



CITY AND BOROUGH OF SITKA

Minutes - Final

Planning Commission

Chris Spivey, Chair
Darrell Windsor, Vice Chair
Randy Hughey
Richard Parmelee
Taylor Colvin

Tuesday, July 18, 2017

7:00 PM

Harrigan Centennial Hall

I. CALL TO ORDER AND ROLL CALL

Chair Spivey called the meeting to order at 7:04 PM.

Present: Chris Spivey, Darrell Windsor, Richard Parmelee, Randy Hughey (arrived 7:24 PM), Michael Scarcelli (Planning and Community Development Department Director), Samantha Pierson (Planner I)
Absent: Taylor Colvin (excused), Kevin Knox - Assembly Liaison (excused)

II. CONSIDERATION OF THE AGENDA

III. CONSIDERATION OF THE MINUTES

- A [PM-27](#) Approval of the June 20, 2017 meeting minutes.

Windsor/Parmelee moved to **APPROVE** the June 20, 2017 minutes. Motion **PASSED 3-0.**

IV. PERSONS TO BE HEARD

V. PLANNING DIRECTOR'S REPORT

- B [MISC 17-21](#) Director's Report - July 18

Scarcelli stated that the SEDA June Trends Newsletter was attached to the packet. Scarcelli shared a passage from the July 2017 Alaska Economic Trends Newsletter highlighting the close relationship between the provision of basic services and healthy economies. Scarcelli stated that "adequate" and "bare minimum" facilities will not keep people in Sitka. Economic development is not just about cutting the budget.

VI. REPORTS

- C [16-00](#) Planning Regulations and Procedures.

VII. THE EVENING BUSINESS

- D** [LM 17-03](#) Public hearing and consideration of a tideland lease renewal request for 5309 Halibut Point Road. The property is also known as ATS 1571. The request is filed by Samson Tug and Barge. The owner of record is the City and Borough of Sitka.

Scarcelli stated that the Planning Commission has important insight to provide into land use decisions. Scarcelli reviewed Samson Tug and Barge's request for tideland lease renewal. The final decision will be made by the Assembly. Scarcelli recommends that the Planning Commission recommend approval of the lease request subject to including the conditional use permit conditions of approval in the lease. Scarcelli stated that the current annual payment is \$11,144, and the new annual payment would be approximately \$25,000. As the lease expires in August, a month-to-month lease may be necessary until a long-term lease can be drafted to the agreement of both parties. Staff are in support of the lease renewal with a 55-year lease term. Spivey asked if the commission could make a recommendation to vary from the 4.5% lease calculation, and Scarcelli stated no because it is prescribed in code. Spivey stated concern that the lease amount would approximately double. Scarcelli stated that the original lease was to be adjusted every 5 years based on the land and improvements and later that requirement was amended; however, the lease payment has historically been only based on the land value and the existing lease payment was probably below what the lease required. Windsor stated that now is the time to clean this up.

Roslyn McKinnon, CFO of Samson Tug and Barge and Markos Scherr represented the item. Scherr stated that Samson does not object to the valuation or 4.5% lease rate. Scherr stated that Samson is amenable to a monthly lease but would like to get a long-term lease executed as soon as possible. Scarcelli asked if the monthly lease would impact their security interests. Scherr stated that a long-term lease to be executed in one to six months would not impact the applicant. Scarcelli noted DEC regulations for fuel storage tanks.

No public comment.

Windsor/Parmelee moved to RECOMMEND approval of the lease renewal including a month to month and long-term lease request for 5309 Halibut Point Road subject to the condition that the conditions of approval for the bulk fuel facility conditional use permit are included in the lease. The property is also known as ATS 1571. The request is filed by Samson Tug and Barge. The owner of record is the City and Borough of Sitka. Motion PASSED 4-0.

- E** [MISC 17-16](#) Discussion and direction regarding amendments to public notice requirements and Sitka General Code 22.30.

Scarcelli stated that staff took Planning Commission direction to review public notice code, but found that entire code chapters 22.30 and 21.52 were implicated. Scarcelli noted that more work is needed by Planning and Legal staff. Scarcelli outlined proposed amendments, including providing appeal information on public notice and providing notice to renters. Scarcelli stated that applicants would be responsible for providing notice to renters of nearby properties. Scarcelli would like to do a holistic review of public notice code if the commission directs him to do so. Hughey asked about the grant received for code audit assistance. Scarcelli stated that Smart Growth America advisors have been reviewing code and the Comprehensive Plan, and will be coming to Sitka in September. Scarcelli stated that SGA will likely address topics other than public notice. Scarcelli recommended that the commission move to direct staff to continue work on public notice amendments.

No public comment.

Spivey stated that he liked the proposal. Windsor stated that he appreciated Scarcelli listening to commissioner concerns.

Windsor/Parmelee moved to find that the proposal does not negatively impact the public health safety or welfare, but better notifies the public of pending action in a public meeting. Motion PASSED 4-0.

Hughey/Parmelee moved to direct planning and legal staff to draft proposed code amendments regarding Chapter 22.30 (Zoning Code Administration) and Chapter 21.52 (Subdivision Administration), for all implicated topics that may include but are not limited to notice, mailings, on-site postings, notices to renters/tenants, review and approval process, appeals, findings, authority of bodies, application, and amendments. Motion PASSED 4-0.

F [MISC 17-12](#)

Discussion and direction regarding development standards, setbacks, and required yards in Sitka General Code Title 22.

Scarcelli stated that staff time for variances is subsidized by the community, and staff time is better spent working on community development and long-range planning. Scarcelli shared a story of having to tell a citizen that he couldn't construct a garden hoop house because of height restrictions in setbacks. Scarcelli stated that people who follow the rules are told no, but those who don't ask just move forward with their projects. Scarcelli stated that there have been 178 different variances granted since 2010. Scarcelli shared an image of the Etolin Street neighborhood, where approximately half of the properties are marked as not meeting lot square footage requirements, and that if width, structures, and setbacks are included, even more lots are non-conforming. Scarcelli spoke about formulaic development standards that could address each lot on a case-by-case basis. Scarcelli recommended moving away from variances. Hughey stated that while the Etolin Street neighborhood is dense, it is homey. Windsor suggested

creating a high-density R-1 zone and a low-density R-1 zone.

Scarcelli suggested that further discussion and study needs to occur, as the R-1 lots downtown are different than R-1 lots in other areas.

Scarcelli asked commissioners to identify low-hanging fruit code amendments. Scarcelli discussed such ideas as exempting stairs and greenhouses in setbacks, easing accessory dwelling unit regulations, and clarifying development standards for communication and utility standards. Scarcelli discussed including an administrative lot merger plat process in Title 21. Scarcelli read the code requirements for ADUs and shared his recommended amendments. Hughey stated the concern for RVs used as ADUs, and Scarcelli outlined code stating that RVs are not allowed as ADUs. Spivey stated that the original thought was that ADUs would be located above garages. Scarcelli stated that great design standards were determined for float homes, but none have been built. Scarcelli stated that side entrances may cause more noise for neighbors. Windsor stated that the conditional use permit process allows for case-by-case approval. Scarcelli stated that it would be easier for people to not have to go through a political body. Scarcelli stated that a duplex does not have to go through the conditional use permit process, but it results in the same number of dwellings as a single-family home with an ADU. Scarcelli stated that he would like to speak with developers regarding raising the 800 square foot maximum. Spivey stated that the reason for the small size is so that the ADU is truly an accessory structure. Scarcelli stated that he understands that rationale, although a duplex is not limited to 800 square feet per unit. Scarcelli stated that conditions of approval have to be enforceable by the department, but ADU parking requirements cannot be enforced.

Parmelee asked about increasing building lot coverage requirements if maximum lot sizes are required, and Scarcelli stated that is possible. Hughey asked about the reasoning behind the building lot coverage. Spivey replied that a property owner could build an ostentatious house that is twice the size of adjacent houses. Scarcelli stated that lot coverage requirements are also intended to limit impervious structures in regard to drainage. Scarcelli discussed a psychology study regarding rats in dense environments and resulting violence.

Windsor asked if the commission should move forward with edits since Smart Growth America will be here soon, and Scarcelli stated that these discussions are laying the foundation for Smart Growth America's visit, and the majority of code edits will occur at a later time after more study and community input. Parmelee stated support for simplifying code. Hughey stated support for amending setback requirements and structures in

setbacks. Windsor would like to see discussion on carports. Hughey stated appreciation that staff are working on ways to reduce hassle for the public.

Hughey/Windsor moved to direct planning and legal staff to draft an ordinance to amend code regarding development standards, setbacks, and required yards where staff first brings some easy code changes in the near future and some more complex code changes after completion of the Comprehensive Plan or Smart Growth America Code audit. Motion PASSED 4-0.

BREAK 8:36-8:44

G [MISC 17-22](#)

Discussion and direction regarding short-term rental and bed and breakfast annual reporting.

Scarcelli stated that short-term rentals and bed and breakfast operations require annual reports. The current report collecting methodology is inefficient. Staff propose moving to a single annual reporting period to sync with sales tax remittance and aid in reporting during the tourism down-season that would benefit owners, operators, Planning staff, Planning Commission, and Finance staff. Parmelee stated support for simplifying processes.

Hughey/Windsor moved to direct staff to compile and submit to the Planning Commission all short-term rental and bed and breakfast annual reports every March. Motion PASSED 4-0.

VIII. EXECUTIVE SESSION

H [MISC 17-20](#)

Legal matter - McGraw, Diaz, Friske lawsuits

Windsor/Hughey moved to go into Executive Session with Planner 1, Samantha Pierson, Planning Director, Michael Scarcelli, and Municipal Attorney, Brian Hanson, regarding legal matters affecting the Municipality as a result of the following lawsuits: McGraw v. Sound Development, et al., Case No. 1SI-15-269 CI; Diaz v. Sound Development, et al., Case No. 1SI-16-143 CI; Friske v. Sound Development, et al., Case No. 1SI-16-144 CI; in which the City and Borough of Sitka are co-defendants. Motion PASSED 4-0.

Parmelee/Windsor moved to reconvene as the Planning Commission in regular session. Motion PASSED 4-0.

IX. ADJOURNMENT

Chair Spivey adjourned the meeting at 9:12 PM.

**ATTEST: _____
Samantha Pierson, Planner I**