



**CORRESPONDENCE**

And

**AGENDA**



**CHANGES**



## Public Works Assembly Update 2-20-13

### **\*2013 Annual Spring Cleanup/Household Hazardous Waste Collection/ Free Vehicle Collection Event :**

The proposed dates for the upcoming Annual Spring Clean Events are as follows:  
Spring Cleanup begins Saturday, April 20-Sunday, April 28, 2013,  
Household Hazardous Waste Collection – Saturday, April 27 & Sunday, April 28, 2013,  
Free Vehicle Collection – Saturday, April 20 – Saturday May 4, 2013.

### **\*Turnaround Skate Park Cover and Recycle Yard Building:**

Coastal Excavation completed this design-build project on January 31, 2013. The Contract amount was for \$270,875.00 and was completed approximately 2% under budget.

### **\*Sea Walk – Crescent Harbor Park to National Historic Park:**

The final design for the Sea Walk was presented to the Assembly on February 12, 2013 where they also approved advertising for bidding for the project. Significant efforts have gone into value engineering the project in an effort to bring project costs within budget. Five additive alternates have been identified through this process. The bid opening is scheduled for March 1, 2013 and will be presented to the Assembly for award on March 12<sup>th</sup>, 2013. Construction is anticipated to begin in March/April 2013 and continue through the summer 2013.

The current phase of the Sea Walk extends from the Centennial Hall Parking Lot to the Sitka National Historic Park boundary near Kelly Street. The Sea Walk is funded by way of the following: \$1,000,000 FY 2011 State of Alaska Grant (Sea Walk Extension Part C), \$700,000 FY 2011 State of Alaska Grant (Crescent Park Sidewalk Widening) and \$80,000 Paul Sarbanes Transit in the Parks Programs (TRIP) Grant (applied for and administered by National Park Service).

### **\*ANB Harbor Replacement:**

On January 10, 2013, the Assembly awarded a Professional Services Contract to Moffatt & Nichol for the ANB Harbor Replacement Project, on a time and materials basis not to exceed \$527,765.00. Geophysical, geotechnical and boundary surveys have been completed. A new float layout was approved by the Port & Harbors (P&H) Commission on February 11, 2013. The new layout provides longer, wider stalls to better accommodate the modern fleet. The meeting was well attended by the public. Improvements to the approved layout (wider fairways) are in the works based on public comments received at P&H Commission meeting. The P&H Commission requested that the 35% design be presented to them in March 2013. The approved layout was presented to the Assembly on February 12, 2013, during a work session. The rough order of magnitude cost estimate for the approved float layout (to include design,

permitting, construction, and contingency) is \$8.38 million. The estimate will be revisited and refined at each design milestone.

CBS received a FY13 State of Alaska Municipal Harbor Facility Matching Grant, for the ANB Harbor Replacement Project, which will cover 50% of eligible construction costs not to exceed \$4,250,000 in match funding. CBS has submitted a bonding application to the Alaska Municipal Bond Bank to issue revenue bonds in the amount of \$4,600,000. The bonding application was approved by the Bond Bank Board of Directors at their meeting on November 13, 2012. The proceeds from the bonding will be used to pay the municipality's portion of the project expenses. Bond proceeds are expected to be received mid-March 2013.

**Water Division Works on ANB Harbor Renovation:**

Water operators located and cleaned all valve boxes for ANB Harbor. The harbor project includes a new and improved water system for the harbor; including a fire protection system. The Environmental Superintendent has been working with the design team on overall design and Alaska Department of Environmental Conservation approval.

**\*Water Service Leaks:**

The Water Division responded to four service leak call-ins during the last two weeks. All of which were "on the customer side" of the service line. Water Operators assisted the condos near Sea-Mart to locate and replace their old leaking service line with a new 2" plastic line. W and WW Operators also continue working with Engineering and O'Neil Surveying & Engineering, preparing to design the replacement of a problematic ~350' section of old 2" galvanized "main" on O'Cain St.

Water operators and the W/WW Mechanic and Electrician began trouble shooting excessive pump run times at the Wortman Loop Water Booster Station. This booster station increases water pressure to higher elevation residences in the upper Edgcombe Dr, Cascade Creek Rd, Charteris St, Georgeson Loop and Wortman Loop area. Excessive pump run time usually indicates a water leak. During the next week operators will check the three buried check valves that isolate this higher pressure zone and hand out notices to residences within the zone requesting assistance in locating potential leaks. Also the crew will begin systematically isolating sections of the booster zone while monitoring pump output to narrow down areas of potential leaks.

**\*Centennial Hall Renovation:**

The Centennial Hall facility assessment, including as-built drawings of the current facility was presented to the Building Design Committee (BDC) and the Public in October and December 2012. The assessment lists various building deficiencies and suggested improvements and the costs associated to make corrections (assessment report has been distributed to the Assembly). The recent BDC meetings focused on developing a priority lists and floor plans to address the current funding and future expansions when money comes available.

Current grant funding allocated to the project is \$8,230,000 and the project has a current total project cost of \$15.2 million including a new museum wing. Additional FY14 Legislative Priority Requests consists of \$4,200,000, for the building improvements and \$3,341,000 for combined Library/Centennial Hall heating system improvements. The state grant (\$2,000,000) for a lightering facility visitor's center (previously planned for under the O'Connell Bridge) may be used for this project to provide a visitor center for the Crescent Harbor lightering facility. Additionally, we have approximately \$2-million from the Marine Passenger Fee Fund that would be eligible for this project. If additional funds are not secured, the scope of the project will need to be phased with the additional museum expansion planned for the future if and when funding becomes available.

- The Assembly awarded the design contract to McCool Carlson Green on June 12, 2012.
- The building facility assessment was performed by the design team September 11-13, 2012.
- The project schedule and process was presented to the Assembly on September 25, 2012.
- The second meeting of the Building Design Committee (BDC) was held October 29, 2012 followed by a Public meeting October 30, 2012.
- The third meeting of the Building Design Committee (BDC) was held December 17, 2012 followed by a Public meeting December 18, 2012.
- The fourth BDC meeting was held January 21, 2013 with an Assembly work session presented on the January 22, 2013 meeting
- The fifth BDC meeting was held on February 19, 2013.

The next BDC meeting in March will focus on selecting a preferred building schematic interior layout. This will include options for Museum location, meeting room locations, kitchen location, and a visitor center expansion. The size of the rooms and costs of expansion will be discussed.

**\*Centennial Hall & Library Site and Parking Lot Development:**

The Assembly approved award of a contract to S&S General Contractors in the amount of \$2,613,651.00 at the January 8, 2013 Assembly meeting. A Notice to Proceed was issued to the Contractor on January 21, 2013. The project includes removal and re-construction of associated curb, gutter, sidewalk, asphalt and other surfacing, utilities and storm drain, site and parking lot lighting, pedestrian amenities and landscaping. The first Phase of the project is under way with the relocation of the Canoe completed January 31, 2013. The relocation and replacement of the 60-inch storm drain outfall from Swan Lake located in the Kettleson Memorial Library parking lot began on February 14, 2013. The total project budget is \$3,950,000.

**\*Alternative Water Source Investigation Filtration (Blue Lake Project):**

Due to the lack of well potential in the Indian River Valley, temporary surface water filtration will need to be utilized during the Blue Lake Project outage. The consultant

has developed a project scope to prepare design drawings to install the piping system required and ordering the filtration units required. Award of the design contract was approved by the Assembly on February 12, 2013. The proposed schedule has the design completed in October 2013, Alaska Department of Environmental Conservation permitting completed in March of 2014, construction of the piping and pumping completed in April 2014 and final installation of the filter units in June 2014 for operation in July 2014. The preliminary design has a projected design and construction cost of \$3,000,000.

**\*Alternative Water Source Investigation Wells (Blue Lake Project):**

Significant water well potential exists at Starrigavan Valley. However, the likelihood of having infrastructure in place prior to the planned 2014 shut down of the penstock from Blue Lake is unlikely. A final report will be submitted to Public Works in early March 2013. This report of findings and recommendations will assess potential well yields and will include water quality testing data relative to drinking water criteria. Given that the Blue Lake Penstock will need to be shut down for inspection every five to ten years, finding an alternative water source is important beyond the initial Blue Lake project outage in 2014.

Recent changes in the way the Alaska Department of Environmental Conservation (ADEC) classifies Sitka's alternate/emergency water source at Indian River will require CBS to find an alternate water source during any disruption to the Blue Lake water supply. On April 10, 2012, the Assembly authorized the expenditure amount not to exceed \$700,000 for the purpose of exploring alternative water source alternatives.

**\*Blue Lake Project and Ultra Violet (UV) Water Tees:**

New water tees are required in the existing 30" transmission water main near the Sawmill Cove Industrial Park to facilitate eventual relocation of the main for the Blue Lake project and the future UV Treatment Facility respectively. Design packages were developed and permits have been received from the Alaska Department of Transportation and Public Facilities and the Alaska Department of Environmental Conservation (ADEC). Due to construction timing issues, the Blue Lake General Contractor (Barnard) will take on the Blue Lake Tees as a change order to their contract in order to complete the work in February/March 2013 and not hold up their subsequent work on the powerhouse.

On February 14, 2013, the Assembly approved award of a contract to CBC Construction for the UV Facility Tees Piping Connections project in the amount of \$179,960. This work cannot be completed prior to the Blue Lake Water Tees. However, due to the long lead time for the large valves a Notice to Proceed for procurement only will be issued once the contract has been signed by all parties. Public Works anticipates completion of the UV Tees in May/June 2013.

**\*Water Division Prepares for Blue Lake Expansion:**

The Water Division continues working closely with our Engineering Division and Barnard Construction towards the installation of two T's and four valves in the 30" transmission main which will facilitate the rerouting of a section of our transmission main – the main that brings water from the Blue Lake Water Plant to town. Rerouting this main is necessary for construction of the new powerhouse. This work will require stopping the flow from Blue Lake to town for approximately 8 hours on three separate occasions. Eight hours is the maximum time period allowed which will assure water supply is maintained to all customers from our 3 storage tanks. This work requires close coordination with the Water Operators to assure our water is adequately treated and the storage tanks can supply town during the outage. The first of these shut-downs is tentatively scheduled for February 28, 2013.

The week of February 18, 2013, the contractor will begin digging up joints on the 30" transmission main near the installation of the new valve to install restraint clamps on the pipe joints to assure they do not separate. Since the main is located in front of Fortress of the Bear and nearly nine feet deep, traffic will be rerouted around the work zone through the SMCIP site.

Water Operators installed a new connection for the fire system for "The Boat Company Building" at SMCIP. This will allow the contractor to complete installation of the fire sprinkler system – a requirement for occupancy of the building.

**\*Ultra Violet (UV) Water Disinfection Facility:**

CBS completed its review of the pre-purchase proposal and had placed the proposal for purchasing the UV reactors/equipment out to bid. Two bids were received on February 8, 2013. CH2MHill the project consultant is currently reviewing the submitted bids. The consultant will provide a recommendation by February 22, 2013.

Based on current testing results in Ketchikan and Kodiak, we will focus on Low Pressure UV reactors for the project. The Low Pressure UV reactors are rated for many different UV rates which allow the reactors to be set specifically for the water flow rate. The Low Pressure reactors also have a lower operating cost. When the particular UV reactors/equipment is selected, the design contract to finish the project design will be submitted for approval by the Assembly.

The overall project is on track for the required completion in 2014. The project has funding by way of the following: \$2,500,000 FY 2011 loan & \$1,500,000 principal forgiveness, \$2,550,000 FY 2012 loan, \$3,587,500 FY 2012 Grant and \$1,026,020 FY 2013 Grant, for a total of \$11,163,520. The current project budget is \$8,966,000. The loans will be used to pay for the required CBS match for the grants.

**\*Library Development Planning:**

The library expansion options were presented to the Assembly on September 25, 2012. The Assembly approved the 50% - 60% option moving forward to a Request for

Proposals (RFQ), to design the project. The MRV Architects design team was selected to begin contract negotiations with a planned contract award in early March 2013. We have received the initial proposal which is under review.

The design phase is expected to take 12 months with advertisement for construction planned for spring 2014. The project construction may be completed in late 2014 or in 2015. The State funding of \$5.7 million awarded to CBS is a direct appropriation with no funding match requirements. A private donation of \$400,000 has also been given to the project by the John J. and Eleanor Brust Family. \$350,000.00 of the budget is allocated to the Centennial Hall Parking Lot Project to relocate the Swan Lake Storm Drain, leaving a current project budget of \$5.75 million for the expansion and renovation of the Library.

**Baranof Street Sewer and Water:**

The Design Contract award was approved by the Assembly on March 13, 2012. This project will be completed in two phases. A small contract for the work within the Sawmill Creek Road was completed July 27, 2012. Grants for the water and wastewater portions of the project have been received and the final loan for the water portion of the project is being processed by the Alaska Department of Environmental Conservation. The project is planned to advertise for bids early 2013.

**Blatchley Middle School:**

The project is approximately 90% complete, within its budget and on schedule for completion in 2013. Work continues in the Commons/Main Entry, including painting, the installation of wainscot, and entry lighting. Installation of remaining flooring finishes, carpeting, baseboard, and tile (including replacing the pool locker room flooring- 'Flotex' with tile matching existing pool locker room tile) is scheduled to begin mid February 2013. Installation of finishes in stairways is nearing completion. The Commissioning Agent and A/E, preformed inspections the last week of January 2013. Most items on the Commissioning and TAB corrections list have been corrected by the contractors.

The Commons, Front Entry and Classroom portion of BMS remain closed to the public after 4:00pm daily and on weekends. The Gym and MPR are being used for after school activities with restricted access. These areas are accessed from the pool entry, including pick up and drop off. The project budget is \$12.475 million. The contract substantial completion date is August 1, 2013.

**\*Pacific High School:**

The installation of the underground storm drain system and new utilities were substantially complete prior to the holidays. The new footings and stem walls are constructed. Installation of the under slab new piping is underway and the slab is complete. The new ramp between the school and the career center is poured. The next phase will be building walls above the stem walls. Site preparation for the parking lot is complete. The contractor schedule predicts the project substantial completion prior to the required substantial completion. If accomplished, this will allow the school to



be open for the fall 2013 semester. The project budget is \$2.671 million. The substantial completion is December 1, 2013.

**\*Spruce Street and HPR Sink Hole:**

A large sink hole developed in front of the dentist office at Spruce Street and HPR due to a failed storm sewer pipe. CBS Public Works developed construction plans and specifications and advertised for bids to complete the necessary repairs. The bid opening was February 15, 2013. Award of the construction contract is on the February 26, 2013 Assembly agenda. This project will be funded from FY13 Contracted/Purchased Services and construction is anticipated during March/April 2013.

**\*Sawmill Cove Industrial Park (SCIP) Boat House Building:**

CBC Construction was awarded the contract by the Assembly on September 11, 2012, in the amount of \$139,260.42. The project consists of installation of fire protection, utilities (water, sewer, electric, heat) and minor interior improvements to allow the building to be leased for the Blue Lake Dam project. A Notice to Proceed was issued on October 16, 2012, with a substantial completion date of February 19, 2013. The project is approximately 80 percent complete. Funding is from a Federal Highway grant and Sawmill Cove Industrial Park.

**\*Sitka Community Hospital Roof Replacement:**

The Assembly approved award of a professional services contract to team led by GDM, Inc. for a not to exceed cost of \$75,630.10, for the Sitka Community Hospital Roof Replacement project, on October 23, 2012. The project is funded through a \$1,200,000 FY2013 State Legislative Grant. Public Works anticipates delivery of bid ready documents in early March and advertising for bids in mid March 2013. The delivery of bid ready documents has been delayed to resolve slope and insulation issues discovered during the 95% plan review.

**\*Swan Lake Restoration / Dredging Project (Project # 90747):**

This project received the approved US Corps of Engineers permit during mid-February 2013. The Swan Lake dredging project is planned to take place this summer and possibly the summer of 2014. The project will dredge prioritized selected locations to improve water flow through the lake, winter habitat for fish, access and recreation in general. Dan Tadic, the designated CBS Sr. Engineer, has begun developing the bid strategy and is working on draft bid documents with the assistance of our Environmental Consultant, Doug Redburn of Juneau and the Environmental Superintendent.

**Edgecumbe Drive Street Reconstruction:**

The project is funded through a \$2,900,000 FY2013 State Legislative Grant (Paving Failed Collector Streets). The project will include re-paving Edgecumbe Drive from Kimsham to Cascade Creek Road and will include drainage and isolated areas of sidewalk and other pedestrian improvements. Public Works staff has begun planning level work for this project. Test boring locations have been identified along Edgecumbe Drive in areas of suspected subgrade failure and in other areas of interest to determine

the subgrade soil conditions. Public Works anticipates completion of drilling activities in February 2013. This information will assist in the design of the improvements. Public Works anticipates construction during the summer of 2014.

**Alaska Community Forestry CBS Inventory:**

CBS Parks and Recreation staff is working with the Alaska Community Forestry Program to complete a Community Forest management plan and survey for urban trees in park areas owned by CBS. This plan includes a Tree Ordinance that is being worked on by the Tree and Landscape Committee. The project is funded with a \$26,000 grant from the Alaska Community Forestry Program. The draft plan will be presented to the Tree and Landscape Committee, the Parks and Recreation Committee and to the Assembly for approval during the summer of 2013.

**Access Walkway by Brenner's:**

A maintenance project is moving forward to replace this structure with a concrete ramp with aluminum railings. A red herringbone pattern has been chosen and will be imprinted into the concrete ramp. Lee's Fabrication will be fabricating and installing the aluminum railings. It was decided that the whale design would not be incorporated into the railing. This project was on the Historical Preservation agenda dated December 12, 2012 and it was recommended by the committee to stain the aluminum railing. At the following January 9, 2013 meeting, it was decided not to stain the aluminum railing. The project continues to move forward as weather allows and completion is anticipated in spring 2013.

**Marine Services Center (MSC) Refrigeration Controls:**

The project was awarded to Wyatt Refrigeration on November 27, 2012 in the amount of \$61,745. The project includes the installation of a Direct Digital Control system on the refrigeration system at the MSC. This controls system will save an estimated \$14,300 (15%) in electrical costs per year. It is scheduled to be substantially complete on March 15, 2013. The submittal process has just begun.

**Fire Hall Communications Room:**

The server room at the Fire Hall has a lot of electronic equipment which heats the room to over 90 degrees. This electronic equipment degrades and needs to be replaced sooner when subjected at these temperatures. Installing an outside air fan is the most economical way to cool this room. This project which was budgeted in FY2013 at \$21,000 was bid and Schmolck Mechanical was the low bidder at \$14,300. The substantial completion date has been extended to April 5, 2013 due to equipment availability.

**\*Airport Seating:**

The seating has arrived and is scheduled to be installed week of February 18, 2013. The brown plastic seating in the lobby at the Airport dates from the 1987 remodel and is overdue for replacement. The seating in the hold room was replaced in 2004. We purchased 100 seats for \$44,250.00. The new seating closely matches the hold room

seating and will be distributed in the lobby. The budget for this procurement was in the FY13 budget at \$53,000 out of the Airport Enterprise Fund. The Airport Enterprise Fund is primarily funded by way of the lease tenant revenues in the building with Alaska Airlines being the anchor tenant.

**\*Harbor Mountain (HM) Water Tank Isolation Valve:**

The new isolation valve on the Harbor Mountain storage tank feed line is now fully functional. This has been a long in-house project to install an automatic valve that will reduce water overflowed/wasted from the HM tank. This overflow occurs due to the Harbor Mt. tank being constructed at a lower elevation than intended – lower by a few feet than the Gavin tank in town. Attempts were made to make the original control valve work but concluded an entirely new valve with a computer controlled pressure sensor was needed. The valve is programmed to be normally closed to stop the overflow but will open to allow water to flow into the system with only a minor reduction in downstream pressure, indicating a need for water in the HPR water system. Water operators are in the process of determining the most efficient method to keep the stored water in the tank “fresh”. Reducing this overflow is crucial during the time the Blue Lake penstock is out of service and the community will be using an alternative water source, as well as during cold weather when residents run water to prevent service lines from freezing.

**\*Water Operators Assist with Centennial Building Project**

Water operators isolated the water mains to allow the contractor to install new components and a hydrant as part of the Centennial Building upgrade project.

**\*Wastewater (WW) Division Routine Maintenance & Training Focus**

Lift Station (LS) #5 has continued to run smoothly since the installation of the new suction pipes.

WW Operators have been able to catch up on routine preventative maintenance over the last couple weeks, changing oil in wastewater treatment plant equipment and installing new check valves in four clarifier pumps. It is anticipated these new check valves will reduce maintenance time associated with cleaning them. This style of check valve has been successful in several of our lift stations in reducing the amount of material catching on the check valves. A check valve with material stuck in it does not open properly to allow flow nor does it stop the back flow as intended.

This winter most all WW operators are working on training to advance their certifications – or for the two new employees to become qualified to sit for their first certification exams. Six operators are working through correspondence courses and have submitted applications for the biannual state certification exams in April 2013.



4 B EVES DRIVE SUITE 200 MARLTON, NJ 08053 (856) 985-5600 FAX: (856) 810-9065

February 5, 2013

Mr. James Dinley, Municipal Administrator  
Sitka Borough  
100 Lincoln Street  
Sitka, AK 99835

Re: Notification of Publication of BCEGS Classification

Dear Mr. Dinley:

ISO has completed our analysis of the building code adoption and/or enforcement program improvements Sitka Borough has made since the initial letter we sent October 10, 2012. As a result of those improvements, the Building Code Effectiveness Grading Schedule (BCEGS) Classification that ISO will implement for Sitka Borough is a Class 4 for 1&2 family residential property and a Class 3 for commercial and industrial property. The BCEGS classification will apply to new buildings receiving a Certificate of Occupancy during or after January 1 of the year 2013.

We have enclosed a copy of ISO's report which will provide you additional information about the classification process and how ISO evaluated various aspects of your community's building codes and their enforcement. We want to emphasize that the ISO Building Code Effectiveness Grading program is an advisory insurance underwriting information and rating tool. It is not intended to analyze all aspects of a comprehensive building code enforcement program. BCEGS is not for purposes of determining compliance with any state or local law nor is it for making loss prevention or loss safety recommendations.

ISO reviews a community's BCEGS classification approximately every five years. If a community significantly changes its building code adoption and/or enforcement program within that time period and ISO is made aware of this, a reevaluation will be scheduled.

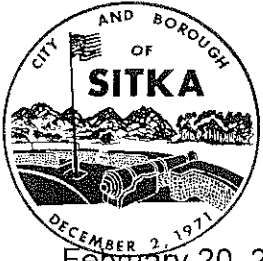
Thank you once again for your cooperation in this important project. Please feel free to contact ISO at any time for answers to your questions about the BCEGS program.

Sincerely,

*Mary Jobst*  
Community Mitigation Analyst  
(800) 444-4554

cc: Mr. William Stortz, Building Official

enclosure



# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

February 20, 2013

MEMO TO: Jim Dinley, Municipal Administrator  
Mayor and Assembly

FROM: Marlene Campbell, Government Relations Director

SUBJECT: Update on Invasive Species Didemnum Vexillum in Whiting Harbor

Attached for your information is an update from Tammy Davis, Alaska Department of Fish and Game Invasive Species Lead, in response to several requests. ADF&G received \$500,000 in its FY'13 budget to respond to the Didemnum vexillum (Dvex) invasive tunicate which was identified in Whiting Harbor, just seaward from Sitka's airport, in June, 2010. Fish and Game staff conducted a 25 foot grid dive study in August, 2012, to determine the current location of the Dvex in Whiting Harbor. We have not yet received an updated chart showing where the tunicate was identified but will share it as soon as it becomes available.

Fish and Game put a sign at the south side of the entrance to Whiting notifying the public of the tunicate but was not able to get airport permission to install one on the airport side of the entrance. Since the entrance is wide and there are no buoys cordoning off the bay, vessels unaware of the infestation continue to anchor in Whiting and could potentially transfer Dvex to other locations, so more public information (perhaps a notice to mariners) would be helpful. Fish and Game Advisory Committee and other groups continue to request a more visible ongoing containment effort. Hopefully the "rapid response team" addressed in the e-mail could work together to address these issues.

Since a scope of work for an upcoming request for contract proposals has not yet been completed, there is no information available on what Fish and Game plans to do with its contract. Hopefully an actual eradication plan can be implemented. As more information becomes available, I'll share it with you and the widely interested public.

## Marlene Campbell

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**From:** Davis, Tammy J (DFG) [tammy.davis@alaska.gov]  
**Sent:** Wednesday, February 06, 2013 8:44 PM  
**To:** campbell@cityofsitka.com; campbell@cityofsitka.com; Cecil\_Rich@fws.gov; Coonrad, Eric L (DFG); Eberhardt, Michael W (DNR); Finkenbinder, Sheila (LAA); Fowler, Patrick A (DFG); Grant Miller; Jack Lorrigan; Jeff Feldpausch; Johnstone, Gregory K (DEC); Kim Holzer; Kim Holzer (holzerk@si.edu); Linda Shaw; linda.speerstra@usace.army.mil; Luchinetti, Dave A (DOT); Marnie Chapman; Mat Varner; McCann, Linda; Penny Gage (penny\_gage@legis.state.ak.us); Ruiz, Gregory; Sarah Cohen; SFusilie@blm.gov; Stedman, Bert K (LAA); Tori O'Connell; True, Nicholas A (DNR); Tydingco, Troy A (DFG)  
**Cc:** Barnes, Nancy C (LAA)  
**Subject:** RE: Didemnum vexillum status

Hello Marlene-

As you mentioned in your message, Rep. Kreiss-Tompkins is a co-sponsor of HB 89 and is interested in the *D. vexillum* situation in Whiting Harbor. I have had the opportunity to speak with him directly a few times since last week when we provided a status report to the House Fisheries committee. During our status report we spoke broadly about invasive species concerns and then spoke directly to actions/planning on *D. vexillum* and northern pike, among other issues. Rep. Seaton's HB89 is a welcome bill in its awareness of the threats invasive species pose to the State, especially regarding the fiscal effects when it comes to rapid response planning and actions.

Last July we were informed that we'd been allocated CIP funding to plan for and attempt eradication of *D. vexillum* in Whiting Harbor and to monitor the area afterward. In order to provide a contractor complete and detailed maps of the distribution of *D. vexillum*, ADF&G completed comprehensive surveys of Whiting Harbor over two weeks in Sept. 2012. During the fall I worked with DOT in an attempt to receive additional funding for mitigation related to highway projects in Sitka. Regrettably, the U.S. Army Corps of Engineers would not sign off on the use of activities/costs associated with *D. vexillum* eradication as appropriate mitigation work. We continue to be hopeful for the opportunity to receive mitigation funds required for future highway projects.

In preparation for development of the scope of work to hire a suitable contractor, I contacted scientists and natural resource managers from New Zealand to Wales to British Columbia, and elsewhere around the world, who have been faced with similar concerns when *D. vexillum* was found in their waters. These conversations were helpful. At this time, we are working toward finalizing the scope of work for the forthcoming request for proposals (RFP). We expect the RFP to be issued by early spring, allowing for work to begin in the summer. We will be working with a consortium of agencies and organizations as we move through the next stages of response planning and actions.

I have addressed the rapid response team, of which you continue to be a part, in this e-mail.

Best regards,  
Tammy

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Tammy Davis / Invasive Species Program, Lead  
ADF&G / P.O. Box 115526 / Juneau, AK 99811-5526  
P: (907) 465-6183 / 1-877-INVASIV / C: (907) 209-2492

## Easter Group – Rebirth of Hope

EIN80-0647738

February 15, 2013



Staff of Harrigan Centennial Hall  
330 Harbor Drive  
Sitka, AK 99835

Dear Don, Dave, Cricket, Lori and Kent,  
Thank you for the special consideration and care you give Easter Group when working on the Homeless Summit and Project Homeless Connect. Your services for the annual events are so important and you all always make it seem so easy (though I know it really isn't that easy)! And every one of you is unfailingly courteous and helpful through those long days. Those events mean a great deal to the homeless and those living on the edge and I know your services are important to helping us pull it off. Your assistance allows us to reach and assist greater numbers of homeless and those at-risk of homelessness and were major factors in making the projects successful.

We are aware of your tolerance, compassion and concern for the needy in Sitka shown by the kindness you show when dealing with their frequent stops at the Visitors Hall for use of the facilities and to take advantage of the warm, dry atmosphere. We value your continued support and encouragement as we work with the community to alleviate poverty.

Sincerely,

*Mim McConnell*

Mim McConnell, President, Easter Group

*Dorrie Farrell, V.P.*

Dorrie Farrell, VP Easter Group & Donations Chair, Project Homeless Connect

Cc: Jim Dinley, City Administrator x

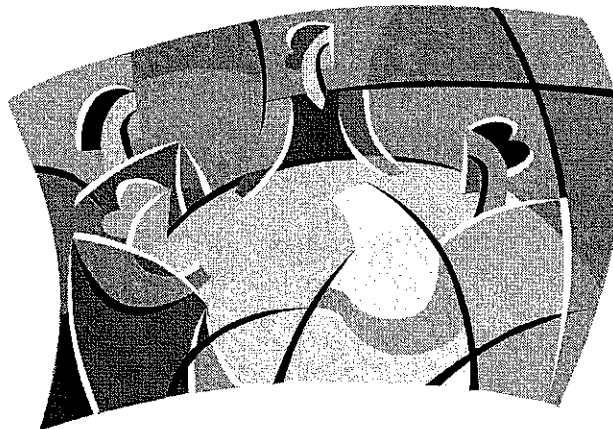
Assembly Members X

*Colleen - pls. make copies  
for packets -  
Thanks -  
d*

Correspondence – Scheduled

Government to Government Update

Sitka Tribe of Alaska



Chairman:

Michael Baines

Council Members:

Lillian Feldpausch, Clara Gray, Harvey Kitka, Mike Miller,  
Benjamen Miyasato, Rachel Moreno, Woody Widmark



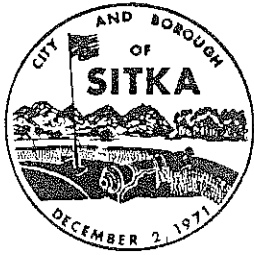
# MUNICIPAL REPORT

## UPDATE

### B&B AND SHORT TERM RENTALS

Planning Director Wells Williams





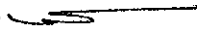
# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## Memorandum

To: Jim Dinley, Municipal Administrator  
Mayor McConnell and Assembly Members

From: Wells Williams, Planning Director 

Subject: Update - Short-Term Rental and Bed and Breakfast Conditional Use Permits

Date: February 19, 2013

The Planning Office indicated to the Assembly, on January 8<sup>th</sup>, that additional information would be forthcoming on short term rentals and bed and breakfast conditional use permits.

The objective of the additional information would be to clarify how staff would proceed in coming months.

The strategy we outlined in January continues to hold merit. It is our intent to proceed with it later this year. Specifically, we intend to:

1. Strengthen the standard conditions for approval;
2. Require annual reports for all new bed and breakfast and short term rental conditional use approvals;
3. Continue the process of reconciling bed and breakfast and short term rental conditional use records; and
4. Create a process making official determinations that conditional use permits, where there has not been confirmed bed tax activity in the preceding 18 months, are considered abandoned by the municipality.

Due to the turnover in the Planning and Legal Departments, this effort will take longer than anticipated. While the strategy will be pursued, our initial objective is to attempt to minimize impacts on the public, the Planning Commission, the Historic Preservation Commission, and the Assembly during the staff transition period.

Since Assembly action is not specifically required to implement this approach, this memorandum is being provided as a Municipal Report.

Thank you.

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# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## Memorandum

To: Jim Dinley, Municipal Administrator  
Mayor McConnell and Assembly Members

From: Wells Williams, Planning Director ~~\_\_\_\_\_~~

Subject: Short-Term Rental and Bed and Breakfast Conditional Use Permits

Date: December 4, 2012

The Planning Office was asked to do an analysis of short-term rental conditional use permits along with bed and breakfast conditional use permits. The request may have been generated, in part, from concerns about the increased number of short term rental requests.

This memorandum outlines our conclusions to date and requests that the Assembly revisit the issue in January when more information is available.

### History

The City and Borough began to officially permit bed and breakfasts, through the conditional use process approximately 22 years ago. The Assembly's vision, at the time, was that bed and breakfasts allow for homeowners to rent out bedrooms in their homes that became available after children had grown up and left home. They quickly became the lodging of choice for many independent travelers.

There was a spike in the number of requests after the process was approved. The number of requests then tapered off due to the amount of effort that was required to maintain the businesses and a shift to the short-term rental option.

Short-term rentals have been conditional use permits for approximately 15 years. Short-term rentals are rentals of self contained apartments or houses for 14 days or less. Like the bed and breakfasts, they saw an initial spike after the conditional use process was adopted. A moratorium, that has since been lifted, was put in place after concerns that short-term rentals were impacting the availability of long-term rental opportunities.

A tracking mechanism for the conditional uses, after they were approved, was not put in place for either bed and breakfasts or short-term rentals. Like other conditional use permits, the most important review criterion was whether or not the proposals would adversely affect adjacent properties.

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## Reconciliation Effort

Efforts to reconcile approved permits with existing operations have, in the past, met with mixed results for a number of reasons. Bed tax applies to the rental of lodging for 29 days or less and bed tax accounts are not easily cross referenced with bed and breakfasts and short-term rental conditional use permits.

The reconciliation effort was undertaken again last month with the assistance of the Finance Department.

The process involved:

1. Getting a list of bed tax accounts that were active and inactive;
2. Completing research, using the internet and other means, to determine the physical address of each operation;
3. Developing a zoning for each property;
4. Creating a cross reference between each property and conditional use permits approvals;
5. Researching multiple properties that may be combined into one bed tax account;
6. Using institutional knowledge to look for discrepancies.

The general reconciliation we have developed is as follows:

<b>Total Bed Tax Accounts</b>	<b>119</b>	
Inactive Accounts	13	
Commercially Zoned and Island Accts	65	
Bed and Breakfast Accts Conditional Uses	20	***
Short Term Rental Accts Conditional Uses	20	*****
Pending	3	
Bed and Breakfast CU Permits Applied for Historically Currently Active	77 20	***
Short Term Rentals CU Permits Applied for Historically Currently Active	44 20	*****

*Numbers should not be considered internally consistent.*

*Some Bed Tax accounts include multiple properties.*

*Tracking error rate approximately 5% +/-*

While the information we came up with is considered better data that was generated in previous efforts, there are numerous structural reasons that make it far from perfect. The data does, however, provide a general order of magnitude and serves as a useful starting point.

Some of the initial observations that the Planning Office comes up with are:

1. Most of the lodging operations are in commercial zones, such as out Halibut Point Road, so zoning is working;
2. There has been a high dropout rate for bed and breakfasts. We suspected that all along and the data confirms it;
3. Short-term rentals have a lower dropout rate;
4. The use of lodging brokers for lodging may result in a lower dropout rate moving forward as the burden of operating a lodging business is shifted away from the home owner;
5. The tracking mechanism can be improved.

### **Discussion of Recommendations - Existing Versus New Conditional Use Permits**

Attached to this memorandum is a series of documents that are instrumental in understanding the recommendations that the Planning Office has developed.

The proposed steps begin with the Assembly taking time to review this information and giving other departments, such as the Legal Department, an opportunity to review the Planning Office recommendations.

The Planning Office's basic recommendations are 1) a detailed reporting requirement be put into place for new bed and breakfasts and short-term rental conditional use permits and 2) an analysis be completed the first three months of each calendar year of permits that have been inactive for a twelve month period.

The attachments to assist in understanding these recommendations are:

1. A proposed annual reporting form for new conditional uses;
2. A proposed standard conditions for approval for new conditional uses;
3. A proposed standard of findings (that are over and above those currently in the code);
4. The relevant portions of the Zoning Ordinance and bed tax code;
5. Our current bed and breakfast and short-term rental conditional use application materials.

The first three items above provide a basis for institutionalizing the tracking mechanism for new bed and breakfast and short-term rental conditional use permits.

The process of addressing existing conditional use applications is a bit more complicated. We have over 110 approvals so far in residential areas.

The Planning Office proposes that 1) staff further reviews all the permits after the first of the year with the goal of identifying and deactivating permits that are no longer in legally in effect

and 2) we make this process an annual effort the first three months of each following year. The base line data set will be quarterly bed tax returns.

The procedure for further researching the requests requires additional thought. The steps required to officially deactivate also require consultation with the municipal attorney. Bed tax returns are submitted quarterly while a conditional use permit becomes void if it's not used for the preceding twelve consecutive months.

There are obvious disconnects that cannot be readily addressed within the current code framework for existing permits. The Planning Office suggests we simply try to compensate for those code disconnects the best we can and avoid revising the Sitka General Code unless it is absolutely necessary. The way we would compensate for those would be to deactivate a conditional use permit if it's absolutely clear it hasn't been used for the preceding twelve consecutive months.

For all the reasons mentioned above, the process will continue to be imperfect. There is the expectation, however, that each culling of the permits gets us closer to a clean set of records.

There are significant accounting, policy, and legal issues involved. There are also potential impacts on local residents who have worked to create businesses that serve a major segment of our economy.

**Recommended Actions:**

Review the materials, have a discussion on that information provided to date, and schedule the issue for the first or second Assembly meeting in January.

**CITY AND BOROUGH OF SITKA**  
**PLANNING DEPARTMENT**  
SHORT-TERM RENTAL &  
BED & BREAKFAST  
ANNUAL REPORT

**APPLICANT'S Name:** \_\_\_\_\_  
**PHONE NUMBER:** \_\_\_\_\_  
**MAILING ADDRESS:** \_\_\_\_\_

**OWNER'S NAME:** \_\_\_\_\_  
*(If different from applicant)*  
**REGISTERED NAME OF BUSINESS WITH SALES TAX:** \_\_\_\_\_  
**PHONE NUMBER:** \_\_\_\_\_  
**MAILING ADDRESS:** \_\_\_\_\_

**PROJECT ADDRESS:** \_\_\_\_\_  
**LEGAL DESCRIPTION**      **Lot:** \_\_\_\_\_ **Block:** \_\_\_\_\_  
   **Subdivision:** \_\_\_\_\_  
   **U.S. Survey:** \_\_\_\_\_ **Zoning Classification:** \_\_\_\_\_

**Date of Assembly approval:** \_\_\_\_\_

**Date of activation of the conditional use permit:** \_\_\_\_\_

**Number of nights a room in the bed and breakfast or short-term rental has been rented during the 12 month period following the activation of the permit:** \_\_\_\_\_

**Number of nights of bed taxes reported to the City of Sitka's Sales Tax Department:** \_\_\_\_\_

*The owner hereby authorizes staff of the Planning Office to review sales tax records for the bed tax account associated with the facility above and report a summary of findings to the Planning Commission and City and Borough Assembly.*

**SIGNATURE OF APPLICANT:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**SIGNATURE OF OWNER:** \_\_\_\_\_ **DATE:** \_\_\_\_\_  
*(If different from applicant)*



--- Example ---

**Proposed Standard Conditions of Approval for Short Term Rental and Bed and Breakfast Conditional Use Permits**

The Conditions and the Findings Use the Skannes Short Term Rental as a Starting Point. Additional Proposed Conditions for Approval are in *Bold Italic Font*.

Moved to recommend approval of the short-term rental conditional use permit request at 2416 Halibut Point Road. The request is filed by John and Joan Skannes. The property is also known as a portion of Lot E US Survey 2749 with the following conditions:

1. Contingent upon a completed satisfactory life safety inspection.
2. *The facility shall be operated consistent with the application and plans that were submitted with the request.*
3. *The facility shall be operated in accordance with the narrative that was submitted with the application*
4. *The applicant shall submit an annual report every year, covering the information on the form prepared by the municipality, that summarizes the number of nights the facility has been rented over the twelve month period starting with the date the facility has begun operation. The report is due within thirty days following the end of the reporting period.*
5. *The Planning Commission, at its discretion, may schedule a public hearing at any time following the first nine months of operations for the purpose of resolving issues with the request and mitigating adverse impacts on nearby properties*
6. *Failure to comply with any of the conditions may result in revocation of the conditional use permit*

**Proposed Standard Findings for Short Term Rental and Bed and Breakfast  
Conditional Use Permits**

**Moved** to approve the following findings in support of the recommended approval:

1. The Planning Commission finds that the recommended conditional use permit will not be detrimental to public health, safety or welfare;
2. Will not adversely affect the surrounding character;
3. Will not be injurious to uses or property in the immediate vicinity;
4. Is consistent with Comprehensive Plan policy 2.5.2 I Encourage the development of facilities to accommodate visitors without significant impacts on residential properties;
5. That all conditions necessary to lessen impacts can be monitored and enforced;
6. Will not introduce hazardous conditions on the site;
7. Is adequately supported by public facilities specifically the full range of utilities in Halibut Point Road and location adjacent to a State highway;
8. The applicant has met the burden of proof; and
9. The Planning Commission finds that the general approval criteria have been met and the Planning Commission has evaluated the criteria set forth in 22.24.010 which is the criteria for conditional uses that deal with hours of operations and location along collector streets.

Table 22.24.010-1

Conditional Use Permit Application Requirements

Conditional Uses	Bed and Breakfast Conditional Uses	Short-Term Rental Conditional Uses	Island Conditional Uses
<p>The applicant may be required to consult with agencies that are responsible for certain portions of the project review. These agencies may include but not be limited to public works and engineering for sewer/water utilities; state DOT/PF; State Department of Environmental Conservation; Army Corps of Engineers; Sitka fire department; local telephone utility; cable television utility; electric department.</p> <p><u>Written Documentation</u></p> <ul style="list-style-type: none"> <li>• Legal description of all properties involved in the project;</li> <li>• Statement of the objectives expected to be achieved by the project;</li> <li>• Detailed description of all aspects of the project, including land use, building types and sizes, population density, parking and traffic circulation, building coverage and other information which the applicant feels would assist in decision making;</li> <li>• All comments received from each of the agencies and utilities reviewing the project and a statement by the applicant on how the applicant will resolve or meet any problems or anticipated adverse conditions noted by the utility or agency, the statement to list any unresolved problems or adverse conditions.</li> </ul> <p><u>Site Plan and Supporting Drawings</u></p> <ul style="list-style-type: none"> <li>• As determined by the administration, details of the proposed project showing land use layout, building locations, vehicular and pedestrian circulation, open space and recreation areas, parking layout, schematic water and sewer layout, and any other information necessary to adequately describe the project;</li> <li>• Preliminary subdivision plat layout if required;</li> <li>• Site grading and drainage plan including present and proposed topography;</li> <li>• Conceptual drawings of proposed buildings, signs, and other features that may be required by the administrator.</li> </ul>	<p><u>Written Documentation</u></p> <ul style="list-style-type: none"> <li>• Legal description of all property involved in the project;</li> <li>• Statement of the objectives expected to be achieved by the project.</li> </ul> <p><u>Site Plan and Supporting Drawings</u></p> <ul style="list-style-type: none"> <li>• As determined by the administration, details of the proposed project showing building locations, vehicular and pedestrian circulation, parking layout, and any other information necessary to adequately describe the project; conceptual drawings of proposed buildings or renovations, signs, and other features that may be required by the administrator.</li> </ul>	<p><u>Written Documentation</u></p> <ul style="list-style-type: none"> <li>• Legal description of all property involved in the project;</li> <li>• Statement of the objectives expected to be achieved by the project.</li> </ul> <p><u>Site Plan and Supporting Drawings</u></p> <ul style="list-style-type: none"> <li>• As determined by the administration, details of the proposed project showing building locations, vehicular and pedestrian circulation, parking layout, and any other information necessary to adequately describe the project; conceptual drawings of proposed buildings or renovations, signs, and other features that may be required by the administrator.</li> </ul>	<p><u>Written Documentation</u></p> <ul style="list-style-type: none"> <li>• Legal description of all properties involved in the project;</li> <li>• Statement of the objectives expected to be achieved by the project;</li> <li>• Detailed description of all aspects of the project, including land use, building types and sizes, population density, building coverage, waterfront use, clearing, changes to existing visual appearance, and other information which the applicant feels would assist in decision making;</li> <li>• All comments received from each of the agencies and utilities reviewing the project and a statement by the applicant on how the applicant will resolve or meet any problems or anticipated adverse conditions noted by the utility or agency, the statement to list any unresolved problems or adverse conditions.</li> </ul> <p><u>Site Plan and Supporting Drawings</u></p> <ul style="list-style-type: none"> <li>• As determined by the administration, details of the proposed project showing land use layout, building locations, open space and recreation areas, waterfront development, clearing, schematic water and sewer layout, and any other information necessary to adequately describe the project;</li> <li>• Preliminary subdivision plat layout if required;</li> <li>• Site grading and drainage plan including present and proposed topography; conceptual drawings of proposed buildings, and other features that may be required by the administrator.</li> </ul>

Table 22.24.010-2

Initiation and Termination Periods

	Short-Term Rental <u>Conditional Use</u> Permits	<u>Bed and Breakfast</u> <u>Conditional Use</u> Permits	Interim Mobile Homes <u>Conditional Use</u>	All Other <u>Conditional Use</u> Permits
Period in which the permit must be activated following assembly approval or permit becomes void	One year	One year	One year	Two years
If permit is not used during period, permit becomes void after activation	One year	One year	One year	Two years
Mandatory review period <sup>1</sup>	Set by assembly at time of approval	Set by assembly at time of approval	Set by assembly at time of approval	Set by assembly at time of approval
Number of years after approval that permit sunsets	Set by assembly at time of approval	Set by assembly at time of approval	Set by assembly at time of approval	Set by assembly at time of approval

Note (1): It shall be the responsibility of the applicant to submit materials one month prior to the end of any review period. Failure to submit materials within the time specified shall automatically void the approval.

Note (2): It is recognized in land use case law that conditional use permits are grants to a property and run with the parcel and not the owner.

Note (3): Substantial construction progress must be made on a project approved through the variance process within one year of the date of the variance approval or the approval becomes void. In the event it can be documented that other substantial progress has been made, a one-year extension may be granted by the planning commission if a request is filed within eleven months of the initial approval.

B. Conditional Use Permit Provisions for Bed and Breakfasts.

1. The information and assurances filed by the applicant for a bed and breakfast conditional use at the time of application shall be binding on all current and future owners of the facility.
2. There shall be no expansion in the number of guest rooms beyond the number approved.
3. The number of bed and breakfast sleeping rooms per residence shall be limited to three rooms in an R-1 or related zone and five rooms in an R-2 or related zone.

4. In no case shall a bed and breakfast be operated in any residence other than an owner-occupied dwelling.
5. The owner of the residence shall operate the bed and breakfast at all times and shall not contract out the day-to-day management of the operation. In the event the operation or management of the bed and breakfast is conducted by a tenant or party other than the owner who lives in the residence, the conditional use permit shall automatically become void.
6. Bed and breakfast guestrooms are intended to be spare or surplus guestrooms in owner-occupied single-family dwellings that are not needed by the owner of the structure for household activities.
7. Bed and breakfast conditional use requests shall not be considered, reviewed, or approved for single-family structures that have contained an apartment, or additional dwelling unit at any time during a three-year period prior to the submittal of the application for a bed and breakfast conditional use permit. The burden of proof that this requirement has been complied with lies with the applicant.
8. A bed and breakfast establishment shall not be approved if an apartment or other rental is also being operated in the structure or on the same lot. Any apartment rental in the structure or on a lot where a bed and breakfast is operating will automatically void the conditional use permit for bed and breakfast.
9. Permits shall lapse and become void if the bed and breakfast ceases operation for twelve consecutive months.
10. There shall be no more than one exterior sign. The sign shall not exceed four square feet.
11. There shall be a minimum of one off-street parking space for every three guestrooms in bed and breakfast establishments located in single-family residential zones.
12. Existing bed and breakfasts which do not conform to these rules shall be considered nonconforming uses and subject to the rules relating to nonconforming uses.
13. It is the intent of the assembly that the provisions of these requirements be strictly followed. However, exceptions may be granted in cases of extreme need or extreme personal or financial hardship. The limitation on the number of the rooms and the use of single-family occupied structures will not be eligible for hardship relief.
14. For establishment of a bed and breakfast establishment in an existing structure in an R-1 zone, only existing bedrooms may be used for guest rooms.
15. Limited cooking facilities shall only be allowed inside guestrooms, or inside other rooms that are used solely by the bed and breakfast, such as small toaster ovens, microwaves, and refrigerators.
16. Timely payment of sales taxes shall be one of the primary indicators of compliance with this section.

17. When the assembly approves a permit with the condition referring to the number of children in the facility, the term "children" shall refer to individuals who are fifteen years old or younger.

C. Conditional Use Permit Provisions for Short-Term Rentals.

1. Short-term rental establishments as described in subsection F of this section shall be approved as conditional uses in the R-1, R-1 MH, R-1 LD, R-1 LDMH, R-2, and R-2 MHP zoning districts with the following conditions:

a. Existing short-term rentals operating in conformance with all other applicable regulations prior to the effective date of the ordinance codified in this section may continue operating as nonconforming uses so long as payments of bed taxes and any other fees are current.

b. The permit application and process will be the same as that required for bed and breakfasts, including submission and review of both interior and exterior site plans.

c. Increase in density and other impacts on the immediate surrounding neighborhood which would occur as a result of approval of short-term rentals may be a consideration in the granting of the permit.

d. Cessation of an approved short-term rental operation for twelve consecutive months shall result in revocation of the permit and require reapplication and approval of a new conditional use permit. Timely payment of sales taxes shall be one of the primary indicators of compliance with this section.

e. When the assembly approves a permit with the condition referring to the number of children in the facility, the term "children" shall refer to individuals who are fifteen years old or younger.

2. Short-term rentals shall be allowed in the other zoning districts subject to the following general rules:

a. There shall be two parking spaces per dwelling unit.

b. The number of persons per sleeping area shall comply with the municipal fire code.

c. Upon filing for sales tax and bed tax accounts, an owner shall obtain a life safety inspection by the building department and shall comply with the requirements proposed by the department.

d. Legal nonconforming short-term rentals shall comply with these general rules within two years.

e. Short-term rentals may only be approved for mobile homes that are located along streets maintained by the city and borough or the state of Alaska.

**Chapter 4.24**  
**HOTEL, MOTEL AND BED AND BREAKFAST TRANSIENT ROOM TAX**

Sections:

- 4.24.010 Definitions.
- 4.24.020 Imposition of hotel, motel, bed and breakfast transient room rental tax.
- 4.24.030 Collection and accrual.
- 4.24.040 Transient room tax audits.
- 4.24.050 Exemption of housing for students attending the Sitka Fine Arts Camp.
- 4.24.060 Confidential and nonconfidential tax information.

**4.24.010 Definitions.**

For purposes of this section, the following words shall have the definitions below assigned.

- A. "Guest" means an individual, corporation, partnership or association paying monetary or other consideration for the use of a sleeping room or rooms in a hotel.
- B. "Hotel" means a structure or portion of a structure which is occupied or intended and designed for occupancy by transients for dwelling, lodging or sleeping purposes and includes any hotel, motel, inn or bed and breakfast.
- C. "Rent" or "rents" means the amount paid or promised, in terms of money, as consideration for the use by a transient of a room or rooms in a hotel, motel or other public accommodation. It does not include the cost of food or entertainment, nor does it include the cost of banquet or other facilities, not intended for use as overnight accommodations.
- D. "Transient" means a person who occupies or has available for occupancy a suite, room, or rooms in a hotel for fewer than thirty consecutive days. An employee who occupies or has available for fewer than thirty days a suite, room, or rooms rented or leased for more than thirty days by an employer for use on a rotating basis by employees is not a transient.

(Ord. 85-644 § 4 (part), 1985.)

**4.24.020 Imposition of hotel, motel, bed and breakfast transient room rental tax.**

- A. There is enacted a tax on hotel room rentals to transients computed on a percentage of the room rent. This tax shall be applicable to all room rentals to transients, unless the rental is specifically exempted from taxation by constitution or other valid law.
- B. State and federal governments are exempt from this tax through purchase order or other device obligating the government to pay for the room. Government employees are not exempt from this tax if the room is rented to them individually or they have the ultimate obligation to pay for the room.
- C. The tax shall be six percent of the room rental rate.
- D. The tax shall be in addition to the general sales tax of the municipality. The tax imposed in this chapter shall not be levied on the municipal sales tax portion of a rental bill. Neither shall the general sales tax be levied on this hotel tax. Both taxes shall be computed individually on the room rent.

(Ord. 98-1499 § 4, 1998; Ord. 85-664 § 4 (part), 1985.)

#### **4.24.030 Collection and accrual.**

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- A. Every hotel operator renting rooms subject to taxation under this chapter shall collect the taxes imposed by this chapter from the transient guest at the time of collection of charge for the room and shall transmit the same, quarterly, to the city and borough. The tax imposed shall be shown on the billing to the guest as a separate and distinct item.
- B. This tax accrues each day of occupancy and shall be paid by the hotel operator to the municipality at the time a tax return covering such date is due, irrespective of when the guests actually pay their bill to the hotel.
- C. An operator may not advertise or state to the public or to any guest or renter, directly or indirectly, that the tax or any part of it will be assumed or absorbed by the operator of the hotel, or that the tax will not be added to the rental or that it will be refunded, nor may an operator absorb or fail to add the tax or any part of it or refund any tax or fail to separately state the tax to the renter or guest.
- D. Each transient guest is responsible for room rental tax imposed by this chapter and the tax shall be due and payable to the hotel operator at the time the rent is paid. Any person who refuses to pay the tax shall execute a written refusal. A hotel operator is not responsible for the payment of that tax to the municipality if it forwards to the municipality the signed refusal to pay executed by the guest. The municipality may proceed against the guest directly for collection of the tax. If the hotel does not collect the tax from the guest nor receive



a written refusal, both the hotel and the guest shall be jointly and severally liable for payment to the municipality.

E. Enforcement and collection of this tax shall be according to the provisions of Chapter 4.09 of this code.

F. The municipal finance director is empowered to prepare and distribute a standard form of refusal to pay this tax by a guest.

(Ord. 85-664 § 4 (part), 1985.)

#### **4.24.040 Transient room tax audits.**

A. Any operator who has established a transient room tax account with the city and borough of Sitka, who is required to collect and remit a transient room tax, or who is required to submit a transient room tax return under the provisions of Title 4, Chapter 4.24 of the Sitka General Code is subject to a discretionary transient room tax audit at any time. The purpose of such an audit is to examine the business records of the operator in order to determine whether appropriate amounts of transient room tax revenue have been collected by the operator and remitted to the municipality.

B. The finance director shall be responsible for directing that transient room tax audits take place and for selecting the particular operators whose business records will be audited.

C. Transient room tax audits of operator's business records may be accomplished by either an employee of the city and borough of Sitka finance department or by an individual or firm under contract with the municipality.

D. Operators selected for a transient room tax audit will be notified by letter and will be required to meet with, and make available for inspection and copying all pertinent business records including income tax returns that may be requested for the prior three fiscal years for examination, to the finance department employee, or contractor conducting the audit, within thirty days of notification. Under extenuating circumstances, the finance director may grant an extension of time for compliance at the director's discretion.

E. After completion of a transient room tax audit, operators subject to the audit will be notified of the results of the audit by letter. If the audit has resulted in an additional transient room tax liability to the municipality, the additional transient room tax must be remitted to the municipality within fourteen days after the receipt of the letter, or the additional transient room tax will be considered delinquent and subject to the procedures on delinquencies outlined in Section 4.09.350. If the audit has resulted in a refund due the operator, the refund will be made to the operator within fourteen days, or applied to the operator's account, at the operator's option.

F. It shall be the operator's responsibility to maintain business records in sufficient detail to substantiate all information reported on transient room tax returns, including rentals qualifying as exempt from taxation under the provisions of Section 4.24.020. If insufficient detail exists within an operator's business records to substantiate rental exemptions, such rentals may be reclassified as taxable rentals at the auditor's discretion and subject to transient room tax collection and remittance.

G. Any operator notified of an additional transient room tax liability as a result of a transient room tax audit shall have the right to appeal the additional liability to the assembly. Such an appeal must be filed with the municipal clerk within thirty days of notification by letter of the liability. If an additional liability is appealed, the accumulation of penalties and interest under the provisions of Section 4.09.350 will be suspended on the date the appeal is filed with the municipal clerk; if the appeal is subsequently denied by the assembly, all such penalties and interest will be retroactive back to the original date of notification of additional liability by letter.

H. Any operator refusing to comply with the provisions of this section shall be subject to any or all of the procedures on delinquencies as outlined in Section 4.09.350, including the filing of a criminal complaint against the operator in district court.

I. All business records will be returned to the business after the audit is completed and all copies will be destroyed no later than five years after the audit.

(Ord. 95-1303 § 4 (part), 1995.)

#### **4.24.050 Exemption of housing for students attending the Sitka Fine Arts Camp.**

The provision of housing to students attending the Sitka Fine Arts Camp is exempt from the tax levied in this chapter, which is commonly called "the bed tax." (Ord. 04-19 § 4(B), 2004.)

#### **4.24.060 Confidential and nonconfidential tax information.**

A. The following information is publicly available information:

1. Names and addresses of business owners who filed tax returns under this chapter;
2. Whether a business is registered to collect taxes under this chapter in the city and borough of Sitka;
3. Whether a business is current in filing tax returns and in remitting tax due under this chapter, and the number of returns not filed; and

4. Names and exemption numbers of governmental agencies which have received a tax-exempt number from the city and borough of Sitka relating to taxes due under this chapter.

B. The city and borough of Sitka may permit any authorized representative of any federal, state or other local government agency to inspect and copy any tax returns filed and reports prepared under this chapter, if the other governmental agency provides substantially similar access to the city and borough of Sitka and if the city and borough of Sitka determines that other governmental agency provides adequate safeguards for the confidentiality of the tax returns and reports.

C. Except as otherwise provided in this section, transient room tax forms and their contents shall be confidential and shall not be disclosed by the finance department except:

1. In connection with efforts by the city and borough of Sitka to collect the tax;
2. In response to a subpoena issued by a court, state agency or governmental board or commission;
3. In connection with legislative inquiry specifically authorized by the assembly;
4. In connection with the city and borough of Sitka audits for purposes of verifying city and borough of Sitka accounting practices;
5. In compilation of statistics and studies by the finance department for public distribution, so long as information from individual businesses is not identifiable as to source. (Ord. 07-04 § 4(B), 2007.)



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

## Bed & Breakfast / Short Term Rental Application Overview

*For more information contact Melissa Henshaw, Planner, at 747-1814.*

Are you unsure of whether to be applying for a bed & breakfast permit or a short-term rental? Wondering what the difference is?

A bed & breakfast means a lodging use, where individual rooms within your home are provided to guests on a daily basis or for a short period of time for a fee. Breakfast and/or light snacks may be served to guests renting rooms. Cooking facilities are not allowed in the guest rooms. The owner must reside at the home.

A short-term rental is considered to be a stay of fourteen days or less. The rental is a separate dwelling unit such as an apartment that is rented to one party or individual.

Planning Commission meetings are normally held the first and third Tuesdays of each month.

Complete applications and all supporting materials must be submitted by *noon on Tuesday* two weeks prior to the Planning Commission meeting of when the request will be considered. For example, materials for the Tuesday, October 18, 2011 meeting need to be submitted by noon on Tuesday, October 4, 2011.

						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	25	24	26	27	28	29
30	31					

This deadline allows the municipality to review the applications, send out notifications to the applicant and adjacent property owners, and run the required advertisements in a timely fashion.

**\*\* REMINDER \*\***

**Applicants or their reps should attend all meetings.**

In the past, applications have been submitted for a bed & breakfast or short-term rental that

*Providing for today...preparing for tomorrow*

required additional background information causing delays in our process. If the applications are not submitted with the required supporting materials, they may not be considered at the Planning Commission meeting.

If the project is straightforward and no concerns are raised, the Planning Commission may take action the first night the case is scheduled. Generally a bed & breakfast or short-term rental request goes to two Planning Commission meetings. If there are any concerns by the Commission or other parties, action may be delayed. This delay would allow time for the applicant to provide more information or time for the parties to work together on the concerns.

The Planning Commission's recommendation is then forwarded to the Assembly for final approval. In all, you are probably looking at an average of 6 weeks for this type of permit to be processed.

Thank you for working with the City and Borough of Sitka, we sincerely appreciate your cooperation. Since meeting dates are subject to change, applicants are encouraged to call the Planning Office at 747-1814 to confirm meeting dates. Thank you.

***\*\*Individuals may wish to go over their requests with Planning Office staff prior to submitting applications\*\****

**\*\* REMINDER \*\***

**Applicants or their reps should attend all meetings.**

## PROCEDURES AT A GLANCE

### Bed & Breakfast/Short-term Rental Permitting Process

#### STEPS TAKEN BY APPLICANT

- Meet with Staff.
- Fill out application forms and prepare drawings.
- Talk to adjacent land owners.
- Turn in complete forms, drawings, letter and pay fee by noon on Tuesday two weeks prior to the Planning Commission meeting which is held the first and third Tuesday of each month.
- Applicant checks with staff the day of the meeting to see if there are any questions or needs to be addressed.
- Applicant attends meetings to answer any questions. Commission will make a decision at the first or second meetings. Recommendation is forwarded to Assembly for final approval.
- Applicant checks with Staff the day of the Assembly meeting to see if there are any questions or needs to be addressed. Applicant attends the meeting to answer any questions.
- Applicant receives a letter from Staff explaining the outcome.
- If denied, the applicant can file a written appeal to the Assembly.
- Depending on action of Assembly, applicant continues or discontinues project.

#### STEPS TAKEN BY CITY AND BOROUGH

- Staff provides application materials.
- Staff reviews submitted materials.
- Staff includes the request on next agenda and prepares staff report for the Planning Commission.
- Notices are mailed to applicant and property owners in the area before the meeting. The agenda appears in the newspaper.
- Planning Commission talks to the applicant and takes testimony.
- Planning Commission will make a decision at the first or second meeting
- Recommendation is forwarded to the Assembly for final approval.
- If denied by the Assembly, the applicant can file a written appeal to the Assembly. Appeals can be filed in Superior Court.
- Staff writes a letter to applicant explaining the outcome.

NOTE: Extra care needs to be taken in preparing the documents. Staff can only schedule applications for Planning Commission review after all materials are submitted with the appropriate detail.

Table 22.24.010-1

Conditional Use Permit Application Requirements

Conditional Uses	Bed and Breakfast Conditional Uses	Short-Term Rental Conditional Uses	Island Conditional Uses
<p>The applicant may be required to consult with agencies that are responsible for certain portions of the project review. These agencies may include but not be limited to public works and engineering for sewer/water utilities; state DOT/PF; State Department of Environmental Conservation; Army Corps of Engineers; Sitka fire department; local telephone utility; cable television utility; electric department.</p> <p><u>Written Documentation</u></p> <ul style="list-style-type: none"> <li>• Legal description of all properties involved in the project;</li> <li>• Statement of the objectives expected to be achieved by the project;</li> <li>• Detailed description of all aspects of the project, including land use, building types and sizes, population density, parking and traffic circulation, building coverage and other information which the applicant feels would assist in decision making;</li> <li>• All comments received from each of the agencies and utilities reviewing the project and a statement by the applicant on how the applicant will resolve or meet any problems or anticipated adverse conditions noted by the utility or agency, the statement to list any unresolved problems or adverse conditions.</li> </ul> <p><u>Site Plan and Supporting Drawings</u></p> <ul style="list-style-type: none"> <li>• As determined by the administration, details of the proposed project showing land use layout, building locations, vehicular and pedestrian circulation, open space and recreation areas, parking layout, schematic water and sewer layout, and any other information necessary to adequately describe the project;</li> <li>• Preliminary subdivision plat layout if required;</li> <li>• Site grading and drainage plan including present and proposed topography;</li> <li>• Conceptual drawings of proposed buildings, signs, and other features that may be required by the administrator.</li> </ul>	<p><u>Written Documentation</u></p> <ul style="list-style-type: none"> <li>• Legal description of all property involved in the project;</li> <li>• Statement of the objectives expected to be achieved by the project.</li> </ul> <p><u>Site Plan and Supporting Drawings</u></p> <ul style="list-style-type: none"> <li>• As determined by the administration, details of the proposed project showing building locations, vehicular and pedestrian circulation, parking layout, and any other information necessary to adequately describe the project; conceptual drawings of proposed buildings or renovations, signs, and other features that may be required by the administrator.</li> </ul>	<p><u>Written Documentation</u></p> <ul style="list-style-type: none"> <li>• Legal description of all property involved in the project;</li> <li>• Statement of the objectives expected to be achieved by the project.</li> </ul> <p><u>Site Plan and Supporting Drawings</u></p> <ul style="list-style-type: none"> <li>• As determined by the administration, details of the proposed project showing building locations, vehicular and pedestrian circulation, parking layout, and any other information necessary to adequately describe the project; conceptual drawings of proposed buildings or renovations, signs, and other features that may be required by the administrator.</li> </ul>	<p><u>Written Documentation</u></p> <ul style="list-style-type: none"> <li>• Legal description of all properties involved in the project;</li> <li>• Statement of the objectives expected to be achieved by the project;</li> <li>• Detailed description of all aspects of the project, including land use, building types and sizes, population density, building coverage, waterfront use, clearing, changes to existing visual appearance, and other information which the applicant feels would assist in decision making;</li> <li>• All comments received from each of the agencies and utilities reviewing the project and a statement by the applicant on how the applicant will resolve or meet any problems or anticipated adverse conditions noted by the utility or agency, the statement to list any unresolved problems or adverse conditions.</li> </ul> <p><u>Site Plan and Supporting Drawings</u></p> <ul style="list-style-type: none"> <li>• As determined by the administration, details of the proposed project showing land use layout, building locations, open space and recreation areas, waterfront development, clearing, schematic water and sewer layout, and any other information necessary to adequately describe the project;</li> <li>• Preliminary subdivision plat layout if required;</li> <li>• Site grading and drainage plan including present and proposed topography; conceptual drawings of proposed buildings, and other features that may be required by the administrator.</li> </ul>

**CITY AND BOROUGH OF SITKA**

**PLANNING DEPARTMENT**

**SHORT-TERM RENTAL &**

**BED & BREAKFAST APPLICATION**

Short-Term Rental Fee	\$100.00
Bed & Breakfast Fee	\$ 35.00
<b>(per Guestroom)</b>	
<b>* plus current city sales tax *</b>	

**APPLICANT'S NAME:** \_\_\_\_\_

**PHONE NUMBER:** \_\_\_\_\_

**MAILING ADDRESS:** \_\_\_\_\_

**OWNER'S NAME:** \_\_\_\_\_

*(If different from applicant)*

**PHONE NUMBER:** \_\_\_\_\_

**MAILING ADDRESS:** \_\_\_\_\_

**PROJECT ADDRESS:** \_\_\_\_\_

**LEGAL DESCRIPTION**      **Lot:** \_\_\_\_\_ **Block:** \_\_\_\_\_

**Subdivision:** \_\_\_\_\_

**U.S. Survey:** \_\_\_\_\_ **Zoning Classification:** \_\_\_\_\_

State all reasons for justifying request: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Describe how the facility will be operated, what meals will be served, and how guests will be transported. (This information may be provided on a separate sheet).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Anticipated start date: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



What months of the year the facility will be in operation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- Drawing of the **interior** layout showing:
1. Size and location of rooms
  2. Types of facilities in the rooms
  3. Windows and exits
  4. Location of smoke alarms and fire extinguishers
  5. Guestrooms specifically delineated on the plans

- Drawing of the **exterior** site plan showing:
1. Dimensions of the home
  2. How the house sits on the lot
  3. Location of parking

- Check if facility is not fully constructed at the time of the application
- Check if Life Safety Inspection has already been completed. If not, please contact the Building Department at 747-1832 to schedule an appointment. This Inspection is to certify that the residence complies with life and fire safety code aspects.

*Bed and Breakfast applicants shall be aware that only limited cooking facilities such as small toaster ovens, microwaves, and refrigerators are allowed and those appliances must be outside of guestrooms.*

*In applying for and signing this application, the property owner hereby grants permission to Municipal staff to access the property before and after Planning Commission's review for the purposes of inspecting the proposed and/or approved structures.*

SIGNATURE OF APPLICANT: \_\_\_\_\_ Date: \_\_\_\_\_

SIGNATURE OF OWNER: \_\_\_\_\_ Date: \_\_\_\_\_

*(If different from the applicant)*

