



# CITY AND BOROUGH OF SITKA

## Minutes - Draft

### Planning Commission

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Wednesday, October 2, 2024

7:00 PM

Harrigan Centennial Hall

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#### I. CALL TO ORDER AND ROLL CALL

Present: Darrell Windsor (Chair), Katie Riley, Wendy Alderson, Stacy Mudry.  
Excused: Robin Sherman, Thor Christianson (Assembly liaison)  
Staff: Amy Ainslie, Kim Davis

Chair Windsor called the meeting to order at 7:02 PM.

#### II. CONSIDERATION OF THE AGENDA

#### III. CONSIDERATION OF THE MINUTES

A [PM 24-12](#) Approve the September 18, 2024 meeting minutes.

M/Mudry-S/Alderson moved to approve the September 18, 2024 meeting minutes. Motion passed 4-0 by voice vote.

#### IV. PERSONS TO BE HEARD

#### V. PLANNING DIRECTOR'S REPORT

Ainslie reported the October 16 meeting may be cancelled due to no applications being received. Commissioners were updated on the progress of implementing a short-term rental (STR) compliance system. This would help in data analysis, compliance, and enforcement. The cost of this system was estimated to be around \$10,000 annually. There was discussion on the possibility of adding a fee or surcharge to cover the cost of the system. There was also upcoming road repair occurring in October in several areas of town and the community could go to [www.cityofsitka.com/roadrepairs](http://www.cityofsitka.com/roadrepairs) for more information.

#### VI. REPORTS

#### VII. THE EVENING BUSINESS

B [MISC 24-09](#) Discussion on zoning code definitions and provisions regarding short-term rentals, accessory dwelling units, and other housing-type designations.

Ainslie introduced an discussion item on zoning code definitions and process of code changes. Windsor discussed the ordinance related to short-term rentals (STRs), focusing on the primary residence requirement and the sunset clause. In reviewing the

code Ainslie explained the sunset clause was combined under the primary residence requirement where if the permit was granted after September 14th, 2022, the permit would sunset with the sale of the property. If the permit was issued before that date, it was grandfathered in under the previous code. There was also discussion of the concept of 'sunset' in relation to property permits and the legal implications of sunsetting permits that were issued before the new regulations were implemented.

Commissioners suggested a code change to clarify when new regulations apply and when the old ones don't. Ainslie would inquire about a legal opinion on whether permits could 'sunset' instead of transferring when the property was sold for those permits issued before the code change.

There was discussion about the Accessory Dwelling Unit (ADU) code and its implications. The commissioners debated whether an ADU could be used as a primary residence while renting out the main house for short-term rentals. They also discussed the definition of primary residence and its relation to the ADU code. The consensus was that the ADU code does not explicitly prohibit using an ADU as a primary residence while renting out the main house. The commissioners agreed to further clarify the code and its implications. They also discussed the possibility of making the code stronger to prevent misuse of ADUs and the potential of streamlining the process by pre-permitting designs. Concerns were raised about the difficulty of building ADUs and the potential for increased traffic and parking issues.

Commissioners discussed the need for conditional use permits for STRs on certain islands, particularly those where residential areas have been negatively impacted. They highlighted the oddity of the current zoning rules, which permit hotels, motels, lodges, boarding houses, and bed and breakfasts in the general island district on unsubdivided islands but not STRs. There was a need for a zoning text amendment to regulate STRs, applying similar use requirements as motels, hotels, lodges, bed and breakfasts, and boarding houses in this zone. The zoning code amendment would clarify the allowed uses for subdivided versus unsubdivided islands in the general island zoning district. There was a concern about the retroactive application of the amendment to existing STRs, which would require a legal opinion. The commissioners agreed to recommend a code change to include STRs in Footnote 10 of Sitka General Code Table 22.16.015-1

A discussion on transient lodging tax, also known as bed tax, suggested using the tax funds to incentivize the development of more long-term rentals, higher density housing, and other models. There was a possibility of raising the bed tax on STRs to encourage more long-term rentals. The idea of raising taxes would require voter approval. The process of initiating an ordinance for such changes was discussed.

**M/Mudry-S/Riley moved to initiate a zoning text amendment to add reference to short-term rentals to Footnote 10 of SGC Table 22.16.015-1, applying the same requirements to short-term rentals as currently applied to motels, hotels, lodges, bed and breakfasts, and boarding houses in the General Island zoning district and update Table 22.16.015-1 to clarify the difference in allowed uses for short-term rentals and bed and breakfasts on subdivided versus unsubdivided islands in this district. Motion passed 4-0 by voice vote.**

## VIII. ADJOURNMENT

**Chair Windsor adjourned the meeting at 8:55 PM.**