

**CITY AND BOROUGH OF SITKA**

**ORDINANCE NO. 2020-29**

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA ESTABLISHING THE CARES ACT MOORAGE COSTS SUBSIDIZATION PROGRAM**

**1. CLASSIFICATION.** This ordinance is NOT of a permanent nature and is NOT intended to become a part of the Sitka General Code ("SGC").

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

**3. PURPOSE.** The purpose of this ordinance is to establish a grant program which uses CARES Act funds received by the City and Borough of Sitka to subsidize moorage costs for vessel owners experiencing economic hardship due to the COVID-19 health care emergency. The Assembly makes legislative findings as follows.

a. The Assembly recognizes that an emergency exists due to the COVID-19 pandemic that affects the life, health, welfare or property of vessel owners in the City and Borough of Sitka.

b. The Assembly further recognizes that the COVID-19 pandemic has caused great economic hardship to many of the vessel owners in the City and Borough of Sitka.

c. On March 27, 2020, the federal Coronavirus Aid, Relief, and Economic Security Act (HR 748) ("CARES Act") was signed into law. The CARES Act contains numerous provisions aimed at providing relief from the COVID-19 pandemic, including the creation of funds to provide direct relief to states and municipalities to alleviate economic hardship.

d. The State of Alaska has received CARES Act funds, some of which it expects to disburse to municipalities, the amount of which is currently unknown but expected to be several million dollars.

e. If and upon receipt of the CARES Act funds, the Assembly desires to disburse all or a portion of those funds to vessel owners who qualify for the purpose of alleviating economic hardship caused by COVID-19 pandemic.

f. To that end, in light of the economic hardship imposed on vessel owners in the City and Borough of Sitka, by enactment of this ordinance the Assembly initiates the following temporary moorage costs subsidization program.

**4. ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka ("CBS") that there shall be a temporary moorage costs subsidization program as follows:

**Section 1. Title.** This program may be referred to as the "CARES Act Moorage Costs Subsidization Program."

**Section 2. Implementation.** This program shall only be implemented if funds sufficient to fund the entire program are received by the CBS from the U.S. Treasury Department CARES Act and those funds are deemed to be eligible to be used in this program.

**Section 3. Policy and procedure.**

A. It shall be the policy of the CBS that applicants meeting certain criteria shall be eligible for subsidization of municipal moorage costs from CARES Act funds paid to the CBS due to the COVID-19 public health emergency.

B. Subsidization shall be in the form of general governmental subsidy payments to municipal moorage accounts for the benefit of eligible applicants. Under no circumstances may subsidization be in the form of reduced moorage rates or the provision of free moorage services.

C. A supplemental appropriation providing funding for the moorage costs subsidization fund program shall be established by a special appropriation of the Assembly. All CARES Act funding will reside in a special revenue fund and a separate account within that fund will be established and separately budgeted for the moorage subsidization.

D. Applications for subsidization shall be submitted to the Finance Department on forms provided by the Finance Department. Only one applicant per moorage account is allowed. Applications must be submitted by July 31, 2020. If the application is denied, the applicant may appeal to the Municipal Administrator. If an appeal to the Municipal Administrator is denied, the applicant may appeal to the Assembly. The Municipal Assembly's decision is the final action of the CBS.

E. Any incomplete or duplicate application will be rejected. For those complete and eligible applications, upon acceptance the Finance Department will disburse the subsidy to the accounts of those applicants accepted. All subsidy payments will be applied to accounts by August 31, 2020.

F. The moorage subsidy for each eligible applicant is a one-time payment to the applicant's account. The subsidy for each eligible applicant shall be the maximum of moorage costs billed for one quarter of the calendar year.

G. The Finance Director shall have the responsibility of developing administrative procedures, which shall be approved by the Municipal Administrator, necessary for implementation of this program.

**Section 4. Eligibility and subsidization.**

A. An applicant must be a customer receiving and responsible for paying moorage costs from the CBS for a vessel moored in the CBS harbor system continuously since at least March 15, 2020.

B. An applicant shall be eligible for subsidization if the applicant certifies in his or her application as follows:

(1) the applicant is and has moored a vessel in the CBS harbor system under an existing moorage agreement;

(2) the applicant has a vessel moored in the CBS harbor system continuously since at least March 15, 2020;

(3) the applicant has incurred economic hardship due to the COVID-19 public health emergency;

(4) the subsidy payment would be to an account affected by the economic hardship caused by the COVID-19 public health emergency; and

(5) at the time of the certification, the applicant continues to face economic hardship due to the COVID-19 public health emergency.

C. An applicant is eligible for a subsidy even if the applicant has overdue charges owed to the CBS. A subsidy applied to an account with overdue charges will be first applied to those overdue charges. Any portion of a subsidy not applied to costs on account shall be returned to the CBS by debit to that account.

**Section 5. Definitions.**

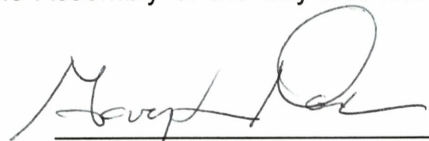
A. "Economic hardship" means, as a result of the COVID-19 public health emergency, business or personal or household disposable income has decreased and/or normal business or personal or household expenses have increased, such that it has become impossible or difficult to make ends meet and/or any money reserves of the applicant have been and/or are being significantly depleted.

B. "Subsidization" refers to "moorage costs subsidization."


C. "Vessel" means any ship, boat, skiff, barge, dredge and craft of every kind or description, whether used for commercial or pleasure purposes, which is on the water and is capable of being used as a means of transportation on or through the water, excluding seaplanes.

**5. EFFECTIVE DATE.** This ordinance shall become effective the day after the date of its passage and is temporary in nature to be implemented only if CARES Act funds in a sufficient amount are received by the City and Borough of Sitka.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska this 9<sup>th</sup> day of June, 2020.

  
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Gary L. Paxton, Mayor

**ATTEST:**

  
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Sara Peterson, MMC  
Municipal Clerk

1<sup>st</sup> reading 5/26/2020

2<sup>nd</sup> and final reading 6/9/2020

Sponsors: Christianson and Mosher