance applicable across all departments. The chapter is grounded in the authority of the CBS Home Rule Charter and AS 29.04.010. It establishes a tiered approval structure based on donation value and type, distinguishing between unrestricted and restricted donations and between those falling below and above the \$10,000 threshold. Donations at or below \$10,000 may be accepted by the responsible department head, with Finance Department notification. Donations exceeding \$10,000 require Assembly approval by resolution. This structure ensures appropriate oversight while preserving administrative efficiency for routine gifts.

The chapter also addresses conditions and restrictions that donors may place on their gifts and the manner in which donors may be acknowledged. It establishes that prior to accepting any nonmonetary donation, the responsible department head must prepare a total lifecycle cost analysis covering installation, maintenance, repair, and replacement over the anticipated life of the donated item or improvement, and must require the donor to execute a maintenance agreement where ongoing costs exist. Assembly approval is required for any nonmonetary donation where total lifecycle cost to the city is estimated to exceed \$10,000. For donations of artwork proposed for permanent or long-term public display, the chapter requires Assembly approval following recommendation by the Library Commission, with additional recommendations required from the Parks and Recreation Committee when the proposed location is within a city park and from the Historic Preservation Commission when the proposed location is within or adjacent to the Sitka Historic District. All donated artwork must conform to applicable city communications policies. The Municipal Administrator is directed to develop administrative procedures consistent with the chapter, which are provided in Administrative Procedure No. 23.02-01.

Administrative Procedure No. 23.02-01 has been revised and aligned with the new code provisions to serve as the operational companion to Chapter 1.36. The procedure provides department heads with specific guidance on evaluating, documenting, and processing donations; distinguishes between the treatment of restricted and unrestricted gifts; establishes financial recordkeeping expectations; and identifies the roles of the Finance Director and Municipal Administrator in the approval process. The procedure is expressly subordinate to Chapter 1.36 and will be administered consistent with its provisions.

SGC Chapter 14.35 establishes a dedicated framework for the naming and renaming of public places. This chapter fills a gap that has long existed in Sitka's code; CBS currently has no formal process for how public facilities, parks, streets, and other municipal spaces are named, a matter that occasionally generates community discussion and, when linked to donations, requires a clear and transparent process. The chapter establishes standards for honorary and donation-based naming, provides for a public naming panel with community representation, establishes durability and reversal standards, and prescribes the criteria against which naming proposals are evaluated. When a naming request is associated with a donation, the applicable provisions of Chapter 1.36 govern

the donation itself, and Chapter 14.35 governs the naming process. This division of authority ensures that each chapter remains focused on its core subject matter and avoids duplication.

Taken together, these three documents close a significant policy gap. The Assembly will note several important alignment points that were coordinated across the documents. The \$10,000 threshold is consistent across Chapter 1.36 and the administrative procedure. The cross-references between the naming ordinance and the donations ordinance are precise and reciprocal. The administrative procedure is expressly subordinate to the code, consistent with the principle that code governs and administrative procedures implement. And the naming ordinance's reference to donation procedures points directly to Chapter 1.36 rather than to an administrative procedure, ensuring that the naming process is governed by an enacted ordinance rather than an executive policy document that could be modified without Assembly action.

Administration reviewed existing Sitka General Code provisions for areas where donations are already addressed or where conforming amendments may be required.

### **Fiscal Note**

There is no direct fiscal impact associated with the adoption of these ordinances. Chapter 1.36 and Chapter 14.35 establish procedural and policy frameworks; they do not appropriate funds or authorize expenditures. Administrative Procedure No. 23.02-01 is an executive document that does not require appropriation.

The indirect fiscal effect of these provisions is positive. A standardized donation acceptance framework is expected to increase donor confidence and encourage larger and more structured contributions to CBS departments and facilities over time. The clarity provided by the naming ordinance similarly removes ambiguity that has historically complicated major donation discussions. Any future donations of significant value will come before the Assembly for approval by resolution, at which time the fiscal implications of accepting any specific gift, including ongoing maintenance obligations, will be evaluated and presented.

### **Recommendation**

The Municipal Administrator recommends that the Assembly approve the proposed ordinances adding SGC Chapter 1.36, Acceptance of Donations to the City, and SGC Chapter 14.35, Naming of Public Places, to the Sitka General Code, and acknowledge receipt of Administrative Procedure No. 23.02-01, Procedures for Applying for and Accepting Grants and Donations.

Staff is available to answer questions at the pleasure of the Assembly.

Encl: Proposed Ordinance – SGC Chapter 1.36, Acceptance of Donations to the City  
Proposed Ordinance – SGC Chapter 14.35, Naming of Public Places  
Administrative Procedure No. 23.02-01, Procedures for Applying for and  
Accepting Grants and Donations