



# CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

## MEMORANDUM

**To:** Mayor Eisenbeisz and Assembly Members

**From:** Thor Christianson, Tim Pike Assembly Members

**Date:** December 20, 2022

**Subject:** Electric vehicle incentive.

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### **Background**

On December 13 the Assembly passed a sweeping change to how vendors and vehicles would be governed at the HCH. At the time a number of changes were suggested, but at the request of city staff, no changes were made in order to move the process along in time for next year's tourist season. This ordinance addresses one of those changes, the electric vehicle incentive.

### **Analysis**

One of the biggest complaints about the vehicles used in the tourism industry is the pollution, smell and noise they generate. Since Sitka currently has close to 100% renewable electricity generation, it is beneficial to encourage electric vehicles. This ordinance would change the discount for electric vehicles at HCH from 50% to 100%.

### **Fiscal Note**

This should have a limited impact on the amount of fees collected for the next few years, as there are currently little or no electric vehicles in use now in the industry. If we have a large buy-in by the operators, we may have to revisit this at some time in future. By that point, incentives will most likely not be needed any more.

### **Recommendation**

Our recommendation is to pass this ordinance for the following reasons: 1) It provides an incentive for vehicle users to switch to electric vehicles, 2) it will result in increased power sales, and 3) it will reduce some of the negative effects of the tourist industry on Sitka's residents.