



CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

From: Thor Christianson, Assembly Member
Kevin Mosher, Assembly Member

Date: July 22, 2026

Subject: Visitor Enhancement Fund Support of Off-Season Convention Use of Harrigan Centennial Hall

Background

Harrigan Centennial Hall (HCH) is Sitka's premier venue for conventions, conferences, and large community events. While the facility sees strong utilization during the peak visitor season, there is an opportunity to attract more convention and group event business during the off-season, a period when the broader Sitka economy would benefit most from additional visitor activity.

The Visitor Activities Enhancement Fund, established under SGC 4.40.070, serves as the depository for transient lodging tax revenues collected by the Borough, which are then appropriated for visitor enhancement purposes. This proposal explores using that fund as a targeted incentive to attract convention and group event business during off-season months, when the return on that investment, measured in hotel stays, meals, retail, and tax revenue, is likely to be most significant.

Analysis

Any group or organization scheduling a convention or event at Harrigan Centennial Hall that brings more than 100 attendees from outside of Sitka would be eligible to have their facility fees covered by the Visitor Activities Enhancement Fund under SGC 4.40.070.

The annual budget for this program would be \$50,000 as appropriated by the Assembly. The Harrigan Centennial Hall Manager would be responsible for developing the administrative policy governing this program and for managing its day-to-day implementation, including verification of eligibility, processing of fee waivers, and reporting on program activity.

This structure focuses the incentive where the economic benefit is clearest: on events that generate actual visitor nights in Sitka rather than events that draw primarily local

attendees.

It is the Administrator's understanding that this type of targeted incentive can be implemented through an Assembly appropriation from the Visitor Activities Enhancement Fund under SGC 4.40.070, without requiring a formal budget amendment. The CBS Tourism Manager and Visit Sitka will be engaged as supporting stakeholders once the proposal is formally introduced.

Fiscal Note

At current off-season hotel rates of approximately \$150 to \$200 per night, a convention drawing 100 or more out-of-town guests for even a two-night stay would generate between \$30,000 and \$40,000 or more in gross lodging revenue. The CBS's bed tax on that activity alone would generate substantial revenue, likely offsetting most or all of the HCH fee waiver from the Visitor Activities Enhancement Fund, with additional economic benefit flowing through sales tax receipts and broader local spending on food, transportation, and retail.

The net fiscal impact to the Visitor Activities Enhancement Fund is therefore expected to be modest at most, and in many cases neutral or positive when indirect tax revenues are considered.

Recommendation

The sponsors recommend approval of the proposed ordinance to fund and authorize this program, including: (1) establishment of the 100-person out-of-town attendee eligibility threshold; (2) annual appropriation of \$50,000 from the Visitor Activities Enhancement Fund for facility fee waivers; and (3) designation of the Harrigan Centennial Hall Manager as the administering authority.

This is a targeted, low-risk initiative with a strong likelihood of generating transient lodging tax revenue that equals or exceeds the cost of the fee waivers. It addresses a real gap in Sitka's off-season event economy and is well-suited to the purpose of the Visitor Activities Enhancement Fund as established under SGC 4.40. Because conventions and large events are frequently booked one to two years in advance, the sponsors further recommend that the program be established for a minimum trial period of three off-season cycles before its long-term viability is evaluated.

Encl: Proposed Ordinance
HCH Off-Season Convention Incentive Policy and Application

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2026-19

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL
APPROPRIATIONS FOR FISCAL YEAR 2027
(Harrigan Centennial Hall Fee Waiver)

BE IT ENACTED by the Assembly of the City and Borough of Sitka, Alaska as follows:

1. **CLASSIFICATION.** This ordinance is not of a permanent nature and is not intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.

2. **SEVERABILITY.** If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.

3. **PURPOSE.** The purpose of this ordinance is to make a supplemental Operations appropriation for FY2027.

4. **ENACTMENT.** In accordance with Section 11.10 (a) of the Charter of the City and Borough of Sitka, Alaska, the Assembly hereby makes the following supplemental appropriation for the budget period beginning July 1, 2026 and ending June 30, 2027.

<u>FISCAL YEAR 2027 EXPENDITURE BUDGETS</u>
GENERAL FUND
Transfers In – General Fund: Increase transfers in from the Visitor Enhancement Fund by \$50,000 for the Harrigan Centennial Hall fee waiver.
VISITOR ENHANCEMENT FUND
Transfers Out – Visitor Enhancement Fund: Increase transfers out to the General Fund by \$50,000 for the Harrigan Centennial Hall fee waiver.

EXPLANATION

To support the use of Harrigan Centennial Hall as an off-season convention venue.

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 11th day of August 2026.

ATTEST:

Steven Eisenbeisz, Mayor

Sara Peterson, MMC
Municipal Clerk

1st reading: 7/28/26

2nd and final reading: 8/11/26

Sponsors: Christianson / Mosher

CITY AND BOROUGH OF SITKA
ADMINISTRATIVE POLICY NO. _____
HARRIGAN CENTENNIAL HALL OFF-SEASON CONVENTION INCENTIVE PROGRAM

Visitor Activities Enhancement Fund, SGC 4.40.070

PURPOSE

This policy establishes the administrative framework for the Harrigan Centennial Hall Off-Season Convention Incentive Program (the "Program"). The Program reduces barriers to hosting large off-season conventions and events at Harrigan Centennial Hall by providing facility fee waivers funded through the City and Borough of Sitka Visitor Activities Enhancement Fund.

Rationale. Sitka's lodging capacity and tourism infrastructure are underutilized during the off-season. Conventions and group events that bring 100 or more attendees from outside Sitka generate significant transient lodging tax revenue under SGC 4.40.020, along with sales tax receipts and broader economic activity. Harrigan Centennial Hall already offers competitive facility rates. This Program provides an additional incentive to attract off-season conventions and events to Sitka, consistent with the visitor enhancement purposes for which the Visitor Activities Enhancement Fund was created.

GENERAL PROVISIONS

- **Scope.** This policy applies to applications for facility fee waivers for off-season conventions and events held at Harrigan Centennial Hall and funded through the Visitor Activities Enhancement Fund. It does not govern facility use agreements, fee schedules, or other Harrigan Centennial Hall operations except as those relate to the administration of a Program waiver.
- **Authority to promulgate.** This Program is authorized under SGC 4.40.070, which establishes the Visitor Activities Enhancement Fund as a special revenue fund supported by transient lodging tax revenues and appropriated by the Assembly for visitor enhancement purposes. The Harrigan Centennial Hall Manager administers the Program. The Municipal Administrator approves this policy and retains authority to administer and amend the Program consistent with SGC 4.40.070 and the Home Rule Charter of the City and Borough of Sitka. Program funds are appropriated annually by the Assembly through the consolidated operating budget process under SGC 4.40.070(C). Supplemental appropriations, if required, shall be brought before the Assembly by the Municipal Administrator in accordance with the Home Rule Charter.
- **Effective date.** October 1, 2026
- **Review/Revision Interval.** Annually, in conjunction with the Assembly's appropriation for the subsequent Program Year.

REFERENCES

SGC 4.40.070, Visitor Activities Enhancement Fund

SGC 4.40.020, Transient Lodging Tax

Home Rule Charter of the City and Borough of Sitka

Harrigan Centennial Hall approved fee schedule

Harrigan Centennial Hall facility use agreement and Event Agreement (forms maintained by the HCH Manager)

CBS Records Retention Policy

AUTHORIZATION

Municipal Administrator

Date: _____

DOCUMENT REVISION LOG

Date	Author	Description of Changes
	Leach	Original

PROCEDURES FOR THE HARRIGAN CENTENNIAL HALL OFF-SEASON CONVENTION INCENTIVE PROGRAM

The City and Borough of Sitka offers facility fee waivers for qualifying off-season conventions and events at Harrigan Centennial Hall through the Visitor Activities Enhancement Fund. The Harrigan Centennial Hall Manager administers the Program. The following procedures govern eligibility, application, waiver administration, reporting, and compliance.

SECTION 2. DEFINITIONS

As used in this policy, the following terms have the meanings set forth below.

1. "Assembly" means the Assembly of the City and Borough of Sitka.
2. "Applicant" means the organization, group, or individual submitting an application for a Program fee waiver.
3. "Convention or Event" means a planned gathering, including conferences, conventions, seminars, symposia, trade shows, tournaments, or similar organized group meetings, held at Harrigan Centennial Hall requiring a facility use agreement.
4. "Facility Fees" means the fees charged by the City and Borough of Sitka for use of Harrigan Centennial Hall, including room rental, setup, and standard equipment charges, as listed in the current approved fee schedule. Facility fees do not include optional services, audiovisual services, catering, alcohol permits, security deposits, or third-party vendor charges.
5. "HCH Manager" means the Harrigan Centennial Hall Manager , who serves as the administering authority for this Program.
6. "Off-Season" means the period from October 1 through March 31 of any given year. The Assembly may, by resolution, amend the off-season dates applicable to any program year.
7. "Out-of-Town Attendee" means an individual whose primary residence is outside the City and Borough of Sitka who will attend the Convention or Event and require overnight lodging within the Borough.
8. "Program" means the Harrigan Centennial Hall Off-Season Convention Incentive Program established by this policy.
9. "Program Year" means the fiscal year for which Program funds have been appropriated by the Assembly.
10. "Visitor Activities Enhancement Fund" or "Fund" means the special revenue fund established under SGC 4.40.070.
11. "Waiver" or "Fee Waiver" means the facility fee waiver approved under this Program, applied as a credit against facility fees on the event invoice. No cash payment is made to an Applicant under a Waiver.

SECTION 3. ELIGIBILITY REQUIREMENTS

To be eligible for a facility fee waiver under this Program, an Applicant and the proposed Convention or Event must satisfy all of the following requirements.

3.1 Event Criteria

1. The Convention or Event must be scheduled entirely within the Off-Season (October 1 through March 31).
2. The Convention or Event must be held at Harrigan Centennial Hall under a fully executed facility use agreement with the City and Borough of Sitka.
3. The Applicant must demonstrate, to the satisfaction of the HCH Manager, that a minimum of 100 Out-of-Town Attendees will attend the Convention or Event. A good-faith written estimate supported by registration data, prior event history, organizational membership counts, or comparable documentation is required at the time of application. Final verified attendance must be reported post-event as described in Section 6.

3.2 Applicant Criteria

1. The Applicant must be in good standing with the City and Borough of Sitka, with no outstanding delinquent accounts, unpaid fees, or unresolved defaults on prior facility use agreements.
2. The Applicant must have a valid facility use agreement in place or submit one concurrently with the Program application. For large groups, this is the Harrigan Centennial Hall Event Agreement.
3. The Applicant must agree to all post-event reporting requirements described in Section 6 of this policy.

3.3 Fund Availability

1. Fee waivers are subject to availability of appropriated Program funds in the Visitor Activities Enhancement Fund for the applicable Program Year. The HCH Manager shall maintain a running account of appropriated funds, committed waivers, and remaining balance.
2. Applications will be reviewed in the order received. If a requested waiver would exceed the remaining appropriated balance, the HCH Manager will notify the Applicant and may offer a partial waiver up to the available balance, subject to Applicant acceptance.
3. Approval of a waiver in one Program Year does not guarantee funding availability or approval in subsequent years.

SECTION 4. APPLICATION PROCESS

4.1 Submission

Applicants must submit a completed Off-Season Convention Incentive Program Application (Exhibit A to this policy) to the Harrigan Centennial Hall Manager. Applications may be submitted by email, in person, or by mail to Harrigan Centennial Hall, City and Borough of Sitka, 330 Harbor Drive, Sitka, AK 99835.

4.2 Application Deadline

Applications must be submitted no fewer than 90 calendar days prior to the first date of the Convention or Event. Late applications may be considered at the HCH Manager's discretion if Program funds remain available and sufficient time exists to process the application and execute documentation. An application submitted by mail must be received by the HCH Manager, not merely postmarked, before this deadline.

4.3 Required Documentation

The following must accompany or be included in the application:

- a. Completed application form (Exhibit A).
- b. A copy of the executed or proposed Harrigan Centennial Hall facility use agreement, or confirmation that one is being processed concurrently.

- c. Documentation supporting the estimated Out-of-Town Attendee count, which may include prior year event registration data, organizational membership records, event marketing materials, hotel room block reservations, or other comparable evidence.
- d. A brief event description including purpose, primary audience, and anticipated economic activity (hotel nights, meals, local spending).
- e. Verification from the City and Borough of Sitka Finance Department that the Applicant has no overdue debt owed to the City and Borough of Sitka.

4.4 Review and Determination

The HCH Manager shall review the application for completeness and compliance with eligibility requirements within 15 business days of receipt of a complete application. The HCH Manager may request supplemental information from the Applicant, in which case the review period is tolled until the information is received. The HCH Manager shall issue a written determination of approval, conditional approval, or denial, with the basis for the decision stated.

4.5 Appeals

An Applicant who disagrees with a determination may appeal in writing to the Municipal Administrator within 10 business days of the determination. The Municipal Administrator's decision on appeal is final.

SECTION 5. WAIVER ADMINISTRATION

5.1 Scope of Waiver

An approved fee waiver covers standard Harrigan Centennial Hall facility fees as set forth in the current approved fee schedule, including base room rental and standard setup. The waiver does not cover optional services, audiovisual and equipment services, including Zoom and projector support, special equipment not included in the standard fee schedule, catering, alcohol-related permits or deposits, security deposits, damages, or any charges arising from Applicant requests outside the standard fee schedule.

5.2 Waiver Agreement

Upon approval, the HCH Manager and the Applicant shall execute a Program Waiver Agreement documenting the approved waiver amount, the event details, the Applicant's obligations, and the post-event reporting requirements. No waiver is effective until the Waiver Agreement is fully executed.

5.3 Accounting and Fund Management

The HCH Manager shall maintain a Program ledger tracking, for each Program Year: the total appropriated amount, each approved waiver commitment, each waiver disbursed upon event completion and compliance verification, and the remaining unencumbered balance. The ledger shall be reported to the Finance Department on a quarterly basis and made available to the Municipal Administrator upon request.

5.4 Waiver Disbursement

Facility fees waived under this Program shall be credited to the Applicant's facility use invoice at the time of event settlement. The City and Borough of Sitka Finance Department shall record the offsetting charge against the appropriated Program funds in the Visitor Activities Enhancement Fund. No cash payment shall be made to Applicants.

SECTION 6. POST-EVENT REPORTING AND COMPLIANCE

6.1 Post-Event Report Required

Within 30 calendar days following the conclusion of the Convention or Event, the Applicant must submit a Post-Event Report to the HCH Manager. The report must include:

- a. Final verified attendance count, with a breakdown of Out-of-Town Attendees versus local attendees. Acceptable verification methods include event registration records, sign-in sheets, badge scan data, or hotel room block pickup confirmation.
- b. Hotel room nights booked by attendees, if available, including the name(s) of lodging properties used.
- c. A brief qualitative summary of the event, including any plans to return to Sitka in future years.
- d. A summary of economic activity generated by the event, including attendee spending on lodging, meals, and retail, and any other documented economic or community benefit.

6.2 Minimum Attendance Verification

If the Post-Event Report documents fewer than 100 verified Out-of-Town Attendees, the fee waiver may be subject to full or partial recapture at the HCH Manager's discretion, based on the ratio of verified out-of-town attendance to the 100-person threshold. The HCH Manager shall provide written notice of any recapture determination and the basis for it. Recaptured amounts shall be returned to the Visitor Activities Enhancement Fund.

6.3 Failure to Report

Failure to submit a complete Post-Event Report within the required timeframe may result in recapture of the full waiver amount and disqualification from future Program participation until all obligations are satisfied.

6.4 Recapture Process and Escalation

Where the HCH Manager determines that all or part of a Waiver is subject to recapture under Section 6.2 or 6.3, the HCH Manager shall issue a written recapture notice to the Applicant stating the amount subject to recapture, the basis for the determination, and the calculation method. The Applicant shall remit the recaptured amount to the City and Borough of Sitka within 30 calendar days of the date of the notice. An Applicant may appeal a recapture determination to the Municipal Administrator within 10 business days of the notice under the procedure in Section 4.5. If the recaptured amount is not paid within 30 calendar days and no timely appeal is pending, the HCH Manager shall refer the unpaid amount to the Finance Department for collection as a debt owed to the City and Borough of Sitka, and the Applicant shall be ineligible for future Program participation until the debt is satisfied.

SECTION 7. ANNUAL PROGRAM REPORTING

The HCH Manager shall prepare an annual Program report at the close of each Program Year for submission to the Municipal Administrator. The report shall include a summary of applications received, approvals and denials, waivers issued, total facility fees waived, total Out-of-Town Attendees verified, estimated bed tax and sales tax revenue generated by Program events, and any recapture actions taken. The Municipal Administrator may present the annual report to the Assembly in connection with the budget process for the subsequent Program Year.

SECTION 8. PROGRAM LIMITS, AMENDMENTS, AND DISCRETION

1. The HCH Manager retains discretion to deny or condition approval of any application that, in the Manager's judgment, does not serve the visitor enhancement purposes of SGC 4.40.070, regardless of technical eligibility.
2. This policy may be amended by the Municipal Administrator in consultation with the HCH Manager. Material amendments shall be communicated to the Assembly.
3. This Program is contingent on annual appropriation by the Assembly. The HCH Manager shall not approve waivers in excess of appropriated funds. If appropriated funds are exhausted prior to year-end, the HCH Manager shall suspend acceptance of new applications and notify the Municipal Administrator.

4. Nothing in this policy limits the Municipal Administrator's authority to bring supplemental appropriation ordinances before the Assembly pursuant to SGC 4.40.070(C) and the Home Rule Charter if Program demand warrants additional funding.

EXHIBIT A
HARRIGAN CENTENNIAL HALL
OFF-SEASON CONVENTION INCENTIVE PROGRAM
APPLICATION FOR FACILITY FEE WAIVER

Visitor Activities Enhancement Fund, SGC 4.40.070

Submit to: Harrigan Centennial Hall Manager | 330 Harbor Drive, Sitka, AK 99835 |

Phone: 907-747-4090 | Email: HCH@cityofsitka.org

Applications must be received no fewer than 90 days prior to the event. All fields are required unless marked optional.

PART 1. APPLICANT INFORMATION

Organization or Individual Name:			
Contact Person:		Title/Role:	
Mailing Address:		City / State / ZIP:	
Phone:		Email:	

Organization Type (check one): ☐ Nonprofit ☐ For-Profit ☐ Government/Tribal ☐ Other:

PART 2. EVENT INFORMATION

Name / Title of Convention or Event:			
Event Start Date:		Event End Date:	
Spaces/Rooms Requested:		Estimated Total Attendees:	
Brief Description of Event Purpose and Primary Audience:			

PART 3. OUT-OF-TOWN ATTENDANCE ESTIMATE

An Applicant must demonstrate that a minimum of 100 attendees will be Out-of-Town Attendees (individuals residing outside the City and Borough of Sitka who will require overnight lodging). Provide your best good-faith estimate and the basis for it.

Estimated number of Out-of-Town Attendees:	
Estimated average number of nights each will stay in Sitka:	
Estimated total hotel / lodging room nights generated:	
Lodging properties where attendees are expected to stay (if known):	

Basis for Out-of-Town Attendance Estimate (check all that apply and describe below):

☐ Prior year event attendance records

- ☐ Organizational or association membership list / geographic distribution
- ☐ Hotel room block reservation or letter of intent from lodging property
- ☐ Event registration data or pre-registration count
- ☐ Marketing reach or confirmed invitee list
- ☐ Other (describe below)

Describe the basis for your estimate and attach any supporting documentation:	

PART 4. FACILITY USE AGREEMENT STATUS

A Harrigan Centennial Hall Facility Use Agreement must be in place or in process concurrently with this application.

- ☐ A Facility Use Agreement has already been executed. Agreement number or date:

- ☐ A Facility Use Agreement is being processed concurrently with this application.
- ☐ I have not yet contacted Harrigan Centennial Hall regarding a Facility Use Agreement and need assistance.

PART 5. CERTIFICATIONS AND APPLICANT AGREEMENT

By signing below, the Applicant certifies and agrees to the following:

1. All information provided in this application is true, accurate, and complete to the best of the Applicant's knowledge.
2. The Applicant understands that a fee waiver under this Program is subject to appropriated fund availability and is not guaranteed by submission of this application.
3. The Applicant agrees to submit a Post-Event Report to the Harrigan Centennial Hall Manager within 30 calendar days following the event, including verified Out-of-Town Attendee counts and hotel room night data.
4. The Applicant understands that failure to reach 100 verified Out-of-Town Attendees may result in full or partial recapture of the facility fee waiver.
5. The Applicant agrees that any approved waiver will be applied as a credit against facility fees on the event invoice and that no cash payment will be made.
6. The Applicant is in good standing with the City and Borough of Sitka with no outstanding delinquent accounts or unresolved defaults on prior facility use agreements.
7. The Applicant acknowledges that this Program is authorized under SGC 4.40.070 and that the Municipal Administrator retains authority to administer and amend this Program consistent with that provision and the Home Rule Charter.

<i>Authorized Signature / Applicant or Authorized Representative</i>	<i>Date</i>
Printed Name:	
Title / Organization:	

FOR OFFICE USE ONLY. DO NOT WRITE BELOW THIS LINE

Date Application Received:		Received by:	
Application Complete? ☐ Yes ☐ No		Date Completeness Confirmed:	
Supplemental Information Requested (describe):			
Program Year Appropriated Balance at Time of Review: \$		Requested Waiver Amount: \$	
Determination: ☐ Approved ☐ Conditionally Approved ☐ Denied			
Basis for Determination / Conditions:			
Approved Waiver Amount: \$		Remaining Balance After Commitment: \$	

<i>HCH Manager Signature</i>		<i>Date</i>
Printed Name:		

Copy distribution: ☐ Applicant ☐ Finance Department ☐ Municipal Administrator file