

CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
330 Harbor Drive
Sitka, AK
(907)747-1811

Meeting Agenda

City and Borough Assembly

*Mayor Steven Eisenbeisz,
Deputy Mayor Kevin Knox,
Vice Deputy Mayor Kevin Mosher,
Thor Christianson, Crystal Duncan, Rebecca Himschoot,
David Miller*

*Municipal Administrator: John Leach
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Tuesday, March 22, 2022

6:00 PM

Assembly Chambers

WORK SESSION 5:00 PM

Visit Sitka: Annual Workplan & Budget Request

[22-050](#)

Work session materials

Attachments: [Visit Sitka FY23 annual workplan and budget](#)

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. RECITAL OF LANDS ACKNOWLEDGEMENT

IV. ROLL CALL

V. CORRESPONDENCE/AGENDA CHANGES

[22-051](#)

Reminders, Calendars, and General Correspondence

Attachments: [01 Calendars and Reminders Word](#)

[02 Hackett-Service Award](#)

[03 Morse-Service Award](#)

[04 2022 Recertification Ltr to Mayor](#)

[05 2022 Proclamation from USCG](#)

VI. CEREMONIAL MATTERS

None.

VII. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Municipal Departments, School District, Students and Guests (five minute time limit)

[22-048](#) Police and Fire Commission, Chair Gregg Olson

Attachments: [Special Report](#)

VIII. PERSONS TO BE HEARD

Public participation on any item off the agenda. All public testimony is not to exceed 3 minutes for any individual, unless the mayor imposes other time constraints at the beginning of the agenda item.

IX. CONSENT AGENDA

All matters under Item IX Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

A [22-044](#) Approve the minutes of the March 3 and March 8 Assembly meetings

Attachments: [Consent and Minutes](#)

B [22-045](#) Approve liquor license renewal applications for the following: 1) The Longliner Lodge and Suites at 485 Katlian Street, 2) Beak, LLC dba Beak Restaurant at 2 Lincoln Street Suite 1A, 3) SOE, LLC dba Asian Palace at 327 Seward Street #1, and 4) SOE, LLC dba Little Tokyo at 315 Lincoln Street #112

Attachments: [Motion and Memos](#)

[#4117 Longliner Lodge](#)

[#4971 Beak Restaurant](#)

[#4595 Asian Palace](#)

[#4428 Little Tokyo](#)

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

C [22-046](#) Reappoint Mike Johnson to a two-year term on the Gary Paxton Industrial Park Board

Attachments: [Motion and application Johnson](#)

- D [22-049](#) Appoint 1) Sandra Fontaine to a three-year term on the Library Commission, and 2) Dan Littlefield to a three-year term on the Building Department Appeals Board

Attachments: [Motion](#)
[Fontaine application](#)
[Littlefield application](#)

XI. **UNFINISHED BUSINESS:**

- E [ORD 22-04S](#) Amending Title 11 “Vehicles and Traffic” of the Sitka General Code by updating Chapter 11.75 “All-Purpose Vehicles” by amending Section 11.75.040 “Operations of APVs on Public Roadways within the City and Borough” (1st reading - substitute ordinance)

Attachments: [Motion Ord 2022-04S](#)
[Ord 2022-04S](#)

- F [ORD 22-05](#) Instating a temporary moratorium on the issuance of conditional use permits for short-term rentals in the R-1 or related zones and R-2 or related zones

Attachments: [Motion Ord 2022-05](#)
[Memo Ord 2022-05](#)
[Ord 2022-05](#)
[2021 Annual Short-Term Rental Report 2.28.22](#)

XII. **NEW BUSINESS:**

- G [22-047](#) Discussion/Decision of a Class IIB tidelands permit for a community personal use dock at 1401 and 1403 Halibut Point Road

Attachments: [Discussion Decision Motions](#)
[Memo](#)
[Class IIB Permit Request Supporting Documents](#)

- H [ORD 22-07](#) Authorizing the lease of Granite Creek Industrial Site Lease Areas 2 and 3, a 12.7 acre parcel, for material extraction and sale (1st reading)

Attachments: [Motion Ord 2022-07](#)
[Memo Ord 2022-07](#)
[Ord 2022-07](#)
[Updated Bundled Granite Creek Areas 23 Lease](#)

- I [ORD 22-06](#) Amending Title 2 “Administration” of the Sitka General Code by updating Chapter 2.40 “Elections” (1st reading)

Attachments: [Motion Ord 2022-06](#)
[Memo and Ord 2022-06](#)

XIII. PERSONS TO BE HEARD:

Public participation on any item on or off the agenda. Not to exceed 3 minutes for any individual.

XIV. REPORTS

a. Mayor, b. Administrator, c. Attorney, d. Liaison Representatives, e. Clerk, f. Other

XV. EXECUTIVE SESSION

Not anticipated.

XVI. ADJOURNMENT

Note: Detailed information on these agenda items can be found on the City website at <https://sitka.legistar.com/Calendar.aspx> or by contacting the Municipal Clerk's Office at City Hall, 100 Lincoln Street or 747-1811. A hard copy of the Assembly packet is available at the Sitka Public Library. Regular Assembly meetings are livestreamed through the City's website, aired live on KCAW FM 104.7, and broadcast live on local television channel 11. To receive Assembly agenda notifications, sign up with GovDelivery on the City website.

*Sara Peterson, MMC, Municipal Clerk
Publish: March 18*



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 22-050 **Version:** 1 **Name:**

Type: Item **Status:** AGENDA READY

File created: 3/16/2022 **In control:** City and Borough Assembly

On agenda: 3/22/2022 **Final action:**

Title: Work session materials

Sponsors:

Indexes:

Code sections:

Attachments: [Visit Sitka FY23 annual workplan and budget](#)

Date	Ver.	Action By	Action	Result
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Annual Workplan & Budget Request

FY23

March 22, 2022

PRESENTED BY THE GREATER SITKA CHAMBER OF COMMERCE
104 Lake Street, Sitka, Ak 99835

Introduction

The Greater Sitka Chamber of Commerce is currently in contract with the City of Sitka to provide Convention & Visitor Services. The initial contract began Oct. 2015; current contract began Jan. 1, 2019, and we are in our first of five one-year renewals. The Sitka Chamber as Visit Sitka has prepared the 3-year Strategic Marketing Plan 2022-2024 and Annual Marketing Workplan FY22 for the Assembly in a work-session on March 23rd, 2022.

Exhibit B CVS Contract: "The annual contract amount shall be a minimum of \$300,000. Annual budget to be determined by the Sitka Assembly following an annual work session, with first payment in next fiscal year. If the contribution is increased by Assembly action, the annual contract amount will be adjusted accordingly. The Contractor is encouraged to request additional funding for specific projects above and beyond those included in this contract, pursuant to approval by the Assembly."

The Sitka Chamber has prepared a base budget and supplemental budget based on the needs of the marketing program in order to match previous years' service levels and continue to grow the visitor industry in Sitka. The supplemental budget is for the FY23 full fiscal year. Examples of investments have been detailed in the following narratives and will be presented at a work session of the Assembly on March 22, 2022.

Highlights

Tourism accounts for 11% of SE AK's jobs, \$800 million in tourist spending, in non-pandemic years.

Sitka is anticipating the largest number of cruise ship passengers ever, with an estimated lower berth count of all ships to be 480,000.

Sitka's market share for cruise increased to 30% from 15% in 2019 with 450,000 of the 1.5M total cruise passengers.

90% of visitors to Southeast are cruisers, 8% arrive via air, & 2% arrive via ferry.

Sitka was selected to host the 2022 AlaskaTravel Industry Association Convention- October 10-13.

Transient Lodging Tax collected had a large rebound in FY21 - \$407,024, with \$553,910.71 for FY19. With the growth in FY22 with a robust summer season and return of the convention market the fund should see a full recovery.

FY23-Q1-Q4

Base \$300,000 Supplemental \$275,000

FY20 funding level \$500,200

FY21 total request \$500,200

FY22 total request 458,600

Promotion

Tourism

- Travel and Adventure Shows x 4
- SE Conference
- ATIA Convention

It is important to continue marketing Sitka as a destination for fully independent travelers, sports fishers, international & domestic tour operators, airlines, other travel, friends, and family. Attendance at consumer travel shows continues to be a great way to increase consumer awareness of Sitka's uniqueness as a destination. Visit Sitka will attend at least four direct to consumer shows, focusing on locations with easy flight access to Sitka, including the Los Angeles, Denver, New York City and San Francisco Bay Area Adventure & Travel Shows. Attendance at a travel-tradeshows reaches ready-to-buy travelers for leisure and destination fishing, increasing overnight stays in Sitka. Visit Sitka's participation in the Alaska Travel Industry Association annual conference gives the team access to hundreds of travel industry professionals, advocates, and vendors for Alaska's Tourism Industry. Attending both meetings at Southeast Conference keeps Sitka top of mind as a meetings destination as well as an important part of the economic stability of southeast Alaska.

Meetings & Conventions

- ATIA Convention registration and on-site promotion
- Flash drives for tool-kit, printed guide
- Branded Collateral & website updates

Relationship building and face-to-face interactions with decisionmakers is essential to building our Meeting & Convention business in Sitka. Visit Sitka has identified incentive travel and C-suite retreats as the best fit for Sitka's strengths and location along with in-state trade, government and school travel. Projects to complement this strategy include advertising to business-to-business (B2B) meeting planners, expanding the website to encompass more information and tools, brand aligned Meeting & Convention booth design and promotional items for both hosted events and travel. Promotional items are especially important for our emphasis on enhancing visitor experience and taking advantage of word-of-mouth marketing which research still shows is the number one driver of travel. A Sitka Fellow will be engaged to specifically focus on developing the programs needed to create more meeting interest. (See Special Project section below for details.)

Cruise/Yacht

- FY23 Seatrade Cruise Global
- 480K passengers (total berths)
- HAL Alaska in Seattle
- ASTA global conference

Creating and supporting relationships with cruise line partners is key to maintaining cruise market share. With the vast distance between the cruise company home offices and Alaska it is key to attend events that give face to face contact with cruise line executives, and those who sell cruises. There are three key opportunities for 2023. At Seatrade Cruise Global in Miami, Florida, Visit Sitka will be one of the 8 Premium Sponsor ports represented with a strong presence among ports in the “North to Alaska” Booth. A premium placement gets us in front of the cruise industry market and allows us to connect with the more than 70 cruise lines and 11,000 professionals who are anticipated to attend the cruise industry's premier promotion and networking event. At the Holland America Line Alaska Cruise & Travel Show in Seattle, Visit Sitka connects with the “triangle” of cruise line executives, cruise sellers and consumers. Relationship building is also very important with professionals that sell cruises and continued participation in the American Society of Travel Advisors Global Conference will keep Sitka top of mind, as 80% of cruise travel is booked through travel professionals.

Visit Sitka will continue to increase engagement with the yacht market including a membership with the US Superyacht Association. Visit Sitka will create a welcome packet to be distributed through the Yacht Services of Alaska and the Sitka Harbormasters office.

Media & Partnerships

- Alaska Media Roadshow
- Media Hosting

Media outreach & Public Relations amplifies our message beyond our own fiscal constraints. Partnerships with media help us maintain control over the message of Sitka especially specific issues including ferry services, air travel, etc. Media relationships are built over time, so it is important to keep the message of Sitka in front of as many media outlets as possible. To accomplish this Visit Sitka will represent Sitka at the Alaska Media Roadshow at Las Vegas. The Roadshow is a day of face-to-face meetings with the most influential travel media in the United States to increase editorial coverage of Sitka. Visit Sitka also hosts visiting travel writers in Sitka throughout the year. Last year Visit Sitka hosted 10 journalists, which included hotel nights, guided tours, meals in local restaurants and logistical support. Many more media members were supported via telephone and email. Visit Sitka will continue to open its doors to all media and journalists to continue the message of Sitka as a unique destination.

Advertising

Digital

Digital marketing spans content creation, social media marketing (video & image creation, paid promotion, and ads) including online advertising with search & display ads plus email marketing. Precise targeting of sponsored content on the web gives Visit Sitka the ability to quickly respond to changes in market conditions and other data. This will also give us access to the mobile phone market where a multitude of leisure travelers continue to use their mobile phones to plan their adventures. 96% of leisure travelers own or still regularly use a mobile phone and the use of mobile phones in trip planning before leaving home has tripled in the past 3 years.

Print

In general print vs. digital is a more expensive buy and we plan to focus on partners who can help reach audiences that are ready to travel and in planning stages. Print presents ROI challenges, as it is often difficult to track the audience. Though print can have a long shelf life depending on the publication. Visit Sitka will continue to search out the best publications for our potential visitors, including AAA Journey Magazine. We will continue to advertise in other publications used for trip planning include The Milepost and The Alaska Map.

Social Media

With 95 million photos and videos shared every day on just Instagram we continue to see the tremendous growth in this segment. Social media allows us to reach ever new audiences, improve customer service with real-time feedback, gain market share and increase brand awareness for relatively low cost compared to traditional outlets. It also establishes Visit Sitka as the expert for both visitors and partners. Social media marketing includes video & image creation, paid promotion and ads and platform management. For increased engagement Visit Sitka will create a more programming including producing Instagram stories, short-form video, instructional videos-to enhance visitor experience, enhanced Pinterest boards, expansion on TikTok and “Insta-take overs” with partners to share messages and audiences.

Branded Content

Branded content is content that does not involve traditional advertising. It can include articles, videos, podcasts and even live elements that bring relevant value to the consumer. It is not advertising in the way most people think of advertising (commercials, banner ads, social media ads, etc....). Branded content can work better than traditional advertising because it feels organic and authentic rather than ads that are in our face. When a consumer watch branded content, their brand recall is up to 59% higher than it is with display ads.

Visit Sitka continues to need development support for branded collateral due to the recent investment in a new website and expansion into social media. Sitka needs the “message” of our community to be consistent. This includes expanding our video library and updating walking and hiking maps.

Branded Collateral/Infrastructure

Infrastructure projects help visitors and locals find the resources they need to fully experience Sitka. To continue to give excellent service Visit Sitka will add much needed resource equipment at visitor information locations, and update signage, and to encourage visitation to local eateries with menu stands in high traffic areas. With the significant increase in visitors, additional branded collateral including larger quantities of attractions maps, hiking guides and downtown pocket guides will be needed.

Visitors' Guide

2023-24 Magazine-style Visitors' Guide circulation will be 20,000 printed guides and will feature branded editorial content to ad ratio, featuring full-page visuals and content segmented to reflect the interests of the high potential target audiences. This is the premier piece of collateral that assists with decision making for visiting Sitka and making local activity decisions. Visit Sitka is proud that our new magazine design layout has inspired other DMO's across the state, and each year we receive compliments on our layout, stories, and content. Visit Sitka sends a small percentage of magazines to visitor centers across the state, to increase awareness and interest in Sitka. These magazines will be directly shipped from the printer to save on shipping costs. There will also be an interactive digital on-line version that will include video inserts, scrolling photo galleries and direct to website links. With the majority of the magazines being shipped directly to consumers, and increased postage rates, we anticipate a significant increase in shipping costs.

VisitSitka.org Website

Website Development

Visit Sitka engages visitors to inspire their travel choices and one of our most important platforms to accomplish this is our website. Destination Marketing Organization websites are trusted and value resources for travel planning. Visitsitka.org had over 98,000 visitors during CY21. To keep our website "live" and relevant for visitors, locals and search engines, fresh content and updating is critical. Frequently added content such as a blog, images, updated vendor descriptions or article postings mean more engagement, better rankings, lower bounce rate.

To keep content fresh and relevant examples of projects include to building out a yacht services section, creating a travel trade section with a tool kit to better sell Sitka, creating digital niche guides for specialty travel groups and expanding the Sitka blog, and updating our tourism business images with professional or targeted photography.

Website Maintenance

For the website to maintain functionality it is necessary to invest in maintenance which includes software updates and bug fixes, security scans, minor modifications, and maintaining overall site health. Included in this cost are annual costs such as domain hosting, database support, and online support services.

Tourism Business Training & Events

Visit Sitka is dedicated to not only the visitor experience but enhancing the overall tourism experience in Sitka. To reach this goal Visit Sitka continues to develop training and experiential events for locals and tourism businesses. This includes the Sitka Summer Expo, where locals are encouraged to learn about Sitka's tourism industry: Alaska Host trainings, Convention & Visitor Service meetings and a monthly Visit Sitka monthly informational newsletter.

Special Project

Alaska Fellows Program

FY23: \$20,000

The Alaska Fellows Program, a nine-month postgraduate fellowship program, will place a dynamic recent graduate with Visit Sitka, through Sitka Chamber's non-profit status. The Sitka Winter Fellow would join the team and work on projects that encompass Meeting & Conventions planning, workshops and developing this market further. The Fellow would also work within the tourism and meetings community to coordinate development of expanded programming and training based on partner needs.

Destination Development Association (DDA)

FY23: \$25,000

The DDA team provides one-on-one guidance in their Destination Assessment Program to answer the question "What can we do locally to become a stronger more successful destination for investment, as a place to live, and that will attract increased visitor spending?" DDA has performed this assessment for more than 2,200 communities around the world. Starting with a week-long secret-shopping experience, this photographic look at the community is an eye-opening chance to see the community through the eyes of a first-time visitor: experiencing the community like anyone looking for a place to live, raise a family, retire, work, set up or move a business, or as a tourist. Information about the DDA and the assessment program can be found at <https://www.destinationdevelopment.org/destination-assessments>

Rain Coast Data

FY23: \$7,000

Rain Coast Data—launched 2014—is a full service “cradle-to-grave” economic publication firm with a menu of research options. Projects begin with raw data, interviews, and information collection, and are transformed into short, full-color publications that can be widely used and read. Rain Coast Data performs the research and analysis, creating metrics, graphics, charts, economic multipliers, infographics, writing, layout, and photography. They then arrange for printing or web-posting. Once the publication is complete, they conduct a media rollout of the product.

FY23 Visit Sitka Comprehensive Budget

	Total Budget Required for program	Base Contract	Supplemental Budget
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Revenue

Contract Revenue (FY22 458,600, FY21 500,200)	\$575,000	\$300,000	\$275,000
Revenue Total	\$575,000	\$0	\$0

Operating Expenses

Personnel Expenses	\$206,800	\$206,800	-
Promotion	\$43,550	\$10,000	\$33,550
Occupancy	\$40,960	\$40,960	-
Advertising	\$51,600	\$2,000	\$24,600
Website Development	\$5,000	-	\$5,000
Website Maintenance	\$13,690	\$7,000	\$6,690
Promotion	\$29,750	\$1,000	\$28,750
Contracted Services	\$73,400	\$3,400	\$70,000
Supplies, Printing & Postage	\$57,750	\$27,840	\$29,910
Professional Development	\$2,500	-	\$2,500
Media & Public Relations	\$50,000	\$1,000	\$49,000
Roger Brooks Special Project	\$25,000	-	\$25,000

Revenue	\$575,000	\$300,000	\$275,000
Expense	\$0	\$300,000	\$275,000
Profit (Loss)	\$575,000	\$0	\$0

Total Profit (Loss) \$0

Visit Sitka Unrestricted Revenue \$102,500



Visit Sitka

2022 | 2023 | 2024

3-YEAR Strategic Marketing Plan

March 22, 2022

VISIT SITKA

104 Lake Street, Sitka, Ak 99835

Background

The Greater Sitka Chamber of Commerce links businesses with other leading Sitka area business members, officers, leaders, managers, and elected officials to enhance economic growth and development. The two top Long-Term Priorities for the Sitka Chamber Board 2018-2023: **INCREASE SITKA VISITATION THROUGH INCREASED PROMOTION AND MARKETING** and the successful execution of the Convention & Visitors Services Contract and **SUPPORT ECONOMIC DEVELOPMENT AND JOB CREATION** through activities that attract new business and growth of existing businesses in Sitka.

The Greater Sitka Chamber of Commerce has been contracted by the City and Borough of Sitka to promote Sitka as a travel destination supporting an important local economic driver since 2015. Visit Sitka currently represents 200 businesses within the community and across southeast Alaska. The Visitor Industry is SE largest private sector in terms of both jobs and wages - accounting for 11% of all employment earnings and has the strongest outlook of all Southeast Alaska industries. (Southeast Conference. Southeast Alaska by the Numbers 2020).

With its role as a Destination Marketing Organization (DMO), Sitka Chamber launched Visit Sitka utilizing industry trends and best practices. DMOs look at the whole tourism industry in a place, facilitate private/public sector and stakeholder collaboration, care for the tourism value chain. They develop programs for telling a unique destination story while becoming warm hosts for visitors no matter the purpose of their journey. Visit Sitka has a growing audience, which will continue to increase with a strong approach to telling the Sitka story. We are the best source of inspiration for travelers and planners looking to discover the magic of a Sitka getaway.

This three-year strategic marketing document will guide Visit Sitka's work scope and investments. It builds on the previous 3-Year Strategic Marketing Plan 2019-2021 and serves as a blueprint for staff and committees developing specific annual work plans. This strategic marketing plan aims to boost Sitka tourism brand awareness and visitation revenues while maintaining and increasing non-resident travel to and spending in Sitka. It is responsive to the travel environment specific to Sitka including demographics and modes of transportation as well as changes in technology, consumer travel trends, demographics and unique place challenges.

Guiding Principles

Do what the community cannot do for itself: Visit Sitka will provide a marketing platform to promote the Sitka brand. Tourism businesses have limited funds and Visit Sitka provides an efficient way to extend the reach of marketing efforts.

1. Grow the platform for promoting Sitka as a visitor destination.

Increase visitor numbers and individual spend per visitor as well as support members and the community promoting Sitka as a destination by building an integrated multi-channel marketing platform.

2. Increase brand impact.

Increase the visibility and appeal of Sitka as a visitor destination, as well as promote a clear understanding of its offer with specific target audiences, by developing and promoting an effective, high-impact brand presence.

3. Expand engagement.

Convert visitors into ambassadors and leverage the enormous potential of user-generated content and word-of-mouth recommendations by engaging with visitors and potential visitors at all stages of the customer journey.

4. Target effectively.

Using a cost/benefit approach Visit Sitka programs work towards enhancing economic vitality and quality of life for residents of Sitka. Marketing efforts prioritize effective targeting over broad reach, utilizing content designed to connect with specific high-potential niches rather than for general appeal. Maximize the return on investment (ROI) of Visit Sitka's marketing activities and reach potential visitors by focusing efforts on specific high-growth potential visitor audiences.

Visit Sitka's Role

Visit Sitka has a presence and function at all stages of the [travel customer journey](#), including enhancing the quality of visitor experiences and managing perceptions of Sitka as a destination across multiple channels. Visit Sitka can influence decisions of customers as they move along this journey by:

Showcase Sitka

- Visit Sitka will provide potential visitors with visual content for their inspiration moments. Content will evoke emotion by showing unique & authentic experiences Sitka offers visitors.
- Visit Sitka will know where people are looking for inspiration for their trips and be present

and engage with their audience across a variety of platforms.

- Visit Sitka will monitor, respond to, and leverage user-generated content such as online reviews and hashtag adoption as part of their marketing efforts.
- Visit Sitka will consistently strive to identify and create new experiences to market to targets that fit within the unified vision of the Visit Sitka brand.

Support outstanding experiences for visitors

- Visit Sitka will support excellence in all aspects of the visitor experience, in order to nurture and improve word of mouth.
- Visit Sitka will capitalize on the enthusiasm of visitors by encouraging and harnessing the potential of user generated content.
- Visit Sitka will actively pursue engagement with visitors throughout the customer journey.
- Visit Sitka will educate members to understand the new approach to marketing and assist them in developing the tools they need to support this effort, e.g. social media skills, cross promotion, hashtag promotion, soliciting online reviews.

Cultivate on-going connections with previous visitors

- Visit Sitka will steward an ongoing relationship with visitors to remain front of mind and amplify word of mouth recommendations.
- Visit Sitka will use social media as a way to connect and engage with Sitka's fans, deepening connections, fostering conversation, and benefiting from an active body of online ambassadors.
- Visit Sitka will encourage economic development by investing in travel marketing and promotion, creating demand, generating visitor spending, spurring new jobs & tax revenues.

Strategies

1) Marketing resources should be focused on digital, and in particular, social media.

Online channels increasingly dominate the travel customer journey, with 90% of American travelers finding inspiration in some kind of online media (a significant increase since the last Visit Sitka 3-year plan) and only 11% finding it through traditional offline media (print and TV combined), a number which continues to fall.

Beyond the inspiration stage, 95% of travelers stated that they have used user-generated content while planning trips in the past year (particularly reviews) and 57% of travelers used social media to plan their trips. This stands in opposition to only 12% of travelers who used a

travel specialist for information.

Combined with the opportunity to target audiences these numbers show that the advantages of dedicating resources to digital marketing opportunities vastly outweigh the potential benefits of offline marketing channels.

2) Prioritize effective targeting by creating content designed to connect with specific high-potential niches rather than for general appeal.

Tailoring your voice, content, and promotion strategy to the interests and aspirations of niche audiences is the only effective way to make an impact with a hyper-informed customer.

Content must be produced with both a purpose and target. Focusing on well-defined niche audiences will enable you to speak directly to their motivations, desires, and values. Not only is this approach more powerful than traditional messaging, but it enables you to reach better qualified travelers.

3) Reveal authentic experiences to potential visitors through compelling storytelling.

When it comes to travel and leisure, emotions drive demand. Visit Sitka's marketing effort will focus on sharing marketing experiences rather than attractions. To do this effectively, Sitka will deliver content specifically designed to harness the power of storytelling. High-impact visual storytelling will inspire the emotions which drive interest and subsequently visitor demand. To identify which experiences to promote, Visit Sitka will consider the aspirations and dreams of targeted niche audiences and identify where this intersects with Sitka's scenic beauty, wildlife, Native heritage, and adventure.

4) Promote word-of-mouth recommendations and engage with former, current, and potential visitors as part of Visit Sitka's core marketing activities.

Research tells us that when seeking inspiration, word-of-mouth recommendations are the preferred source of information. While what you tell people about Sitka is less valuable than what they tell each other, by orchestrating excellent experiences, fostering ongoing engagement with visitors, and encouraging them to share recommendations about their trip, Visit Sitka can sow the seeds for long-term visitor growth. Working with influencers also gives Visit Sitka credible word-of-mouth promotion to a large audience direct from a respected and aspirational source. This is particularly useful when trying to target new audiences who may not have personal connections to people who have previously visited.

Target Audiences

Cruise ship visitors

Cruise ships are currently the primary source of visitor traffic. Capacity and traffic are determined by the cruise lines who set the itineraries and select the ports of call for their vessels, and secondarily by travel agents who make the majority of bookings in this segment. Marketing to this audience should therefore be divided into distinct segments and primarily regarded as a business-to-business activity, with an appropriate emphasis on relationship building and face-to-face interactions.

For cruise ship traffic, there are three distinct audience segments to target separately:

1. **Cruise lines (B2B):** Executives, planners and deployment personnel at cruise lines who are the decision-makers and influencers that determine the schedule and ports of calls for cruise vessels
2. **Travel consultant community (B2B):** Travel consultants book 80% of all cruise travelers in the world
3. **Passengers/cruisers:** Encourage cruise travelers to choose itineraries that include Sitka.

Meeting, conference, and convention visitors

Sitka has growth-potential as a meeting, conference, and convention destination: an outstanding natural setting; low-distraction, 'retreat' style environment; great facilities and service, as well as ample accommodation options; and is easily accessible from Seattle and Anchorage. Meetings and conferences offer Visit Sitka an opportunity to increase visitors in a segment that generates income, employment, and investment opportunities, in addition to producing higher spending levels than other visitor groups and offsetting seasonal reductions in visitor numbers. Sitka's offering is particularly suited to small-group executive, incentive travel and C-level events, a segment for which Sitka's higher access costs are less relevant.

As with cruise line visitors, end-users, or event attendees, are not the drivers of demand for this segment. Decision-makers and -influencers are found among meeting and events planners, as well as at the executive level within customer organizations. Marketing efforts and information resources should therefore be designed to respond directly to the needs and interests of these individuals.

Marketing to Established Audiences

Cruise ship visitors

As described in the Target Audience section, this audience is divided into three separate segments:

1. Cruise line executives and planners

Executives and planners at the cruise lines are the key decision-makers influencing cruise visitor volume. As with other business-to-business marketing targets, ongoing investment in relationship building, and face-to-face interactions with individuals are critical.

Marketing activities directed at this audience will therefore:

- Maximize opportunities to meet with representatives from the cruise lines, attendance at key cruise line industry conferences and trade shows (for example Seatrade)
- Make regular presentations to cruise line executives and planners demonstrating ongoing improvements to the ship guest experience in Sitka and touching on all factors influencing the selection of ports of call.
- Continue to market Sitka as a distinct destination brand, focusing on its unique historical, geographical and cultural features to distinguish it from other potential ports of call.
- Assist the cruise lines by marketing directly to travel agents by providing high quality visual and information resources to support planning and marketing.
- Gain exposure through industry media stories, partnerships with CLIA, CLAA and other relevant organizations.

2. Travel consultant community

The vast majority of cruise ship bookings still take place through a travel agent. Therefore high-levels of customer satisfaction and strong brand differentiation, translating to recommendations from this audience are highly valuable.

Marketing activities directed at the travel consultant community should therefore:

- Continue to position Sitka as a distinct destination focusing on its unique selling points to establish a strong sense of place recognition/differentiation.
- Maximize attendance at industry trade shows.

- Develop with ATIA, CLIA, CLAA, etc, and opportunities to feature in industry media stories to increase exposure with this audience.

3. Cruise ship passengers

Marketing activities directed at cruise ship passengers will:

- Focus on converting these visitors to ambassadors for word-of-mouth recommendation and positive user-generated content and reviews.
- Deliver experiences which encourage cruisers to report high-levels of satisfaction to the cruise lines, a significant factor used to determine vessel itineraries.
- Increase spend while in Sitka using in port marketing to highlight the unique experiences, products, and artwork for sale that are unavailable elsewhere (consider geotargeting).

Meetings, conference and event visitors

Marketing activities focused on developing this meetings, conference and event visitors will:

- Target meeting planners and event organizers, particularly within Alaska, Western US and government entities. Focusing on Alaska-based customers lowers the hurdles (both imaginary and financial) for hosting an event located in Sitka.
- Sell Sitka as a unique venue for exclusive/executive level gatherings, emphasizing the quality of the services available as well as its beautiful, low-distraction setting.
- Make beautiful, well-presented information, collateral and resources on Sitka's offer easily accessible.



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 22-051 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/16/2022 In control: City and Borough Assembly

On agenda: 3/22/2022 Final action:

Title: Reminders, Calendars, and General Correspondence

Sponsors:

Indexes:

Code sections:

Attachments: [01 Calendars and Reminders Word](#)
[02 Hackett-Service Award](#)
[03 Morse-Service Award](#)
[04 2022 Recertification Ltr to Mayor](#)
[05 2022 Proclamation from USCG](#)

Date	Ver.	Action By	Action	Result
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REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, March 22	Work Session: <i>Chamber/Visit Sitka Annual Plan and FY23 Budget</i>	5:00 PM
Tuesday, March 22	Regular Meeting	6:00 PM
Saturday, March 26	Work Session: <i>Assembly and CBS Staff Strategic Plan</i>	8:00 AM
Tuesday, March 29	Special Budget Meeting <i>Enterprise/Internal Funds</i>	6:00 PM
Thursday, April 7	Special Budget Meeting <i>All Funds</i>	6:00 PM
Tuesday, April 12	Regular Meeting	6:00 PM



March 2022

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
27 Feb	28	1 Mar	2	3	4	5
		6:30pm Climate Action Task Force - Liaison Mosher	6:00pm Library Commission- Liaison Miller 6:00pm School Board - Liaison Himschoot 7:00pm Planning Commission- Liaison Christianson	6:00pm Special Budget Meeting - General Fund		
6	7	8	9	10	11	12
		12:00pm Parks and Recreation Committee- Liaison Knox 6:00pm Regular Assembly Mtg	5:00pm Tree & Landscape - Liaison Himschoot 6:00pm Historic Preservation Commission- Liaison Miller 6:00pm Ports & Harbors- Liaison Knox	12:00pm Local Emergency Planning- Liaison Miller		
13	14	15	16	17	18	19
			12:00pm Health Needs & Human Services - Liaison Duncan 7:00pm Planning Commission - Liaison Christianson			
20	21	22	23	24	25	26
		5:00pm Work Session: Chamber/Visit Sitka - annual marketing plan and FY23 budget 6:00pm Regular Assembly Mtg	5:30pm Police and Fire - Liaison Duncan			Work Session: Assembly and CBS Staff - Strategic Plan
27	28	29	30	31	1 Apr	2
		6:00pm Special Budget Meeting - Enterprise/Internal Service Funds				

April 2022

Sunday		Monday	Tuesday	Wednesday	Thursday	Friday		Saturday
27	<u>Mar</u>	28	29	30	31	1	<u>Apr</u>	2
			6:00pm Special Budget Meeting - Enterprise/Internal Service Funds					
3		4	5	6	7	8		9
			6:30pm Climate Action Task Force - Liaison Mosher	6:00pm Library Commission- Liaison Miller 6:00pm School Board - Liaison Himschoot 7:00pm Planning Commission- Liaison Christianson	6:00pm Special Budget Meeting - All Funds			
10		11	12	13	14	15		16
			12:00pm Parks and Recreation Committee- Liaison Knox 6:00pm Regular Assembly Mtg	5:00pm Tree & Landscape - Liaison Himschoot 6:00pm Historic Preservation Commission- Liaison Miller 6:00pm Ports & Harbors- Liaison Knox	12:00pm Local Emergency Planning- Liaison Miller			
17		18	19	20	21	22		23
			6:00pm Special Meeting: Evals of Municipal Attorney and Administrator	12:00pm Health Needs & Human Services - Liaison Duncan 7:00pm Planning Commission - Liaison Christianson				
24		25	26	27	28	29	30	<u>May</u>
			6:00pm Regular Assembly Mtg	5:30pm Police and Fire - Liaison Duncan				

May 2022

Sunday		Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	May	2	3	4	5	6	7
		6:00pm Board of Equalization	6:30pm Climate Action Task Force - Liaison Mosher	6:00pm Library Commission- Liaison Miller 6:00pm School Board - Liaison Himschoot 7:00pm Planning Commission- Liaison Christianson			
8		9	10	11	12	13	14
			12:00pm Parks and Recreation Committee- Liaison Knox 6:00pm Regular Assembly Mtg	5:00pm Tree & Landscape - Liaison Himschoot 6:00pm Historic Preservation Commission- Liaison Miller 6:00pm Ports & Harbors- Liaison Knox	12:00pm Local Emergency Planning- Liaison Miller		
15		16	17	18	19	20	21
				12:00pm Health Needs & Human Services - Liaison Duncan 7:00pm Planning Commission - Liaison Christianson			
22		23	24	25	26	27	28
			6:00pm Regular Assembly Mtg	5:30pm Police and Fire - Liaison Duncan			
29		30	31	1 Jun	2	3	4
				6:00pm Library Commission- Liaison Miller 6:00pm School Board - Liaison Himschoot 7:00pm Planning			

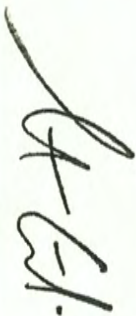
Service Award

On behalf of the City and Borough of Sitka is hereby awarded to

Lexi Fish Hackett

*this expression of grateful acknowledgment for your
valued service rendered in the public interest while serving on the
Health Needs and Human Services Commission. Thank you!*

Signed and sealed this 22nd day of March 2022



Mayor, Steven Eisenbeisz



ATTEST: Municipal Clerk, Sara Peterson



Service Award

On behalf of the City and Borough of Sitka is hereby awarded to

Stephen Morse

*this expression of grateful acknowledgment for your four years of
valued service rendered in the public interest while serving on the
Library Commission. Thank you!*

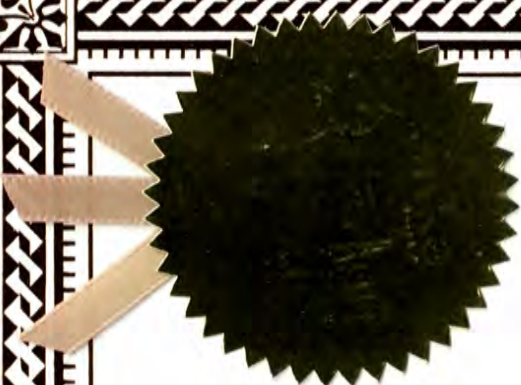
Signed and sealed this 22nd day of March 2022



Mayor Steven Eisenbeisz



ATTEST: Municipal Clerk, Sara Peterson



U.S. Department of
Homeland Security

United States
Coast Guard



Commandant
United States Coast Guard

2703 Martin Luther King Jr Ave SE
Washington, DC 20593-7000
Staff Symbol: CCG
Phone: (202) 372-4411
Fax: (202) 372-8302

5726

FEB 25 2022

The Honorable Steven Eisenbeisz
Mayor, Sitka
100 Lincoln Street
Sitka, AK 99835

Dear Mayor Eisenbeisz:

Thank you for your letter dated June 28, 2021, requesting Sitka be recertified a "Coast Guard City." I deeply appreciate the years of continued support Sitka has given our Coast Guard women and men. I am pleased to inform you that Sitka has been recertified a "Coast Guard City" in recognition of your ongoing support.

In accordance with Public Law 105-383, Section 409, your designation will continue for five years. To recertify, Sitka must provide a recertification package on or before June 30, 2027, describing its on-going relationship with the Coast Guard, including examples of recent programs and projects.

I am grateful for the longstanding relationship that exists between the Coast Guard and Sitka. I know this relationship will continue well into the future.

Sincerely,

A handwritten signature in blue ink, reading "Karl L. Schultz". The signature is stylized with a large, looping "S" at the end.

Karl L. Schultz
Admiral, U.S. Coast Guard

Proclamation of the United States Coast Guard



WHEREAS, the people of Sitka, Alaska, share a special and unique history with the United States Coast Guard and have provided a home for the Coast Guard since 1977; and

WHEREAS, the Coast Guard presence in the City has grown and evolved, with the cultivation of a mutually supportive and beneficial relationship between local Coast Guard units and the people of Sitka; and

WHEREAS, the City and Borough of Sitka coordinates a community-wide Sitka Coast Guard City Celebration featuring activities and complimentary food and beverages for Coast Guard personnel and their families every few years; and

WHEREAS, the University of Alaska Southeast (UAS), located near base housing, provides college courses and seminars with in-state tuition rates for Coast Guard active duty and veterans, their spouses, and children; and


WHEREAS, the people of Sitka encourage Coast Guard families to participate in educational programs, support scholarship programs for Service members and families, and seek spouses as aides and substitute teachers or volunteers at local schools or institutions; and

WHEREAS, the Sitka Chamber of Commerce honors members of the Coast Guard as "Community Heroes" at its Chamber Banquet every five years. Also, the Chamber prepares "Welcome to Sitka" bags featuring information about Sitka Schools, businesses, recreational opportunities, and events, including special coupons for Coast Guard personnel to use in local businesses, and provides "Silver Saver Discount Cards" in each bag; and

WHEREAS, the friendliness and hospitality of Sitka are reflected in the multitude of special events throughout the year and services including discounts from businesses for Coast Guard members and their families in the community to honor their contributions to the nation;

NOW, THEREFORE, I, KARL L. SCHULTZ, Commandant of the United States Coast Guard, in accordance with Public Law 105-383 enacted by the United States Congress and signed by the President on November 13, 1998, do hereby take great pleasure in proclaiming that Sitka, Alaska, is to be officially recertified as a "Coast Guard City."

IN WITNESS WHEREOF, I have hereunto set my hand this ninth day of February, in the year of our Lord two thousand twenty-two.


Admiral, U.S. Coast Guard
Commandant



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 22-048 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/15/2022 In control: City and Borough Assembly

On agenda: 3/22/2022 Final action:

Title: Police and Fire Commission, Chair Gregg Olson

Sponsors:

Indexes:

Code sections:

Attachments: [Special Report](#)

Date	Ver.	Action By	Action	Result
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SPECIAL REPORT

Police and Fire Commission
Chair Gregg Olson



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 22-044 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/15/2022 In control: City and Borough Assembly

On agenda: 3/22/2022 Final action:

Title: Approve the minutes of the March 3 and March 8 Assembly meetings

Sponsors:

Indexes:

Code sections:

Attachments: [Consent and Minutes](#)

Date	Ver.	Action By	Action	Result
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CONSENT AGENDA

POSSIBLE MOTION

**I MOVE TO APPROVE THE CONSENT AGENDA
CONSISTING OF ITEMS A & B.**

I wish to remove Item(s) _____

**REMINDER – When making the motion to approve the
consent agenda, please read the title of each item
being voted on that is included in the consent vote.**

Should this item be pulled from the Consent Agenda the following motion is suggested:

POSSIBLE MOTION

I MOVE TO approve the minutes of the March 3 and March 8 Assembly meetings.



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
330 Harbor Drive
Sitka, AK
(907)747-1811

Minutes - Draft

City and Borough Assembly

*Mayor Steven Eisenbeisz,
Deputy Mayor Kevin Knox,
Vice Deputy Mayor Kevin Mosher,
Thor Christianson, Crystal Duncan, Rebecca Himschoot,
David Miller*

*Municipal Administrator: John Leach
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Thursday, March 3, 2022

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. RECITAL OF LANDS ACKNOWLEDGEMENT

IV. ROLL CALL

Present: 7 - Christianson, Knox, Mosher, Eisenbeisz, Himschoot, Duncan, and Miller

V. SPECIAL REPORT (10 minutes):

[22-033](#)

Community Recreation Initiative Group

Andrew Friske, a member of the Sitka Recreation Initiative work group, told of the goal to reestablish and revitalize centralized community recreational opportunities for youth and adults in Sitka. Friske told of the health benefits, organizational framework, funding structure, draft memorandum of agreement between the Sitka School District and City, timeline, and history of a Community Schools programs in Sitka. Administrator Leach added with this initiative, a Parks and Recreation Department would be created within the City. Those employees would assist with community recreation and other city recreation needs - e.g. maintenance of playgrounds, and fields.

VI. PERSONS TO BE HEARD

Annette Evans, Coordinator of the Ventures school program, told of the need for childcare in Sitka and looked forward to discussing how Ventures could better serve the community through the Community Recreation program.

VII. NEW BUSINESS:

A [22-034](#)**Discussion / Direction / Decision of the FY2023 Draft Administrator's Budget with focus on the General Fund (Assembly action may be taken)**

Administrator Leach spoke to the FY2023 draft General Fund (GF) budget and said, for budget preparation, it would be helpful to receive feedback on desired changes. Finance Director Melissa Haley provided an overview of the (GF), reviewed revenue and expenditure trends, told of budget areas in which there may be change - union negotiations, health insurance, spoke to new capital appropriations, and deferred infrastructure repairs. Preliminarily, the GF budget assumed a surplus of \$607,000 and an investment of \$3,425,000 in infrastructure.

Assembly members discussed the various positions. Full-time Employees (FTEs) needed to address the increase in tourism were: Police (1 MSO, 1 Police Officer), Fire (1 Engineer, 1/2 Office Assistant), Streets (1 Streets Superintendent). Other FTEs: Planning (1 Sustainability Coordinator, 1 Planning Manager), Public Works (1 Senior Engineer), Building Department (1 Plan Reviewer), Police (1 Code Enforcement Officer), Community Recreation (1 Parks and Rec Coordinator, 1 Parks and Rec Specialist). Contracted services: \$45,000 for managing and prioritizing risk and \$150,000 for a port authority. Leach provided additional information on the new program's improvements to core services specifically the Code Enforcement Officer, Community Recreation, lobbying, and Sustainability Coordinator. Assembly members, noted code enforcement would be new for Sitka, and stressed the importance of finding the right individual for the job and that education be education-based. Regarding Community Recreation, Leach reminded the two positions would focus not only on the work of a Community Recreation program but also attend to other recreation needs within the City. To plan for future needs, Assembly members requested a facilities assessment of the schools be wrapped in with the City facilities assessment. The addition of a Sustainability Coordinator was also seen to be of great benefit to the Municipality. While some members expressed concern whether moving forward with all positions at once would be sustainable, a consensus was given for the Administrator to do so.

B [22-035](#)**Discussion / Direction / Decision, if desired, of the FY2023 Draft Administrator's Budget as it relates to the General Fund, Enterprise Funds, Internal Service Funds, School Funding, and other Funds (Assembly action may be taken)**

Himschoot wondered about the last meeting to change rates. Finance Director Melissa Haley stated changes could be made at the remaining budget meetings or at the 1st reading of the budget ordinances in May.

VIII. PERSONS TO BE HEARD:

None.

IX. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:20pm.

ATTEST: _____
Sara Peterson, MMC

Municipal Clerk



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
330 Harbor Drive
Sitka, AK
(907)747-1811

Minutes - Draft

City and Borough Assembly

*Mayor Steven Eisenbeisz,
Deputy Mayor Kevin Knox,
Vice Deputy Mayor Kevin Mosher,
Thor Christianson, Crystal Duncan, Rebecca Himschoot,
David Miller*

*Municipal Administrator: John Leach
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Tuesday, March 8, 2022

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. RECITAL OF LANDS ACKNOWLEDGEMENT

IV. ROLL CALL

Present: 6 - Knox, Mosher, Eisenbeisz, Himschoot, Duncan, and Miller

Absent: 1 - Christianson

V. CORRESPONDENCE/AGENDA CHANGES

None.

[22-041](#)

Reminders, Calendars, and General Correspondence

VI. CEREMONIAL MATTERS

None.

VII. **SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Municipal Departments, School District, Students and Guests (five minute time limit)**

Sitka School Board President Amy Morrison gave an update on the strategic planning process and told of activities and events in the District.

[22-036](#)

Special Reports: 1) Historic Preservation Commission, Chair Roby

Littlefield, and 2) Alaska Department of Fish and Game - Stephen Bethune, Wildlife Biologist

Roby Littlefield, Chair of the Historic Preservation Commission, mentioned the duties of the Commission, told of the Certified Local Government programs and spoke to the local historic preservation plan.

Alaska Department of Fish and Game (ADF&G) Wildlife Biologist, Stephen Bethune, offered support for the re-establishment of the Sitka Bear Task Force (SBTF). He stated 2021 was an unprecedented year for bear activity in Sitka. Bethune said the reestablishment of the SBTF would provide a unified front. The policy of ADF&G was to prevent human injury, minimize loss of property and unnecessary loss of bears, and assist the public in avoiding and dealing with bear/human conflict while maintaining sustainable bear populations.

VIII. PERSONS TO BE HEARD

Brett Wilcox spoke in opposition to mask mandates and COVID-19 vaccinations. Richard Wein stated there was no real informed consent for vaccines, noted adverse side effects, and said there was no real advantage to young people receiving the COVID-19 vaccine.

IX. CONSENT AGENDA

A motion was made by Knox that the Consent Agenda consisting of items A & B be APPROVED. The motion PASSED by the following vote.

Yes: 6 - Knox, Mosher, Eisenbeisz, Himschoot, Duncan, and Miller

Absent: 1 - Christianson

A [22-037](#) Approve the minutes of the February 17 and 22 Assembly meetings

This item was APPROVED ON THE CONSENT AGENDA.

B [22-038](#) Approve a liquor license renewal application for Sitka Lodge No. #1350 Loyal Order of Moose dba Loyal Order of Moose #1350 at 337 Lincoln Street

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

C [22-039](#) Reappoint Tamy Stevenson to a three-year term on the Port and Harbors Commission

Richard Wein thanked Stevenson for reapplying.

A motion was made by Mosher that this Item be APPROVED. The motion PASSED by the following vote.

Yes: 6 - Knox, Mosher, Eisenbeisz, Himschoot, Duncan, and Miller

Absent: 1 - Christianson

XI. UNFINISHED BUSINESS:

- D** [ORD 22-03](#) Making supplemental appropriations for fiscal year 2022 (Lincoln Street Closure Expenses)

Richard Wein spoke in opposition.

A motion was made by Mosher that this Ordinance be APPROVED on SECOND AND FINAL READING.

Yes: 5 - Knox, Mosher, Himschoot, Duncan, and Miller

No: 1 - Eisenbeisz

Absent: 1 - Christianson

XII. NEW BUSINESS:**New Business First Reading**

- E** [ORD 22-04](#) Amending Title 11 "Vehicles and Traffic" of the Sitka General Code by updating Chapter 11.75 "All-Purpose Vehicles" by amending Section 11.75.040 "Operations of APVs on Public Roadways within the City and Borough"

A motion was made and seconded. After public testimony and discussion, the sponsors, Knox and Mosher, withdrew their motion. They said they'd be working with the Municipal Attorney to clarify the proposed code language.

From the public, Victor Littlefield, Richard Wein, Nicholas McGraw, Mike Finn, and Valorie Nelson spoke in opposition.

After public testimony, Municipal Attorney Hanson clarified the proposed code language intended was to prevent all-purpose vehicles (APV) from being hired - e.g. commercial tours. He stated it was not to prevent an APV from being used for business work purposes. Sponsors, Knox and Mosher, agreed and explained their concern was one of safety - a business being established for APV tours and renting to visitors who were unfamiliar with Sitka streets.

A motion was made by Eisenbeisz to REFER the ordinance to the Police and Fire Commission for review. The motion FAILED by the following vote.

Yes: 3 - Miller, Eisenbeisz, and Himschoot

No: 3 - Mosher, Duncan, and Knox

Absent: 1 - Christianson

From the public, Richard Wein spoke in opposition.

Duncan wondered if the Police and Fire Commission was the appropriate review body. Knox and Mosher expressed concern about delaying the process in the event

someone was considering substantial investment in APVs for tour use.

A discussion of the Assembly ensued. Miller stated he was more comfortable with a UTV (side-by-side) being used for tours as opposed to an ATV, citing inexperienced riders. Members Duncan and Himschoot expressed appreciation to the sponsors for bringing the ordinance forward and encouraged clarifying language.

F [ORD 22-05](#)

Instating a temporary moratorium on the issuance of conditional use permits for short-term rentals in the R-1 or related zones and R-2 or related zones

Sponsors, Mosher and Knox, provided a summary of their intent behind bringing the item forward. They stated the importance of taking measures to protect the availability and affordability of housing in Sitka - something already in dire need. In anticipation of the rapid growth of tourism, they expected availability and affordability to further diminish. They both believed the decision of a moratorium was ultimately a policy decision of the Assembly, hence the reason for not taking it to the Planning Commission.

From the public, Wendy Alderson, Katie Riley, Ben Kinzer, and Tory O'Connell Curran spoke in support of the ordinance. Laurie Booyse stated lack of affordable housing was the crux of the problem. Jackie Foss reminded of the benefits of short-term rentals such as subsidized housing for long-term Sitka residents. Richard Wein said it was important to know the difference between affordable housing and acquirable housing.

Himschoot disclosed she operated a short-term rental. Eisenbeisz ruled there was no conflict. Assembly members discussed and many expressed a desire for data. Eisenbeisz wondered if the conditions for issuing short-term rentals should be reviewed. Himschoot agreed. Eisenbeisz reminded while the ordinance was directed at short-term rentals in residential zones, there were many short-term rentals in commercial, central business, and island districts; all allowed uses. He was disappointed the item hadn't been brought before the Planning Commission first. Knox reminded there was little data available - another reason to place a temporary pause on the issuance of permits. Duncan expressed the need for more information to make an informed decision. She also expressed a desire for Planning Commission input as did Miller. Himschoot reiterated there was a need for data and wondered if short-term rentals were the problem. Miller reemphasized there was a limited number of housing options in Sitka.

A motion was made by Mosher that this Ordinance be APPROVED on FIRST READING. The motion PASSED by the following vote.

Yes: 5 - Knox, Mosher, Himschoot, Duncan, and Miller

No: 1 - Eisenbeisz

Absent: 1 - Christianson

Additional New Business Items

G [RES 22-06](#)

Increasing cruise ship tender fees

Administrator Leach said cruise lines inquired each winter about tender fees for the upcoming season. Knox reminded the fees applied only for cruise ships tendering to city docks.

Richard Wein spoke in support of the resolution.

A motion was made by Himschoot that this Resolution be APPROVED on FIRST AND FINAL READING. The motion PASSED by the following vote.

Yes: 6 - Knox, Mosher, Eisenbeisz, Himschoot, Duncan, and Miller

Absent: 1 - Christianson

H [22-040](#)

Discussion / Direction / Decision for the reorganization of the Sitka Bear Task Force

Sponsors, Duncan and Himschoot, referenced the presentation by Alaska Department of Fish and Game biologist, Stephen Bethune. Speaking to the record number of human-bear interactions in 2021, Duncan and Himschoot hoped to reestablish the Sitka Bear Task Force (SBTF).

Administrator Leach emphasized this was a community issue and commitment was needed from all citizens. Assembly members agreed. Leach reminded bear-resistant cans had been recommended in the past, however, the solution was cost-prohibitive. The hope by reestablishing the SBTF was that there would be new recommendations, in addition to what the previous SBTF had determined. Eisenbeisz wondered about comprehensive trash ordinance and a bear population study. Bethune stated a population estimate that had never been conducted on Baranof Island. He also shared that Canmore, British Columbia, and Durango, Colorado had been successful in reducing human-bear interactions with the use of bear-resistant cans. He, too, reminded community collaboration was needed.

Andrew Thoms, a member of the former BTF, said the issue was learning to live with bears. Collaboration, education, and behavioral change were paramount to success.

XIII. PERSONS TO BE HEARD:

Richard Wein acknowledged the passing of Grace Larsen and Ethel Makinen. In addition he spoke about short-term rentals, COVID-19, bears, APVs, and COVID-19 vaccinations in children.

XIV. REPORTS

a. Mayor, b. Administrator, c. Attorney, d. Liaison Representatives, e. Clerk, f. Other

Administrator - Leach reported he was watching for updates on HB303.

Liaison Representatives - Knox reported on the Parks and Recreation Committee meeting. Himschoot reported on the work of the Tree and Landscape Committee.

XV. EXECUTIVE SESSION

XVI. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:31pm.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 22-045 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/15/2022 In control: City and Borough Assembly

On agenda: 3/22/2022 Final action:

Title: Approve liquor license renewal applications for the following: 1) The Longliner Lodge and Suites at 485 Katlian Street, 2) Beak, LLC dba Beak Restaurant at 2 Lincoln Street Suite 1A, 3) SOE, LLC dba Asian Palace at 327 Seward Street #1, and 4) SOE, LLC dba Little Tokyo at 315 Lincoln Street #112

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Memos](#)
[#4117 Longliner Lodge](#)
[#4971 Beak Restaurant](#)
[#4595 Asian Palace](#)
[#4428 Little Tokyo](#)

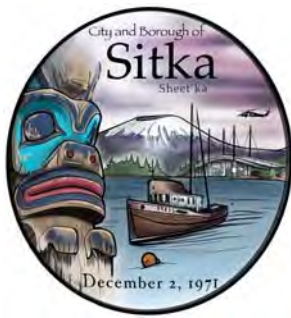
Date	Ver.	Action By	Action	Result
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Should this item be pulled from the Consent Agenda the following motion is suggested:

POSSIBLE MOTION

I MOVE TO approve liquor license renewal applications for the following and forward these approvals to the Alcoholic Beverage Control Board without objection:

- The Longliner Lodge and Suites at 485 Katlian Street,
- Beak, LLC dba Beak Restaurant at 2 Lincoln Street Suite 1A,
- SOE, LLC dba Asian Palace at 327 Seward Street #1, and
- SOE, LLC dba Little Tokyo at 315 Lincoln Street #112.




CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

From: Sara Peterson, Municipal Clerk

Date: March 15, 2022

Subject: Liquor License Renewals - Longliner Lodge and Suites, Beak Restaurant, Asian Palace, and Little Tokyo

The Municipal Clerk's Office has received notification of the following liquor license renewal applications submitted by:

Lic #: 4117
DBA: The Longliner Lodge and Suites
License Type: Beverage Dispensary
Licensee: The Longliner Lodge & Suites
Premises Address: 485 Katlian Street

Lic #: 4971
DBA: Beak Restaurant
License Type: Restaurant/Eating Place
Licensee: Beak, LLC
Premises Address: 2 Lincoln Street Suite 1A

Lic #: 4595
DBA: Asian Palace
License Type: Restaurant/Eating Place
Licensee: SOE, LLC
Premises Address: 327 Seward Street #1

Lic #: 4428 (*note – license not currently in use*)
DBA: Little Tokyo
License Type: Restaurant/Eating Place – Public Convenience
Licensee: SOE, LLC
Premises Address: 315 Lincoln Street #112

Memos were circulated to the various departments who may have a reason to protest these requests. No departmental objections were received.

Recommendation:

Approve liquor license renewal applications for the following and forward these approvals to the Alcoholic Beverage Control Board without objection: 1) The Longliner Lodge and Suites at 485 Katlian Street, 2) Beak, LLC dba Beak Restaurant at 2 Lincoln Street Suite 1A, 3) SOE, LLC dba Asian Palace at 327 Seward Street #1, and 4) SOE, LLC dba Little Tokyo at 315 Lincoln Street #112.



CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Utility Billing Clerk – Erica
Collections - Carolyn
Municipal Billings – Erica
Sales Tax/Property Tax - Justin
Fire Department
Police Department
Building Official(s)

From: Sara Peterson, Municipal Clerk

Date: March 11, 2022

Subject: Liquor License Renewals – Longliner Lodge and Suites, Beak Restaurant, Asian Palace, and Little Tokyo

The Municipal Clerk's Office has been notified by the Alcohol and Marijuana Control Office of the following liquor license renewal applications submitted by:

Lic #: **4117**
DBA: The Longliner Lodge and Suites
License Type: Beverage Dispensary
Licensee: The Longliner Lodge & Suites
Premises Address: 485 Katlian Street

Lic #: **4971**
DBA: Beak Restaurant
License Type: Restaurant/Eating Place
Licensee: Beak, LLC
Premises Address: 2 Lincoln Street Suite 1A

Lic #: **4595**
DBA: Asian Palace
License Type: Restaurant/Eating Place
Licensee: SOE, LLC
Premises Address: 327 Seward Street #1

Lic #: **4428**
DBA: Little Tokyo
License Type: Restaurant/Eating Place – Public Convenience

Licensee: SOE, LLC
Premises Address: 315 Lincoln Street #112

Please notify no later than **noon on March 15** of any reason to protest. These requests are scheduled to go before the Assembly on March 22.

Thank you.



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Commerce, Community,
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7th Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

March 11, 2022

City and Borough of Sitka

Via Email: sara.peterson@cityofsitka.org; Jessica.earnshaw@cityofsitka.org

Re: Notice of 2022/2023 Liquor License Renewal Application

License Type:	Beverage Dispensary	License	4117
Licensee:	The Longliner Lodge & Suites		
Doing Business As:	The Longliner Lodge and Suites		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

A handwritten signature in black ink, appearing to read "Glen Klinkhart".

Glen Klinkhart, Director

amco.localgovernmentonly@alaska.gov

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED

3/11/2022

ABC BOARD

LIQUOR LICENSE

2022 - 2023

TEMPORARY

4117

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Beverage Dispenser

LICENSE FEE: \$2,500.00

1104

CITY / BOROUGH: Sitka
Sitka

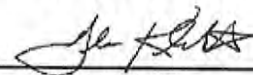
D/B/A: The Longliner Lodge and Suites
485 Katlian Street

Mail Address:
The Longliner Lodge & Suites, LLC
485 Katlian Street
Sitka, AK 99835

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

☐ Special restriction - see reverse side

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD



DIRECTOR

04-900 (REV 7/21)

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED

3/11/2022

ABC BOARD

LIQUOR LICENSE

2022 - 2023

TEMPORARY

4117

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Beverage Dispenser

LICENSE FEE: \$2,500.00

CITY / BOROUGH: Sitka
Sitka

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

☐ Special restriction - see reverse side

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD

COPY

DIRECTOR

D/B/A: The Longliner Lodge and Suites
485 Katlian Street

Mailing Address:
The Longliner Lodge & Suites, LLC
485 Katlian Street
Sitka, AK 99835

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

04-900 (REV 7/21)



Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 General Renewal Application

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than 12/31/2021 per AS 04.11.270, 3 AAC 304.160, with all required fees paid in full, or a non-refundable \$500.00 late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by 02/28/2022 will be expired per AS 04.11.540, 3 AAC 304.160(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the required fees and all documents required, or the application will be returned without being processed, per AS 04.11.270, 3 AAC 304.105
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

Establishment Contact Information

Licensee (Owner):	The Longliner Lodge and Suites, LLC	License #:	4117
License Type:	Beverage Dispensary		
Doing Business As:	The Longliner Lodge and Suites		
Premises Address:	485 Kathleen Street, Sitka, AK 99835		
Local Governing Body:	City/Borough Sitka		
Community Council:	Sitka		

If your mailing address has changed, write the NEW address below:

Mailing Address:			
City:		State:	
		ZIP:	

Section 1 – Licensee Contact Information

Contact Licensee: The individual listed below must be listed in Section 2 or 3 as an Official/Owner/Shareholder of your entity and must be listed on CBPL with the same name and title.

This person will be the designated point of contact regarding this license, unless the Optional contact is completed.

Contact Licensee:	Kevin Palmer	Contact Phone:	602-702-4097
Contact Email:	Info@longlinersitka.com		

Optional: If you wish for AMCO staff to communicate with anyone other than the Contact Licensee about your license, list them below:

Name of Contact:	Herbert Tennell	Contact Phone:	360-461-1600
Contact Email:	Info@longlinersitka.com		

Name of Contact:		Contact Phone:	
Contact Email:			

Name of Contact:		Contact Phone:	
Contact Email:			

AMCO



Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 2 – Entity or Community Ownership Information

Sole Proprietors should skip this Section.

Use the link from Corporations, Business and Professional Licensing (CBPL) below to assist you in finding the Entity #.

<https://www.commerce.alaska.gov/cbpl/main/search/entities>

Alaska CBPL Entity #:	10052600
-----------------------	----------

READ BEFORE PROCEEDING: Any new or changes to Shareholders (10% or more), Managers, Corporate Officers, Board of Directors, Partners, Controlling Interest or Ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI-approved card stock, AB-08a's, payment of \$48.25 for each new officer with a date-stamped copy of the CBPL change per AS 04.11.045, 50 & 55, or a Notice of Violation will be issued to your establishment and your application will be returned.

The only exception to this is a Corporation who can meet the requirements set forth in AS 04.11.050(c).

DO NOT LIST OFFICERS OR TITLES THAT ARE NOT REQUIRED FOR YOUR ENTITY TYPE.

- Corporations of any type including non-profit must list ONLY the following:
 - All shareholders who own 10% or more stock in the corporation
 - Each President, Vice-President, Secretary, and Managing Officer regardless of percentage owned
- Limited Liability Corporations, of any type must list ONLY the following:
 - All Members with an ownership interest of 10% or more
 - All Managers (of the LLC, not the DBA) regardless of percentage owned
- Partnerships of any type, including Limited Partnerships must list ONLY the following:
 - Each Partner with an interest of 10% or more
 - All General Partners regardless of percentage owned

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, all required titles, phone number, percentage of shares owned (if applicable) and a full mailing address for each official of your entity whose information we require. **If more space is needed: attach additional completed copies of this page. Additional information not on this page will be rejected.**

Name of Official:	Herbert Tennell			
Title(s):	Member	Phone:	360-461-1600	% Owned: 50
Mailing Address:	2174 Blue Mountain Road			
City:	Port Angeles	State:	WA	ZIP: 98362

Name of Official:	Jon Martin			
Title(s):	Member	Phone:	907-738-3017	% Owned: 30
Mailing Address:	108 Nancy Ct			
City:	Sitka	State:	AK	ZIP: 99835

Name of Official:	Kevin Palmer			
Title(s):	Gm/Member	Phone:	602-702-4097	% Owned: 10
Mailing Address:	422 W Desert Hills Dr.			
City:	Phoenix	State:	AZ	ZIP: 85086

AMCO

DEC 27 2021



Form AB-17: 2022/2023 License Renewal Application

Section 2 – Entity or Community Ownership Information

Sole Proprietors should skip this Section.

Use the link from Corporations, Business and Professional Licensing (CBPL) below to assist you in finding the Entity #.
<https://www.commerce.alaska.gov/cbp/main/search/entities>

Alaska CBPL Entity #:	10552600
-----------------------	----------

READ BEFORE PROCEEDING: Any new or changes to Shareholders (10% or more), Managers, Corporate Officers, Board of Directors, Partners, Controlling Interest or Ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI-approved card stock, AB-08a's, payment of \$48.25 for each new officer with a date-stamped copy of the CBPL change per AS 04.11.045, 50 & 55, or a Notice of Violation will be issued to your establishment and your application will be returned.

The only exception to this is a Corporation who can meet the requirements set forth in AS 04.11.050(c).

DO NOT LIST OFFICERS OR TITLES THAT ARE NOT REQUIRED FOR YOUR ENTITY TYPE.

- Corporations of any type including non-profit must list ONLY the following:
 - All shareholders who own 10% or more stock in the corporation
 - Each President, Vice-President, Secretary, and Managing Officer regardless of percentage owned
- Limited Liability Corporations, of any type must list ONLY the following:
 - All Members with an ownership interest of 10% or more
 - All Managers (of the LLC, not the DBA) regardless of percentage owned
- Partnerships of any type, including Limited Partnerships must list ONLY the following:
 - Each Partner with an interest of 10% or more
 - All General Partners regardless of percentage owned

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, all required titles, phone number, percentage of shares owned (if applicable) and a full mailing address for each official of your entity whose information we require. If more space is needed: attach additional completed copies of this page. Additional information not on this page will be rejected.

Name of Official:	Riley Dowd				
Title(s):	Member	Phone:	253-509-3695	% Owned:	10
Mailing Address:	3519 Harbor View Dr.				
City:	Coig Harbor	State:	WA	ZIP:	98332

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

AMCO



Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 3 – Sole Proprietor Ownership Information

Corporations, LLC's and Partnerships of ALL kinds should skip this section.

READ BEFORE PROCEEDING: Any new or changes to the ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI approved cardstock, AB-08a's, payment of \$48.25 for each new owner or officer and a date stamped copy of the CBPL change per AS 04.11.045, or a Notice of Violation will be issued to your establishment and your application will be returned.

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, phone number, and mailing address for each owner or partner whose information we require.

If more space is needed, attach additional copies of this page. Additional owners not listed on this page will be rejected.

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

Section 4 – License Operation

Check ONE BOX for EACH CALENDAR YEAR that best describes how this liquor license was operated:

1. The license was regularly operated continuously throughout each year. (Year-round)

2020

2021

☒☒

2. The license was only operated during a specific season each year. (Seasonal)

If your operation dates have changed, list them below:

☐☐

to

3. The license was only operated to meet the minimum requirement of 240 total hours each calendar year.

A complete AB-30: Proof of Minimum Operation Checklist, and all documentation must be provided with this form.

☐☐

4. The license was not operated at all or was not operated for at least the minimum requirement of 240 total

hours each year, during one or both calendar years. A complete Form AB-29: Waiver of Operation Application

and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.

☐☐

If you have not met the minimum number of hours of operation in 2020 and/or 2021, you are not required to pay the fees, however a complete AB-29 is required with Section 2 marked "OTHER" and COVID is listed as the reason.

Section 5 – Violations and Convictions

Have ANY Notices of Violation been issued for this license OR has ANY person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2020 or 2021?

Yes

No

☐☒

If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2)

If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.

AMCO



Alaska Alcoholic Beverage Control Board

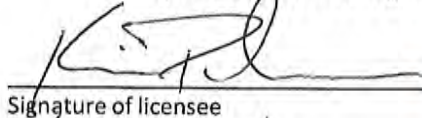
Form AB-17: 2022/2023 License Renewal Application

Section 6 – Certifications

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, are true, correct, and complete.

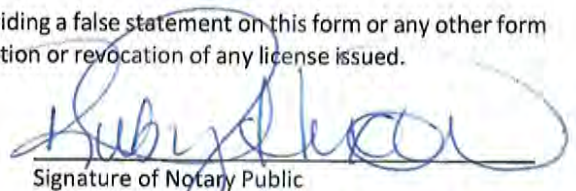
- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned and potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and accurately listed, and I have provided AMCO with all required changes of Shareholders (10% or more), Managers, Corporate Officers/Board of Directors, Partners, Controlling Interest or Ownership of the business license, and have provided all required documents for any new or changes in officers.
- I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 304.465.
- I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name from what is currently approved and on file with the Alcoholic Beverage Control Board.

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.


Signature of licensee

Kevin Palmer
Printed name of licensee




Signature of Notary Public

Notary Public in and for the State of: Arizona

My commission expires: July 7, 2025

Subscribed and sworn to before me this 21 day of December, 2021.

Restaurant/Eating Place applications must include a completed AB-33: Restaurant Receipts Affidavit

Recreational Site applications must include a completed Recreational Site Statement

Tourism applications must include a completed Tourism Statement

Wholesale applications must include a completed AB-25: Supplier Certification

Common Carrier applications must include a current safety inspection certificate

All renewal and supplemental forms are available online

Any application that is not complete or does not include ALL required completed forms and fees will not be processed and will be returned per AS 04.11.270, 3 AAC 304.105.

FOR OFFICE USE ONLY

License Fee:	\$ <u>2500</u>	Application Fee:	\$ 300.00	Misc. Fee:	\$
Total Fees Due:					\$ <u>2800</u>

AMCO

DEC 27 2021

Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	the Longliner Lodge & suites, LLC
Entity Type: Limited Liability Company	
Entity #: 10052600	
Status: Good Standing	
AK Formed Date: 2/28/2017	
Duration/Expiration: Perpetual	
Home State: ALASKA	
Next Biennial Report Due: 1/2/2023	
Entity Mailing Address: 485 KATLIAN ST, SITKA, AK 99835	
Entity Physical Address: 485 KATLIAN ST, SITKA, AK 99835	

Registered Agent

Agent Name:	Jon Martin
Registered Mailing Address:	108 NANCY CT, SITKA, AK 99835
Registered Physical Address:	108 NANCY CT, SITKA, AK 99835

Officials

AK Entity #	Name	Titles	<input type="checkbox"/> Show Former
			Owned
	Herbert Tennell	Member	50.00
	Jon Martin	Member	30.00
	Kevin Palmer	Member	10.00
	Riley Dowd	Member	10.00

Filed Documents

Date Filed	Type	Filing	Certificate
2/28/2017	Creation Filing	Click to View	Click to View
3/27/2017	Initial Report	Click to View	
3/29/2017	Change of Officials	Click to View	
10/10/2018	Biennial Report	Click to View	
3/29/2019	Change of Officials	Click to View	
5/13/2019	Correction	Click to View	Click to View
5/13/2019	Change of Officials	Click to View	

Date Filed	Type	Filing	Certificate
3/23/2020	Change of Officials	Click to View	
4/09/2021	Biennial Report	Click to View	

[Close Details](#) [Print Friendly Version](#)

License Detail

LICENSE DETAILS

License #: 1051041

[Print Business License](#)

Business Name: THE LONGLINER LODGE AND SUITES

Status: Active

Issue Date: 03/19/2017

Expiration Date: 12/31/2022

Mailing Address: P.O. BOX 345
SITKA, AK 99835

Physical Address: 485 Katlian Street
9077477910
Sitka, AK 99835

Owners

THE LONGLINER LODGE & SUITES, LLC

Activities

Line of Business

72 - Accommodation and Food Services

NAICS

721110 - HOTELS (EXCEPT CASINO HOTELS) AND MOTELS

Professional License #

Endorsements

No Endorsements Found

License Lapse(s)

If this business license lapsed within the last four years the lapsed periods will appear below. Lapsed periods are the unlicensed period between an expiration date and renewal date.

Start Date	End Date
1/1/2019	5/2/2019
1/1/2021	2/8/2021

[Close License Detail](#)

[Print Friendly Version](#)



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Commerce, Community,
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7th Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

March 11, 2022

City and Borough of Sitka

Via Email: sara.peterson@cityofsitka.org; Jessica.earnshaw@cityofsitka.org

Re: Notice of 2022/2023 Liquor License Renewal Application

License Type:	Restaurant/Eating Place	License	4971
Licensee:	Beak, LLC		
Doing Business As:	Beak Restaurant		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

A handwritten signature in black ink, appearing to read "Glen Klinkhart".

Glen Klinkhart, Director

amco.localgovernmentonly@alaska.gov

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED
3/11/2022
ABC BOARD

LIQUOR LICENSE
2022 - 2023
TEMPORARY

4971

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Restaurant/Eating

LICENSE FEE: \$600.00

1130

CITY / BOROUGH: Sitka
Sitka

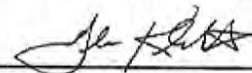
D/B/A: Beak Restaurant
2 Lincoln Street, Ste. 1A

Mail Address:
Beak, LLC
692 Indian River Rd
Sitka, AK 99835

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

☐ Special restriction - see reverse side

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD



DIRECTOR

04-900 (REV 7/21)

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED
3/11/2022
ABC BOARD

LIQUOR LICENSE
2022 - 2023
TEMPORARY

4971

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Restaurant/Eating

LICENSE FEE: \$600.00

CITY / BOROUGH: Sitka
Sitka

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

☐ Special restriction - see reverse side

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD

COPY

DIRECTOR

D/B/A: Beak Restaurant
2 Lincoln Street, Ste. 1A

Mailing Address:
Beak, LLC
692 Indian River Rd
Sitka, AK 99835

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

04-900 (REV 7/21)



Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 General Renewal Application

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than 12/31/2021 per AS 04.11.270, 3 AAC 304.160, with all required fees paid in full, or a non-refundable \$500.00 late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by 02/28/2022 will be expired per AS 04.11.540, 3 AAC 304.160(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the required fees and all documents required, or the application will be returned without being processed, per AS 04.11.270, 3 AAC 304.105
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

Establishment Contact Information

Licensee (Owner):	Beak LLC, Renee Trafton	License #:	4971
License Type:	Beer & Wine for an Eating Establishment		
Doing Business As:	Beak Restaurant		
Premises Address:	2 Lincoln St. Ste. 1A		
Local Governing Body:	City of Sitka		
Community Council:	Sitka		

If your mailing address has changed, write the NEW address below:

Mailing Address:					
City:		State:		ZIP:	

Section 1 – Licensee Contact Information

Contact Licensee: The individual listed below must be listed in Section 2 or 3 as an Official/Owner/Shareholder of your entity and must be listed on CBPL with the same name and title.

This person will be the designated point of contact regarding this license, unless the Optional contact is completed.

Contact Licensee:	Renee Trafton	Contact Phone:	(303) 478-2940
Contact Email:	Renee@beakrestaurant.com		

Optional: If you wish for AMCO staff to communicate with anyone other than the Contact Licensee about your license, list them below:

Name of Contact:		Contact Phone:	
Contact Email:			

Name of Contact:		Contact Phone:	
Contact Email:			

Name of Contact:		Contact Phone:	
Contact Email:			



Form AB-17: 2022/2023 License Renewal Application

Section 2 – Entity or Community Ownership Information

Sole Proprietors should skip this Section.

Use the link from Corporations, Business and Professional Licensing (CBPL) below to assist you in finding the Entity #.

<https://www.commerce.alaska.gov/cbp/main/search/entities>

Alaska CBPL Entity #:	10056808
-----------------------	----------

READ BEFORE PROCEEDING: Any new or changes to Shareholders (10% or more), Managers, Corporate Officers, Board of Directors, Partners, Controlling Interest or Ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI-approved card stock, AB-08a's, payment of \$48.25 for each new officer with a date-stamped copy of the CBPL change per AS 04.11.045, 50 & 55, or a Notice of Violation will be issued to your establishment and your application will be returned.

The only exception to this is a Corporation who can meet the requirements set forth in AS 04.11.050(c).

DO NOT LIST OFFICERS OR TITLES THAT ARE NOT REQUIRED FOR YOUR ENTITY TYPE.

- Corporations of any type including non-profit must list ONLY the following:
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 - All Managers (of the LLC, not the DBA) regardless of percentage owned
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 - All General Partners regardless of percentage owned

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, all required titles, phone number, percentage of shares owned (if applicable) and a full mailing address for each official of your entity whose information we require. **If more space is needed: attach additional completed copies of this page. Additional information not on this page will be rejected.**

Name of Official:	RENÉE J. TRAFTON				
Title(s):	MEMBER/MANAGER	Phone:	(303)478-2940	% Owned:	100
Mailing Address:	692 INDIAN RIVER RD.				
City:	SITKA	State:	AK	ZIP:	99835

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

AMCO

DEC 37 2021



Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 3 – Sole Proprietor Ownership Information

Corporations, LLC's and Partnerships of ALL kinds should skip this section.

READ BEFORE PROCEEDING: Any new or changes to the ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI approved cardstock, AB-08a's, payment of \$48.25 for each new owner or officer and a date stamped copy of the CBPL change per AS 04.11.045, or a Notice of Violation will be issued to your establishment and your application will be returned.

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, phone number, and mailing address for each owner or partner whose information we require.

If more space is needed, attach additional copies of this page. Additional owners not listed on this page will be rejected.

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

Section 4 – License Operation

Check ONE BOX for EACH CALENDAR YEAR that best describes how this liquor license was operated:

- | | 2020 | 2021 |
|---|-------------------------------------|-------------------------------------|
| 1. The license was regularly operated continuously throughout each year. (Year-round) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. The license was only operated during a specific season each year. (Seasonal)
<i>If your operation dates have changed, list them below:</i>
_____ to _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. The license was only operated to meet the minimum requirement of 240 total hours each calendar year.
<i>A complete AB-30: Proof of Minimum Operation Checklist, and all documentation must be provided with this form.</i> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both calendar years. <i>A complete Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.</i> | <input type="checkbox"/> | <input type="checkbox"/> |

If you have not met the minimum number of hours of operation in 2020 and/or 2021, you are not required to pay the fees, however a complete AB-29 is required with Section 2 marked "OTHER" and COVID is listed as the reason.

Section 5 – Violations and Convictions

Have **ANY** Notices of Violation been issued for this license **OR** has **ANY** person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2020 or 2021?

Yes ☐ No ☒

If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2)

If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.

AMCO



Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 6 – Certifications

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, are true, correct, and complete.

- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned and potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and accurately listed, and I have provided AMCO with all required changes of Shareholders (10% or more), Managers, Corporate Officers/Board of Directors, Partners, Controlling Interest or Ownership of the business license, and have provided all required documents for any new or changes in officers.
- I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 304.465.
- I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name from what is currently approved and on file with the Alcoholic Beverage Control Board.

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

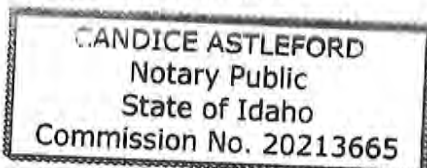
Renee J. Trafton
Signature of licensee

Candice Astleford
Signature of Notary Public

Renee J. Trafton
Printed name of licensee

Notary Public in and for the State of: Idaho

My commission expires: 08/13/2027



Subscribed and sworn to before me this 22nd day of December, 2021.

Restaurant/Eating Place applications must include a completed AB-33: Restaurant Receipts Affidavit

Recreational Site applications must include a completed Recreational Site Statement

Tourism applications must include a completed Tourism Statement

Wholesale applications must include a completed AB-25: Supplier Certification

Common Carrier applications must include a current safety inspection certificate

All renewal and supplemental forms are available online

Any application that is not complete or does not include ALL required completed forms and fees will not be processed and will be returned per AS 04.11.270, 3 AAC 304.105.

FOR OFFICE USE ONLY

License Fee:	\$ <u>600.00</u>	Application Fee:	\$ 300.00	Misc. Fee:	\$
Total Fees Due:					\$ <u>900.00</u>

AMCO

Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Beak LLC
Entity Type: Limited Liability Company	
Entity #: 10056808	
Status: Good Standing	
AK Formed Date: 4/20/2017	
Duration/Expiration: Perpetual	
Home State: ALASKA	
Next Biennial Report Due: 1/2/2023	
Entity Mailing Address: 692 INDIAN RIVER RD, SITKA, AK 99835	
Entity Physical Address: 2 LINCOLN ST., STE 1A, SITKA, AK 99835	

Registered Agent

Agent Name:	Renee Trafton
Registered Mailing Address:	692 INDIAN RIVER RD, SITKA, AK 99835
Registered Physical Address:	692 INDIAN RIVER RD, SITKA, AK 99835

Officials

AK Entity #	Name	Titles	<input type="checkbox"/> Show Former	Owned
	Renee Trafton	Manager, Member		100.00

Filed Documents

Date Filed	Type	Filing	Certificate
4/20/2017	Creation Filing	Click to View	Click to View
4/20/2017	Initial Report	Click to View	
10/08/2018	Biennial Report	Click to View	
10/14/2020	Biennial Report	Click to View	

Close Details

Print Friendly Version

License Detail

LICENSE DETAILS

License #: 1052868

[Print Business License](#)

Business Name: BEAK LLC

Status: Active

Issue Date: 04/20/2017

Expiration Date: 12/31/2022

Mailing Address: 692 INDIAN RIVER RD
SITKA, AK 99835-3940

Physical Address: 2 LINCOLN ST
Ste 1A
SITKA, AK 99835

Owners

BEAK LLC

Activities

Line of Business	NAICS	Professional License #
72 - Accommodation and Food Services	722110 - FULL-SERVICE RESTAURANTS	
72 - Accommodation and Food Services	722320 - CATERERS	

Endorsements

No Endorsements Found

License Lapse(s)

If this business license lapsed within the last four years the lapsed periods will appear below. Lapsed periods are the unlicensed period between an expiration date and renewal date.

No Lapses on record for the last 4 years.

Close License Detail

Print Friendly Version



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7th Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

March 11, 2022

City and Borough of Sitka

Via Email: sara.peterson@cityofsitka.org; Jessica.earnshaw@cityofsitka.org

Re: Notice of 2022/2023 Liquor License Renewal Application

License Type:	Restaurant/Eating Place	License	4595
Licensee:	SOE, LLC		
Doing Business As:	Asian Palace		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

A handwritten signature in black ink, appearing to read "Glen Klinkhart", with a stylized flourish at the end.

Glen Klinkhart, Director

amco.localgovernmentonly@alaska.gov

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED
3/11/2022
ABC BOARD

LIQUOR LICENSE
2022 - 2023
TEMPORARY

4595

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Restaurant/Eating

LICENSE FEE: \$600.00

1130

CITY / BOROUGH: Sitka
Sitka

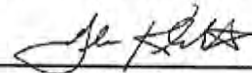
D/B/A: Asian Palace
327 Seward Square #1

Mail Address:
SOE, LLC
315 Lincoln Street, Ste. #112
Sitka, AK 99835

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

☐ Special restriction - see reverse side

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD



DIRECTOR

04-900 (REV 7/21)

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED
3/11/2022
ABC BOARD

LIQUOR LICENSE
2022 - 2023
TEMPORARY

4595

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Restaurant/Eating

LICENSE FEE: \$600.00

CITY / BOROUGH: Sitka
Sitka

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

☐ Special restriction - see reverse side

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD

COPY

DIRECTOR

D/B/A: Asian Palace
327 Seward Square #1
Mailing Address:
SOE, LLC
315 Lincoln Street, Ste. #112
Sitka, AK 99835

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

04-900 (REV 7/21)



Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 General Renewal Application

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than 12/31/2021 per AS 04.11.270, 3 AAC 304.160, with all required fees paid in full, or a non-refundable \$500.00 late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by 02/28/2022 will be expired per AS 04.11.540, 3 AAC 304.160(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the required fees and all documents required, or the application will be returned without being processed, per AS 04.11.270, 3 AAC 304.105
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

Establishment Contact Information

Licensee (Owner):	SOE LLC	License #:	4595
License Type:	RESTAURANT		
Doing Business As:	ASIAN PALACE		
Premises Address:	327 SEWARD ST #1 SITKA AK 99835		
Local Governing Body:	CITY & BOROUGH OF SITKA		
Community Council:	NONE		

If your mailing address has changed, write the NEW address below:

Mailing Address:	327 SEWARD ST #1			
City:	SITKA	State:	AK	ZIP: 99835

Section 1 – Licensee Contact Information

Contact Licensee: The individual listed below must be listed in Section 2 or 3 as an Official/Owner/Shareholder of your entity and must be listed on CBPL with the same name and title.

This person will be the designated point of contact regarding this license, unless the Optional contact is completed.

Contact Licensee:	KWANG SU YOUN	Contact Phone:	907-738-3882
Contact Email:	Kennyssitka@yahoo.com		

Optional: If you wish for AMCO staff to communicate with anyone other than the Contact Licensee about your license, list them below:

Name of Contact:	N/A	Contact Phone:	
Contact Email:			

Name of Contact:		Contact Phone:	
Contact Email:			

Name of Contact:		Contact Phone:	
Contact Email:			

AMCO



Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 2 – Entity or Community Ownership Information

Sole Proprietors should skip this Section.

Use the link from Corporations, Business and Professional Licensing (CBPL) below to assist you in finding the Entity #.

<https://www.commerce.alaska.gov/cbp/main/search/entities>

Alaska CBPL Entity #:

76687D

READ BEFORE PROCEEDING: Any new or changes to Shareholders (10% or more), Managers, Corporate Officers, Board of Directors, Partners, Controlling Interest or Ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI-approved card stock, AB-08a's, payment of \$48.25 for each new officer with a date-stamped copy of the CBPL change per AS 04.11.045, 50 & 55, or a Notice of Violation will be issued to your establishment and your application will be returned.

The **only exception** to this is a Corporation who can meet the requirements set forth in AS 04.11.050(c).

DO NOT LIST OFFICERS OR TITLES THAT ARE NOT REQUIRED FOR YOUR ENTITY TYPE.

- **Corporations** of any type *including non-profit* must list **ONLY** the following:
 - All shareholders who own 10% or more stock in the corporation
 - Each President, Vice-President, Secretary, and Managing Officer regardless of percentage owned
- **Limited Liability Corporations**, of any type must list **ONLY** the following:
 - All Members with an ownership interest of 10% or more
 - All Managers (of the LLC, not the DBA) regardless of percentage owned
- **Partnerships** of any type, *including Limited Partnerships* must list **ONLY** the following:
 - Each Partner with an interest of 10% or more
 - All General Partners regardless of percentage owned

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, all required titles, phone number, percentage of shares owned (if applicable) and a full mailing address for each official of your entity whose information we require. **If more space is needed: attach additional completed copies of this page. Additional information not on this page will be rejected.**

Name of Official:	KUNAG SU YOON				
Title(s):	MANAGE MEMBER	Phone:	907-738-3902	% Owned:	100
Mailing Address:	210 KATHIAN ST				
City:	SITKA	State:	AK	ZIP:	99835

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

**Form AB-17: 2022/2023 License Renewal Application****Section 3 – Sole Proprietor Ownership Information****Corporations, LLC's and Partnerships of ALL kinds should skip this section.**

READ BEFORE PROCEEDING: Any new or changes to the ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI approved cardstock, AB-08a's, payment of \$48.25 for each new owner or officer and a date stamped copy of the CBPL change per AS 04.11.045, or a Notice of Violation will be issued to your establishment and your application will be returned.

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, phone number, and mailing address for each owner or partner whose information we require.

If more space is needed, attach additional copies of this page. Additional owners not listed on this page will be rejected.

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:		
Mailing Address:						
City:			State:			ZIP:
Email:						

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:		
Mailing Address:						
City:			State:			ZIP:
Email:						

Section 4 – License Operation

Check ONE BOX for EACH CALENDAR YEAR that best describes how this liquor license was operated:

- The license was **regularly operated continuously** throughout each year. (Year-round) 2020 ☒ 2021 ☒
- The license was **only operated during a specific season** each year. (Seasonal)
If your operation dates have changed, list them below:
_____ to _____ 2020 ☐ 2021 ☐
- The license was only operated to meet the minimum requirement of 240 total hours each calendar year.
A complete AB-30: Proof of Minimum Operation Checklist, and all documentation must be provided with this form. 2020 ☐ 2021 ☐
- The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both calendar years. *A complete Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.*
If you have not met the minimum number of hours of operation in 2020 and/or 2021, you are not required to pay the fees, however a complete AB-29 is required with Section 2 marked "OTHER" and COVID is listed as the reason. 2020 ☐ 2021 ☐

Section 5 – Violations and Convictions

Have **ANY** Notices of Violation been issued for this license **OR** has **ANY** person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2020 or 2021?

Yes ☐ No ☒

If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2)

If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.



Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 6 – Certifications

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, are true, correct, and complete.

- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned and potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and accurately listed, and I have provided AMCO with all required changes of Shareholders (10% or more), Managers, Corporate Officers/Board of Directors, Partners, Controlling Interest or Ownership of the business license, and have provided all required documents for any new or changes in officers.
- I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 304.465.
- I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name from what is currently approved and on file with the Alcoholic Beverage Control Board.

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

K. Su
Signature of licensee

Kwang Su Yoon
Printed name of licensee



Christina M. Bergman
Signature of Notary Public

Notary Public in and for the State of: Alaska

My commission expires: 12-15-2023

Subscribed and sworn to before me this 21 day of December, 2021.

Restaurant/Eating Place applications must include a completed AB-33: Restaurant Receipts Affidavit

Recreational Site applications must include a completed Recreational Site Statement

Tourism applications must include a completed Tourism Statement

Wholesale applications must include a completed AB-25: Supplier Certification

Common Carrier applications must include a current safety inspection certificate

All renewal and supplemental forms are available online

Any application that is not complete or does not include ALL required completed forms and fees will not be processed and will be returned per AS 04.11.270, 3 AAC 304.105.

FOR OFFICE USE ONLY

License Fee:	\$ <u>600.00</u>	Application Fee:	\$ 300.00	Misc. Fee:	\$ 900.00
Total Fees Due:					\$ <u>900.00</u>

AMCO

DEC 27 2021

Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	SOE, LLC

Entity Type: Limited Liability Company

Entity #: 76687D

Status: Non-Compliant

AK Formed Date: 6/5/2002

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2022 [File Biennial Report](#)

Entity Mailing Address: 210 KATLIAN ST, SITKA, AK 99835

Entity Physical Address: 210 KATLIAN ST, SITKA, AK 99835

Registered Agent

Agent Name: Kwang Su Yoon

Registered Mailing Address: 210 KATLIAN ST, SITKA, AK 99835

Registered Physical Address: 210 KATLIAN ST, SITKA, AK 99835

Officials

AK Entity #	Name	Titles	<input type="checkbox"/> Show Former
			Owned
	Kwang Su Yoon	Member	100.00

Filed Documents

Date Filed	Type	Filing	Certificate
6/05/2002	Creation Filing	Click to View	
11/21/2003	Initial Report	Click to View	
1/30/2004	Biennial Report	Click to View	
4/16/2004	Restated (NO AMENDMENT)	Click to View	
11/13/2006	Biennial Report	Click to View	
11/04/2011	Biennial Report	Click to View	
11/04/2011	Biennial Report	Click to View	
11/04/2011	Biennial Report	Click to View	
3/20/2014	Biennial Report	Click to View	
9/21/2016	Biennial Report	Click to View	

Date Filed

4/25/2018

3/26/2020

Type

Biennial Report

Biennial Report

Filing

[Click to View](#)

[Click to View](#)

Certificate

Close Details

Print Friendly Version

License Detail

LICENSE DETAILS

License #: 982829

[Print Business License](#)

Business Name: ASIAN PALACE

Status: Active

Issue Date: 12/26/2012

Expiration Date: 12/31/2023

Mailing Address: 327 SEWARD ST
SITKA, AK 99835

Physical Address: 327 SEWARD ST
SITKA, AK 99835

Owners

SOE LLC

Activities

Line of Business

72 - Accommodation and Food Services

NAICS

722110 - FULL-SERVICE RESTAURANTS

Professional License #

Endorsements

No Endorsements Found

License Lapse(s)

If this business license lapsed within the last four years the lapsed periods will appear below. Lapsed periods are the unlicensed period between an expiration date and renewal date.

Start Date	End Date
1/1/2020	1/18/2020
1/1/2022	1/10/2022

[Close License Detail](#)

[Print Friendly Version](#)



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Commerce, Community,
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7th Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

March 11, 2022

City and Borough of Sitka

Via Email: sara.peterson@cityofsitka.org; Jessica.earnshaw@cityofsitka.org

Re: Notice of 2022/2023 Liquor License Renewal Application

License Type:	Restaurant/Eating Place - Public Convenience	License	4428
Licensee:	SOE, LLC		
Doing Business As:	Little Tokyo		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

A handwritten signature in black ink, appearing to read "Glen Klinkhart".

Glen Klinkhart, Director

amco.localgovernmentonly@alaska.gov

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED

3/11/2022

ABC BOARD

LIQUOR LICENSE

2022 - 2023

TEMPORARY

4428

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Restaurant/Eating
Convenience

LICENSE FEE: \$600.00

1138

CITY / BOROUGH: Sitka
Sitka

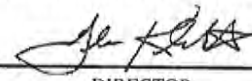
D/B/A: Little Tokyo
315 Lincoln Street, Ste #112

Mail Address:
SOE, LLC
315 Lincoln Street, Ste. #112
Sitka, AK 99835

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

☐ Special restriction - see reverse side

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD



DIRECTOR

04-900 (REV 7/21)

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX

ISSUED

3/11/2022

ABC BOARD

LIQUOR LICENSE

2022 - 2023

TEMPORARY

4428

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2023 (AS 04.11.270(b))

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2024 UNLESS DATED BELOW

TYPE OF LICENSE: Restaurant/Eating
Convenience

LICENSE FEE: \$600.00

CITY / BOROUGH: Sitka
Sitka

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

☐ Special restriction - see reverse side

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD

COPY

DIRECTOR

D/B/A: Little Tokyo
315 Lincoln Street, Ste #112

Mailing Address:
SOE, LLC
315 Lincoln Street, Ste. #112
Sitka, AK 99835

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

04-900 (REV 7/21)



Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 General Renewal Application

- This form and any required supplemental forms must be completed, signed by the licensee, and postmarked no later than 12/31/2021 per AS 04.11.270, 3 AAC 304.160, with all required fees paid in full, or a non-refundable \$500.00 late fee applies.
- Any complete application for renewal or any fees for renewal that have not been postmarked by 02/28/2022 will be expired per AS 04.11.540, 3 AAC 304.160(e).
- All fields of this application must be deemed complete by AMCO staff and must be accompanied by the required fees and all documents required, or the application will be returned without being processed, per AS 04.11.270, 3 AAC 304.105
- Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees in any way that an application will be deemed complete, renewed, or that it will be scheduled for the next ABC Board meeting.

Establishment Contact Information

Licensee (Owner):	SOE LLC	License #:	4428
License Type:	RESTAURANT / Eating Place - Public Convenience		
Doing Business As:	LITTLE TOKYO		
Premises Address:	315 LINCOLN ST #112 SITKA AK 99835		
Local Governing Body:	CITY & BOROUGH OF SITKA		
Community Council:	NONE		

If your mailing address has changed, write the NEW address below:

Mailing Address:	315 LINCOLN ST #112				
City:	SITKA	State:	AK	ZIP:	99835

Section 1 - Licensee Contact Information

Contact Licensee: The individual listed below must be listed in Section 2 or 3 as an Official/Owner/Shareholder of your entity and must be listed on CBPL with the same name and title.

This person will be the designated point of contact regarding this license, unless the Optional contact is completed.

Contact Licensee:	KWANG SU YOON	Contact Phone:	907-738-3982
Contact Email:	KENNYSSITKA@YAHOO.COM		

Optional: If you wish for AMCO staff to communicate with anyone other than the Contact Licensee about your license, list them below:

Name of Contact:	N/A	Contact Phone:	
Contact Email:			

Name of Contact:		Contact Phone:	
Contact Email:			

Name of Contact:		Contact Phone:	
Contact Email:			



Form AB-17: 2022/2023 License Renewal Application

Section 2 – Entity or Community Ownership Information

Sole Proprietors should skip this Section.

Use the link from Corporations, Business and Professional Licensing (CBPL) below to assist you in finding the Entity #.

<https://www.commerce.alaska.gov/cbp/main/search/entities>

Alaska CBPL Entity #:	76687D
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READ BEFORE PROCEEDING: Any new or changes to Shareholders (10% or more), Managers, Corporate Officers, Board of Directors, Partners, Controlling Interest or Ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI-approved card stock, AB-08a's, payment of \$48.25 for each new officer with a date-stamped copy of the CBPL change per AS 04.11.045, 50 & 55, or a Notice of Violation will be issued to your establishment and your application will be returned.

The only exception to this is a Corporation who can meet the requirements set forth in AS 04.11.050(c).

DO NOT LIST OFFICERS OR TITLES THAT ARE NOT REQUIRED FOR YOUR ENTITY TYPE.

- **Corporations of any type including non-profit** must list **ONLY** the following:
 - All shareholders who own 10% or more stock in the corporation
 - Each President, Vice-President, Secretary, and Managing Officer regardless of percentage owned
- **Limited Liability Corporations, of any type** must list **ONLY** the following:
 - All Members with an ownership interest of 10% or more
 - All Managers (of the LLC, not the DBA) regardless of percentage owned
- **Partnerships of any type, including Limited Partnerships** must list **ONLY** the following:
 - Each Partner with an interest of 10% or more
 - All General Partners regardless of percentage owned

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, all required titles, phone number, percentage of shares owned (if applicable) and a full mailing address for each official of your entity whose information we require. **If more space is needed: attach additional completed copies of this page. Additional information not on this page will be rejected.**

Name of Official:	KWANG SU YOON				
Title(s):	MANAGE MEMBER	Phone:	907-738-3882	% Owned:	100
Mailing Address:	210 KATLIAN ST				
City:	SITKA	State:	AK	ZIP:	99835

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

AMCO



Form AB-17: 2022/2023 License Renewal Application

Section 3 – Sole Proprietor Ownership Information

Corporations, LLC's and Partnerships of ALL kinds should skip this section.

READ BEFORE PROCEEDING: Any new or changes to the ownership of the business license must be reported to the ABC Board within 10 days of the change and must be accompanied by a full set of fingerprints on FBI approved cardstock, AB-08a's, payment of \$48.25 for each new owner or officer and a date stamped copy of the CBPL change per AS 04.11.045, or a Notice of Violation will be issued to your establishment and your application will be returned.

Important Note: All entries below must match our records, or your application will be returned per AS 04.11.270, 3 AAC 304.105. You must list full legal names, phone number, and mailing address for each owner or partner whose information we require.

If more space is needed, attach additional copies of this page. Additional owners not listed on this page will be rejected.

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

This individual is an: ☐ Applicant ☐ Affiliate

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

Section 4 – License Operation

Check ONE BOX for EACH CALENDAR YEAR that best describes how this liquor license was operated:

1. The license was **regularly operated continuously** throughout each year. (Year-round)

2020

2021

☒☒

2. The license was **only operated during a specific season** each year. (Seasonal)

If your operation dates have changed, list them below:

☐☐

to

3. The license was only operated to meet the minimum requirement of 240 total hours each calendar year.

A complete AB-30: Proof of Minimum Operation Checklist, and all documentation must be provided with this form.

☐☐

4. The license was not operated at all or was not operated for at least the minimum requirement of 240 total

hours each year, during one or both calendar years. A complete Form AB-29: Waiver of Operation Application

and corresponding fees must be submitted with this application for each calendar year during which the license was not operated.

☐☐

If you have not met the minimum number of hours of operation in 2020 and/or 2021, you are not required to pay the fees, however a complete AB-29 is required with Section 2 marked "OTHER" and COVID is listed as the reason.

Section 5 – Violations and Convictions

Have **ANY** Notices of Violation been issued for this license **OR** has **ANY** person or entity in this application been convicted of a violation of Title 04, 3AAC 304 or a local ordinance adopted under AS 04.21.010 in 2020 or 2021?

Yes

No

☐☒

If you checked YES, you MUST attach a list of all Notices of Violation and/or Convictions per AS 04.11.270(a)(2)

If you are unsure if you have received any Notices of Violation, contact the office before submitting this form.

AMCO

DEC 27 2021



Alaska Alcoholic Beverage Control Board

Form AB-17: 2022/2023 License Renewal Application

Section 6 – Certifications

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, are true, correct, and complete.

- I agree to provide all information required by the Alcoholic Beverage Control Board or requested by AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned and potentially expired if I do not comply with statutory or regulatory requirements.
- I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.
- I certify that this entity is in good standing with Corporations, Business and Professional Licensing (CBPL) and that all entity officials and stakeholders are current and accurately listed, and I have provided AMCO with all required changes of Shareholders (10% or more), Managers, Corporate Officers/Board of Directors, Partners, Controlling Interest or Ownership of the business license, and have provided all required documents for any new or changes in officers.
- I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of patrons have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, if applicable for this license type as set forth in AS 04.21.025 and 3 AAC 304.465.
- I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name from what is currently approved and on file with the Alcoholic Beverage Control Board.

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

K. Su
Signature of licensee

Kwang Su Yoon
Printed name of licensee



Christina M. Bergman
Signature of Notary Public

Notary Public in and for the State of Alaska

My commission expires: 12-15-2023

Subscribed and sworn to before me this 21 day of December, 2021.

Restaurant/Eating Place applications must include a completed AB-33: Restaurant Receipts Affidavit

Recreational Site applications must include a completed Recreational Site Statement

Tourism applications must include a completed Tourism Statement

Wholesale applications must include a completed AB-25: Supplier Certification

Common Carrier applications must include a current safety inspection certificate

All renewal and supplemental forms are available online

Any application that is not complete or does not include ALL required completed forms and fees will not be processed and will be returned per AS 04.11.270, 3 AAC 304.105.

FOR OFFICE USE ONLY

License Fee:	\$ <u>600.00</u>	Application Fee:	\$ 300.00	Misc. Fee:	\$ <u>900.00</u>
Total Fees Due:					\$ <u>900.00</u>

Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	SOE, LLC

Entity Type: Limited Liability Company

Entity #: 76687D

Status: Non-Compliant

AK Formed Date: 6/5/2002

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2022 [File Biennial Report](#)

Entity Mailing Address: 210 KATLIAN ST, SITKA, AK 99835

Entity Physical Address: 210 KATLIAN ST, SITKA, AK 99835

Registered Agent

Agent Name: Kwang Su Yoon

Registered Mailing Address: 210 KATLIAN ST, SITKA, AK 99835

Registered Physical Address: 210 KATLIAN ST, SITKA, AK 99835

Officials

AK Entity #	Name	Titles	<input type="checkbox"/> Show Former
			Owned
	Kwang Su Yoon	Member	100.00

Filed Documents

Date Filed	Type	Filing	Certificate
6/05/2002	Creation Filing	Click to View	
11/21/2003	Initial Report	Click to View	
1/30/2004	Biennial Report	Click to View	
4/16/2004	Restated (NO AMENDMENT)	Click to View	
11/13/2006	Biennial Report	Click to View	
11/04/2011	Biennial Report	Click to View	
11/04/2011	Biennial Report	Click to View	
11/04/2011	Biennial Report	Click to View	
3/20/2014	Biennial Report	Click to View	
9/21/2016	Biennial Report	Click to View	

Date Filed

4/25/2018

3/26/2020

Type

Biennial Report

Biennial Report

Filing

[Click to View](#)

[Click to View](#)

Certificate

Close Details

Print Friendly Version

License Detail

LICENSE DETAILS

License #: 953598

[Print Business License](#)

Business Name: LITTLE TOKYO

Status: Active

Issue Date: 02/02/2011

Expiration Date: 12/31/2023

Mailing Address: 315 LINCOLN ST
SITKA, AK 99835

Physical Address: 315 LINCOLN ST
SITKA, AK 99835

Owners

SOE LLC

Activities

Line of Business

72 - Accommodation and Food Services

NAICS

722110 - FULL-SERVICE RESTAURANTS

Professional License #

Endorsements

No Endorsements Found

License Lapse(s)

If this business license lapsed within the last four years the lapsed periods will appear below. Lapsed periods are the unlicensed period between an expiration date and renewal date.

Start Date

End Date

1/1/2020

1/18/2020

1/1/2022

1/10/2022

[Close License Detail](#)

[Print Friendly Version](#)



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 22-046 Version: 1 Name:

Type: Appointment Status: AGENDA READY

File created: 3/15/2022 In control: City and Borough Assembly

On agenda: 3/22/2022 Final action:

Title: Reappoint Mike Johnson to a two-year term on the Gary Paxton Industrial Park Board

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and application Johnson](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO reappoint Mike Johnson to a two-year term on the Gary Paxton Industrial Park Board.



Application for Appointment to Boards, Committees, and Commissions City and Borough of Sitka

Board/Commission/Committee: GPIP

Name: Mike Johnson

Preferred Phone: [REDACTED]

Address: [REDACTED]

Alternate Phone:

Email Address: [REDACTED]

Fax Number:

Length of Residence in Sitka: 43

Registered to vote in Sitka? ☒ Yes ☐ No

Employer: Delta Western LLC

Organizations you belong to or participate in:

Please see attached letter

Explain your main reason for applying:

Please see attached letter

What background, experience or credentials will you bring to the board, commission, or committee membership?

Please see attached letter

Please disclose any potential conflicts of interest that may arise from your appointment. These may include but are not limited to:

- A substantial financial interest of \$1000 annually that could be influenced by your appointment.
- An immediate family member employed within the scope of this appointment.

I work for Delta Western LLC, a company who leases property at the GPIP.

Please attach a letter of interest, outline, or resume which includes your education, work, and volunteer experience that will enhance your membership.

→ *(To be considered, your application must be complete AND be accompanied by one of the above supporting documents.)*

Date: 3.8.22

Signature: [Signature]

Your complete application and resume should be returned to the Municipal Clerk's Office by noon on the Wednesday prior to an advertised Assembly meeting.

Please note: all information submitted will be made public and published online. Appointments are normally made during open session of an Assembly meeting, however, Assembly members may vote to discuss applicant(s) in closed executive session. In this case, do you wish to be present when your application is discussed? ☐ Yes ☐ No

Return to:

Jess Earnshaw, Deputy Clerk/Records Specialist, 100 Lincoln Street
Fax: 907-747-7403 Email: clerk@cityofsitka.org

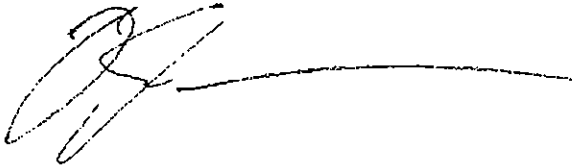
To whom it may concern:

I am applying to join the Gary Paxton Industrial Park board primarily to assist with the layout, design, and construction planning of a marine haul out facility at the park. With the largest small-boat harbor system in the state and the anticipated closure of Halibut Point Marine Services yard I think it's crucial that we find a way to construct a facility capable of hauling out most of the Sitka fleet in a cost effective and efficient manner. I also hope to help boost the marine service sector which will be needed to support this venture. I'd like to help pave the way for marine related businesses to move into the industrial park and create year-round family wage jobs.

I have a good deal of experience with running a boat haul out facility in Sitka. I was an equipment operator for Halibut Point Marine Services for five years, two of those years I was operations manager for the yard. I am very familiar with boatyard operations, the various style of boat hulls common to this area and the equipment necessary to move these boats in and out of the water in our environment. I think I can offer a perspective based off my experience which will hopefully provide useful to the board.

I come from a blue-collar background and was originally trained as a heavy diesel mechanic. My career has journeyed through several different fields to include commercial fishing, charter fishing, fabrication and welding, marine repair, boat yard operations, and now into petroleum sales & distribution. I serve as a board member on the Sitka Sportsmans Association and I coach youth competitive shooting sports 9 months per year. I've also served on the Ports & Harbors Commission in the past.

I do travel a fair bit for work but will make every effort to attend the monthly GPIIP meetings if given the opportunity to join the board.

A handwritten signature in black ink, consisting of a stylized, cursive 'G' followed by a long horizontal line extending to the right.



GARY PAXTON INDUSTRIAL PARK BOARD OF DIRECTORS

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
SCOTT WAGNER 304 Nicole Drive	747-6850 w 747-3791 h scott_wagner@nsraa.org	11/25/14 6/28/16 6/26/18 7/14/20	6/24/16 6/28/18 6/26/20 7/14/22	CHAIR
VAUGHN MORRISON 114 Toivo Circle	738-0294 vmorrison26@yahoo.com	9/25/18 9/22/20	9/25/20 9/22/22	VICE CHAIR
MIKE JOHNSON 2017 Cascade Creek Road	747-1401 966-4042 southeastmike@hotmail.com	8/27/19 4/14/20	4/24/20 4/14/22	
CHRIS YSTAD 104 Chirikov Drive	738-1560 747-8487 fathom99835@yahoo.com	10/13/20 3/9/21	3/26/21 3/9/23	
LAUREN MITCHELL 118 Wolff Drive	738-7796 Lmitchell22@gmail.com	3/23/21	3/23/23	
Garry White 329 Harbor Drive, #202	747-2660 747-7688 fax garrywhite@gci.net			GPIP Director
John Leach City & Borough of Sitka 100 Lincoln Street	747-1808 747-7403 fax john.leach@cityofsitka.org			Municipal Administrator
Thor Christianson 100 Lincoln Street	738-2491 assemblychristianson@cityofsitka.org			Assembly Liaison
Steven Eisenbeisz 208 Lincoln Street	738-9075 assemblyeisenbeisz@cityofsitka.org			Alternate Assembly Liaison

Established by Ordinance 00-1568

Five members appointed by the Assembly for 2-year terms, one designated At-Large

Revised: March 15, 2022



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 22-049 Version: 1 Name:

Type: Appointment Status: AGENDA READY

File created: 3/16/2022 In control: City and Borough Assembly

On agenda: 3/22/2022 Final action:

Title: Appoint 1) Sandra Fontaine to a three-year term on the Library Commission, and 2) Dan Littlefield to a three-year term on the Building Department Appeals Board

Sponsors:

Indexes:

Code sections:

Attachments: [Motion](#)
[Fontaine application](#)
[Littlefield application](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO appoint 1) Sandra Fontaine to a three-year term on the Library Commission, and 2) Dan Littlefield to a three-year term on the Building Department Appeals Board.



Application for Appointment to Boards, Committees, and Commissions
City and Borough of Sitka

Board/Commission/Committee: Sitka Library Board
Name: Sandra Fontaine Preferred Phone: [REDACTED]
Address: [REDACTED] Alternate Phone: [REDACTED]
Email Address: [REDACTED] Fax Number: NA
Length of Residence in Sitka: 50-60 years Registered to vote in Sitka? X Yes No
Employer: occasionally - Sitka School District substitute
Organizations you belong to or participate in:
The Local Delta Kappa Gamma (women teachers)

Explain your main reason for applying: I love the library, reading, books and want to be helpful in my community.

What background, experience or credentials will you bring to the board, commission, or committee membership?
I have been a teacher (now retired) for 30+ years, have always been a reader, believe in, have been involved in, education, and public libraries.

Please disclose any potential conflicts of interest that may arise from your appointment. These may include but are not limited to:

- A substantial financial interest of \$1000 annually that could be influenced by your appointment.
- An immediate family member employed within the scope of this appointment.

none of the above

Please attach a letter of interest, outline, or resume which includes your education, work, and volunteer experience that will enhance your membership.

→ (To be considered, your application must be complete AND be accompanied by one of the above supporting documents.)

Date: 3/16/22 Signature: Sandra Fontaine

Your complete application and resume should be returned to the Municipal Clerk's Office by noon on the Wednesday prior to an advertised Assembly meeting.

Please note: all information submitted will be made public and published online. Appointments are normally made during open session of an Assembly meeting, however, Assembly members may vote to discuss applicant(s) in closed executive session. In this case, do you wish to be present when your application is discussed? Yes No

Return to:

Jess Earnshaw, Deputy Clerk/Records Specialist, 100 Lincoln Street
Fax: 907-747-7403 Email: clerk@cityofsitka.org

March 16, 2022

City and Borough of Sitka:

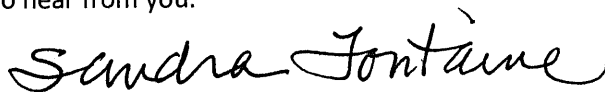
Letter of Interest: Sitka Public Library Board

To Whom It May Concern:

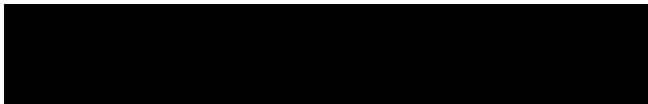
I am very interested in serving on the Sitka Public Library Board. I love Sitka! My family has lived in Sitka for almost 60 years (I was gone for ten to pursue my education but came back frequently during the summers). I am a retired elementary teacher who taught for twenty-one plus years in the Sitka School District, and am still subbing frequently. I love to read, and am very interested in our library....

Many years ago, when I was in my twenties, I served on the Library Board for several years, in the days when Louise Brightman was the librarian. In fact, even earlier, as a teenager moving to Sitka in 1962, one of my fondest memories is of visiting the Sitka library, then housed in the basement of a Pioneer Home building, stacks of books covering the floor, two friendly dogs lying about, and Louise working away on her library duties.. ..So I have a history with, and a love for, our library.

Anyway, I would love to serve on the Board again, now that I am older and wiser, of course, and I hope to hear from you.



Sandra Fontaine





LIBRARY COMMISSION

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
NICOLE FILIPEK PO Box 251	206-769-3685 nicolefilipek@gmail.com	2/14/17 3/10/20	2/14/20 3/10/23	Chair
JEFF BUDD 100 Lincoln Street	747-4821 jbudd3500@gmail.com	6/23/20	1/28/23	Vice Chair
MARGIE ESQUIRO 108 Sand Dollar Drive	752-0567 747-6874 margieesquiro@gmail.com	12/8/20	12/8/23	Secretary
DARRYL REHKOPF 210 Observatory Street	738-5629 darrylrehkopf@hotmail.com	8/22/17 5/14/19	4/12/19 5/14/22	
THOMAS MARTIN 700 Etolin Street	253-666-3399 tomdmartin11@gmail.com	10/14/21	10/14/24	
<i>DANIEL GUNN 204 Marine Street</i>	<i>738-0738 danielforestgunn@gmail.com</i>	<i>1/23/18 1/8/19</i>	<i>1/12/19 1/8/22</i>	<i>Resigned 1/27/21</i>
<i>STEPHEN MORSE 314 Tilson Street</i>	<i>738-1664 stephen.morse30@gmail.com</i>	<i>4/24/18 2/26/19</i>	<i>1/26/19 2/26/22</i>	
David Miller 839 Lincoln Street	738-6890 assemblymiller@cityofsitka.org			Assembly Liaison
Crystal Duncan PO Box 174	738-1910 assemblyduncan@cityofsitka.org			Alternate Assembly Liaison
Elizabeth O'Donnell				Emeritus Member
Alice Johnstone				Emeritus Member

7 Members from Public 3-year terms
 Established by Ordinance 72-50, Ord. 03-1730 added 2 more members
 First Wednesday of the Month, 6:00 p.m. via Zoom

OATH OF OFFICE REQUIRED

Revised: March 2, 2022



**Application for Appointment to Boards, Committees, and Commissions
City and Borough of Sitka**

Board/Commission/Committee: APPEALS BOARD

Name: DAN LITTLEFIELD Preferred Phone: _____

Address: _____ Alternate Phone: _____

Email Address: _____ Fax Number: _____

Length of Residence in Sitka: 47 yrs Registered to vote in Sitka? ☒ Yes ☐ No

Employer: EAGLE WOLF ELECTRIC, INC.

Organizations you belong to or participate in: IBEW WIREMAN 21 YRS, BICSI/INSTALLER 2
ANB (ALASKA NATIVE BROTHERHOOD) COPPER CERTIFICATION

Explain your main reason for applying:

RENEW POSITION, ASKED TO APPLY BY BUILDING OFFICIAL IN 2015
(BY WILLIAM STORTZ)

What background, experience or credentials will you bring to the board, commission, or committee membership?

21 YRS IN ELECTRICAL INDUSTRY, EXPERIENCE W/ OTHER TRADES,
ELECTRICAL ADMINISTRATOR 11 YRS

Please disclose any potential conflicts of interest that may arise from your appointment. These may include but are not limited to:

- A substantial financial interest of \$1000 annually that could be influenced by your appointment.
- An immediate family member employed within the scope of this appointment.

N/A

Please attach a letter of interest, outline, or resume which includes your education, work, and volunteer experience that will enhance your membership.

→ (To be considered, your application must be complete AND be accompanied by one of the above supporting documents.)

Date: 1/19/2022 Signature: [Signature]

Your complete application and resume should be returned to the Municipal Clerk's Office by noon on the Wednesday prior to an advertised Assembly meeting.

Please note: all information submitted will be made public and published online. Appointments are normally made during open session of an Assembly meeting, however, Assembly members may vote to discuss applicant(s) in closed executive session. In this case, do you wish to be present when your application is discussed? ☐ Yes ☒ No

Return to:

Jess Earnshaw, Deputy Clerk/Records Specialist, 100 Lincoln Street
Fax: 907-747-7403 Email: cityclerk@cityofsitka.org



BUILDING DEPARTMENT APPEALS BOARD

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
TED LAUFENBERG 712 Etolin Street	623-7107 c tllaufen@gmail.com	12/14/21	12/14/24	
RICHARD DOLAND 709 Alice Loop	738-3567 c 747-7567 h dolandbuilt@yahoo.com	11/6/06 10/27/09 10/23/12 2/23/16 2/26/19 2/9/22	11/6/09 10/27/12 10/23/15 2/23/19 2/26/22 2/9/25	Alternate
STEVE CLAYTON PO Box 2476	738-6236 c 747-5003 fax sbcclayton@gmail.com	9/10/02 9/13/05 9/23/08 3/8/16 2/26/19 2/23/22	9/10/05 9/13/08 9/23/11 3/8/19 2/26/22 2/23/25	Alternate
DAN LITTLEFIELD 486 Katlian Street	752-0669 c dan@eaglewolfelectric.com	5/27/14 12/26/17	5/27/17 12/26/20	
RYAN WILSON PO Box 414	738-0550 c 747-5424 h rw.designse@gmail.com	9/23/08 10/11/11 3/8/16	9/23/11 10/11/14 3/8/19	
Patrick Swedeen 100 Lincoln Street	747-1832 pat.swedeen@cityofsitka.org			Building Official
Jess Earnshaw 100 Lincoln Street	747-1826 jessica.earnshaw@cityofsitka.org			Secretary

- The building official is an ex-officio (non-voting) member of the board.

3 Seats (2 alternate members who shall be called by the Chair during the absence or disqualification of a member)

Terms are as follows:

Overlapping three-year terms. Alternates serve 3-year terms.

Revised: February 23, 2022



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 22-04S Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 3/2/2022 In control: City and Borough Assembly

On agenda: 3/22/2022 Final action:

Title: Amending Title 11 "Vehicles and Traffic" of the Sitka General Code by updating Chapter 11.75 "All-Purpose Vehicles" by amending Section 11.75.040 "Operations of APVs on Public Roadways within the City and Borough" (1st reading - substitute ordinance)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2022-04S](#)
[Ord 2022-04S](#)

Date	Ver.	Action By	Action	Result
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Sponsors: Knox and Mosher

POSSIBLE MOTION

I MOVE TO approve Ordinance 2022-04S on first reading amending Title 11 “Vehicles and Traffic” of the Sitka General Code by updating Chapter 11.75 “All Purpose Vehicles” by amending Section 11.75.040 “Operations of APVs on Public Roadways within the City and Borough”.

Note:

This is a substitute ordinance. At the March 8, 2022 Assembly meeting, a motion was made and seconded to approve Ordinance 2022-04. After the sponsors heard additional public testimony and discussion, they withdrew their motion. Since that time, the sponsors have worked with the Municipal Attorney to clarify the code language presented in the substitute ordinance.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2022-04S

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 11
“VEHICLES AND TRAFFIC” OF THE SITKA GENERAL CODE BY UPDATING CHAPTER
11.75 “ALL- PURPOSE VEHICLES” BY AMENDING SECTION 11.75.040 “OPERATIONS
OF APVS ON PUBLIC ROADWAYS WITHIN THE CITY AND BOROUGH”**

1. CLASSIFICATION. This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

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 prohibit certain commercial uses of All-Purpose Vehicles (“APVs”) on public roadways within the city and borough of Sitka. Commercial uses prohibited are ones that involve hire of the APV and are intended to include, but not be limited to, renting/leasing for driving, tours, passenger carrying, load carrying, freight carrying, pushing, and towing. Further, the intent is to prohibit certain commercial uses on the public roadways, both municipal and state, within the city and borough, not off public roadways if permitted by municipal, state, and federal law. This prohibition does not apply to uses of an APV for a business activity or employment activity when the APV is not under hire, including, but not limited to, driving to and from the business/employment or load carrying for the business/employment.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 11, entitled “Vehicles and Traffic”, Chapter 11.75, entitled “All-Purpose Vehicles”, at Section 11.75.040, entitled “Operations of APVs on public roadways within the city and borough”, be amended by adding a new subsection to read as follows (deleted language stricken, new language underlined):

**Title 11
VEHICLES AND TRAFFIC**

Chapters:

11.75 All-Purpose Vehicles

**Chapter 11.75
ALL-PURPOSE VEHICLES**

Sections:

11.75.040 Operations of APVs on public roadways within the city and borough.

11.75.040 Operation of APVs on public roadways within the city and borough.

APVs may operate on the public roadways within the city and borough, subject to the following conditions:

A. Driver's License. The person operating the APV must be a duly licensed driver in the state and at least 16 years of age.

B. State Registration. APV must be registered as required by state law, and proof of registration must be presented upon demand as required by state law.

C. Insurance. The APV must have liability insurance required by state law, and proof of insurance must be presented upon demand as required by state law.

D. Safety equipment. The APV must be equipped with the appropriate safety equipment, including headlights, taillights, turn signals, muffler, throttle, fenders, brakes, rearview mirror, horn, speedometer, and seatbelts (UTVs only), all in operating order, and which meet or exceed state or municipal regulations. When driving on a public roadway within the city and borough, APVs must be equipped with:

1. At least one headlight, aimed and of sufficient intensity to reveal persons and vehicles at a distance of one hundred feet ahead;

2. One red light, one stop-signal light, and one red reflector, which must be mounted upon the rear or rear cowl of the APV, and the lights must be visible from a distance of at least one thousand feet to the rear, and the reflector must be visible from a distance of at least six hundred feet to the rear when directly in front of the lawful lower beams of the headlights of a vehicle or APV;

3. Turn signals mounted on the front and rear of the APV, which must be visible from a distance of at least one thousand feet to the front and six hundred feet to the rear when directly in front of the lawful lower beams of the headlights of a vehicle or APV;

4. An exhaust muffler in good working order, and may not use a muffler cutout, bypass, or other similar device;

5. A throttle or idle spring in good working condition which, when released, will return the engine speed to idle, close the carburetor, and disengage the clutch;

6. Fenders designed by the manufacturer for use by APVs on public roadways whether paved or not;

7. Brakes which will control the movement, stop, and hold the APV under normal driving conditions on any grade upon which it normally may be driven, and under all conditions of loading;

8. A rearview mirror in good working condition;

9. A horn in good working condition;

10. A speedometer in good working condition;

11. Seatbelts but only required for UTVs.

E. Protective equipment. Operators must wear protective headgear and an eye-protective device, except for UTVs equipped with seatbelts, that meet or exceed state or municipal regulations.

F. Traffic laws. The operator of an APV must observe all state and municipal laws which pertain to the operation of vehicles upon a public roadway. When driving on a public roadway within the city and borough, APVs:

1. Must stay on the correct side of the lane of traffic except when crossing the public roadway;
2. Must travel in single file, not abreast of other moving vehicles or APVs;
3. May not pass other moving vehicles or APVs;
4. May not weave in and out of traffic;
5. May not operate in any other manner that may be considered careless, reckless or negligent;
6. May not allow passengers, except for UTVs equipped with seatbelts;
7. Must not exceed the weight limit as established by the manufacturer (including cargo) and must be of a weight that the operator is able to control the movement of and to stop and hold it under normal conditions of operations;
8. May not exceed the posted speed limit;
9. Must be equipped with an engine of 250 cc or more;
10. Must be able to travel at the posted speed limit of the public roadway it travels upon;
11. Must be able to travel under two-wheel drive;
12. Must comply with noise and smoke rules as provided in SGC Section 11.44.020.
13. Must comply with rules related to obstruction to a driver's view as provided in SGC Section 11.44.030.
14. Must not travel on public roadways while towing a trailer, sled, toboggan or other object.

G. Hours of operation. Operation of an APV is prohibited on a public roadway within the city and borough from 12:00 a.m. to 5:00 a.m. of every day of the week, except when circumstances exist which justify an exception because operation of the APV was necessary or unavoidable. Exceptions are limited to non-recreational use and may only be allowed when involved in an emergency or going to or returning from employment, without detour or stop, or engaged in an employment activity, without detour or stop. There is no seasonal limitation on operation of APVs on public roadways within the city and borough.

H. APVs may not operate on municipal parks, lands and trails without a written permit obtained under SGC Chapter 23.10.

I. Commercial uses prohibition. When driving on public roadways within the city and borough, APVs may not be used for commercial uses that involve hire of an APV, including, but not limited to, renting/leasing for driving, tours, passenger carrying, load carrying, freight carrying, pushing or towing. This prohibition does not apply to uses of an APV for a business activity or employment activity when the APV is not under hire, including, but not limited to, driving to and from the business/employment or load carrying for the business/employment.

* * *

5. EFFECTIVE DATE. This ordinance shall become effective the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, this 12th day of April, 2022.

Steven Eisenbeisz, Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st reading – substitute ordinance: 3/22/2022

2nd and final reading: 4/12/2022

Sponsors: Knox and Mosher



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 22-05 Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 3/2/2022 In control: City and Borough Assembly

On agenda: 3/22/2022 Final action:

Title: Instating a temporary moratorium on the issuance of conditional use permits for short-term rentals in the R-1 or related zones and R-2 or related zones

Sponsors:

Indexes:

Code sections:

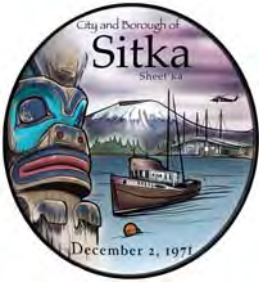
Attachments: [Motion Ord 2022-05](#)
[Memo Ord 2022-05](#)
[Ord 2022-05](#)
[2021 Annual Short-Term Rental Report 2.28.22](#)

Date	Ver.	Action By	Action	Result
3/8/2022	1	City and Borough Assembly		

Sponsors: Knox and Mosher

POSSIBLE MOTION

I MOVE TO approve Ordinance 2022-05 on second and final reading instating a temporary moratorium on the issuance of conditional use permits for short-term rentals in the R-1 or related zones and R-2 or related zones.



City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

A Coast Guard City

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

From: Assembly Members Knox and Mosher

Date: March 2, 2022

Subject: Moratorium on Short Term Rental Permits

Background

The purpose of this ordinance is to take measures to protect the availability and affordability of housing in Sitka. Maintaining the availability and affordability of housing are legitimate and important goals for the City and Borough. As affordable and available housing is of major concern in Sitka, and with the expected rapid growth of tourism and healthcare sectors in our economy further strain will be placed on our available housing inventory. The concern with the proliferation of short-term rentals in R-1 or related zones and R-2 or related zones may threaten the availability and affordability of housing in Sitka. This ordinance seeks to place a one – year moratorium on the granting of conditional use permits for short-term rentals in R-1 or related zones and R-2 or related zones in order to evaluate potential solutions to address the effects short-term rentals have on housing availability and affordability in Sitka.

Cities and local governments across the country are grappling with the rapid growth of STRs. Since Sitka started tracking STR data in 2017, permit numbers have doubled from 29 (2017) to 64 (2020). Many companies like Airbnb, Flipkey, VRBO had their start in people renting out rooms in houses that they occupy as their primary residences. However, that trend has shifted as owners have discovered that STRs can be a lucrative source of disposable income, and there are now more ‘independent dwelling units’ on the market, which is an entire home or apartment that is unoccupied and used solely as a short-term rental. It stands to reason that if short-term rentals were not an option, there would be limited options for these independent dwelling units other than long term rentals. According to the 2021 Short Term Rental report produced by the CBS Planning Department, 90% of the short-term rentals in residential areas are independent dwelling units.

The significant gains in income generated by short term rentals has increased the number of people investing in Sitka’s real estate market for the purpose of using properties as short term rentals. In 2021, the STR market in residential areas remitted

over \$47,000 in bed tax, with total implied revenue equating to over \$788,000. The average price per night is \$270, which can turn a STR property into a significant revenue stream.

There also has been a significant impact that hasn't been quantifiably measured to the long term rental market and owner-occupied real estate market. Short-term rentals can impact the affordability and availability of local housing in a number of ways, from reducing the inventory of long term rentals, to increasing the monthly rental costs of currently available units, to the increased inflation of real estate prices in general. Short-term rental permits have been granted to property owners that live outside of Alaska year-round and operate short-term rental businesses in other states. There are houses that are being taken off the market by owners who will never occupy these places as their primary residence, and own the property with the intent of solely using the asset as an STR. At the same time, many people living and working in Sitka year-round report experiencing hardship in finding a property to rent or buy, especially at an affordable price¹.

Across the West, housing crises are causing labor shortages, crippling local businesses and preventing sustainable, long-term economic development. In the 2019 Sitka Business Survey prepared by the McDowell Group for the Sitka Economic Development Association, "availability of housing for employees" was the second most significant barrier to a business/organization's growth, behind cost of living². Out of 109 businesses, 47% of survey respondents cited housing availability as a significant barrier. In the same survey, a recurrent answer to the question of what specific measures the Sitka city government could take to support economic development in Sitka was to "support affordable housing".

Housing availability and affordability are a complex issue; sensible short term rental regulation is part of the solution. Sitka is on the cusp of experiencing exponential growth in the tourism and healthcare industries, along with an expected increase in federal government employees. Currently, once a short term rental permit is granted, there is no mechanism for the permit to expire, as long as its use is maintained every year. In order to support this growth and maintain the ability of Sitkans to live and work in this community, the Sitka Assembly should put a pause on the current pace of conversions of housing inventory to STRs and act to explore the impacts of short-term rentals, determine common-sense solutions, and analyze future needs, before it is too late.

Sitkans have expressed their concerns about short-term rentals and their desire to see policy addressing their proliferation in residential areas, as evidenced by a survey that received 291 respondents in May 2021. 65% of respondents replied that they were concerned about the number of STRs in Sitka, with 56% stating that they believe STRs have a negative impact on the housing market.

¹ CBS Community Survey on Short Term Rentals, July 2021

²<https://static1.squarespace.com/static/582222e36a49637d2e6e6edb/t/5cc208f19b747a23e77dab02/1556220147327/McDowell+Group+SEDA+Sitka+Business+Survey+Final+Report+4-24-2019.pdf>

Analysis

It is recognized that not all STRs are depleting long-term rental stock. STRs can increase the affordability of housing for owners by offsetting housing costs with rental income. Many Sitkans use independent dwelling units attached to their primary residences to host family members and visitors, and wish to host a STR in the period in which the attached apartments are vacant. Other considerations to take into account for Sitka are that many families travel for extended periods of time, and many fishing families are out on the water for months at a time, thus leaving their primary residences unoccupied for short periods in which an STR can provide some disposable income.

However, there is a correlation between STRs and negative impacts to available housing stock for residents, long-term rental rates, and increased purchase prices for housing in general. This can be addressed by creating a few common-sense regulations that align with Sitka's unique situation and protect housing stock from being converted to STRs. There are multiple potential solutions that will be examined for suitability for Sitka, including increasing fees or taxes associated with short-term rentals, requiring property owners to reapply for short-term rental permits upon transferring property, putting a city-wide cap on short-term rentals, requiring the rental to be the primary residence of the occupant, and/or limit the neighborhood concentration of short-term rentals.

This ordinance was not put before the Planning and Zoning Commission. The intent of not routing the ordinance through the commission was intentional. Sponsors of this proposal wished to remove what is a political decision from an appointed and advisory commission and put it directly in front of the Assembly.

Fiscal Note

There potentially could be a flood of applications received in the weeks following the passage of a moratorium for owners trying to secure a permit before the deadline.

This ordinance was initially drafted with the enactment date of the day after the date of its passage (March 23, 2022) for a year, but after consideration by staff it was requested that the start date be April 7, 2022 for one year, end date April 6, 2023.

This would assist in any work done by citizens, planning commission and/or planning department on any potential STR applications they could receive for the 4/6/2022 planning commission meeting (deadline for materials 3/16/22). If this ordinance were to pass on second reading (3/22/22) and go into effect day after date of passage (3/23/22) then materials submitted on 3/16/22 for 4/6/22 planning meeting would be obsolete. The advice, work product, and time of staff, commission, and citizens could be considerable.

Recommendation

Approve Ordinance 2022-05 as recommended. Further recommendations will be directed to the Planning Commission and/or a taskforce to address future solutions and needs with the Short Term Rental market.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2022-05

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA INSTATING A
TEMPORARY MORATORIUM ON THE ISSUANCE OF CONDITIONAL USE PERMITS FOR
SHORT-TERM RENTALS IN THE R-1 OR RELATED ZONES AND R-2 OR RELATED ZONES**

1. CLASSIFICATION. This ordinance is not of a permanent nature and is not intended to become 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 protect the availability and affordability of housing in Sitka. The Assembly finds that maintaining the availability and affordability of housing are legitimate and important goals for the City and Borough. The Assembly further finds that the proliferation of short-term rentals in R-1 or related zones and R-2 or related zones may threaten the availability and affordability of housing in Sitka. The Assembly desires to place a one-year moratorium on the granting of conditional use permits for short-term rentals in R-1 or related zones and R-2 or related zones in order to evaluate potential solutions to address the effects short-term rentals have on housing availability and affordability in Sitka.

4. ENACTMENT. NOW, THEREFORE BE IT ENACTED by the Assembly of the City and Borough of Sitka that notwithstanding any other provision of law;

- A. Neither the Planning Commission nor the Assembly shall grant between April 7, 2022, and April 6, 2023, conditional use permits for short-term rentals in R-1 or related zones and R-2 or related zones;
- B. During the moratorium, it shall be illegal to rent out a single-family dwelling in R-1 or related zones or in R-2 or related zones for less than 14 consecutive days for money or other valuable consideration unless a conditional use permit for that use has been previously obtained, or the short-term rental has been in existence since a time period prior to the adoption of short-term rental regulations in the zoning code and deemed as a legal-nonconforming use as defined in SGC 22.24.050(D);

As provided by SGC 22.30.380(G), the procedures set out in SGC 22.30.380 for considering amendments to the text of the city and borough's development regulations and other official controls do not apply to this amendment adopted by the assembly establishing a moratorium on short-term rentals for a specific period.

5. EFFECTIVE DATE. This ordinance shall become effective on April 7, 2022, and shall permanently expire on April 6, 2023.

PASSED, APPROVED AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, on this 22nd day of March, 2022.

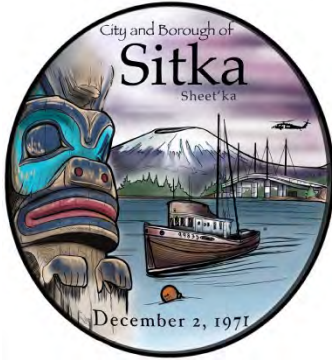
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ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st reading: 3/8/2022
2nd and final reading: 3/22/22
Sponsors: Knox/Mosher

Steven Eisenbeisz, Mayor



CITY AND BOROUGH OF SITKA

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT

2021 Annual Short-Term Rental Report

February 28, 2022

Prepared for: Chair Spivey and Members of the Planning Commission
Copy provided to: Mayor Eisenbeisz and Assembly Members
John Leach, Municipal Administrator

Report Sections

I. Permit Holder Data

- A. Financial Data
- B. Property Data
- C. Marketing Platforms

II. Permit Holder Comments, Feedback, and Concerns

III. Conclusion

- A. Conclusion
- B. Explanation of Attachments

IV. Attachments

Please note the following:

This report only covers short-term rentals or bed and breakfast establishments that operate through the conditional use permit process. This report does not have information about short-term rentals that are operated by right within the Central Business District, Commercial 1 District, Commercial 2 District, Waterfront District, General Island District, and/or Recreational District.

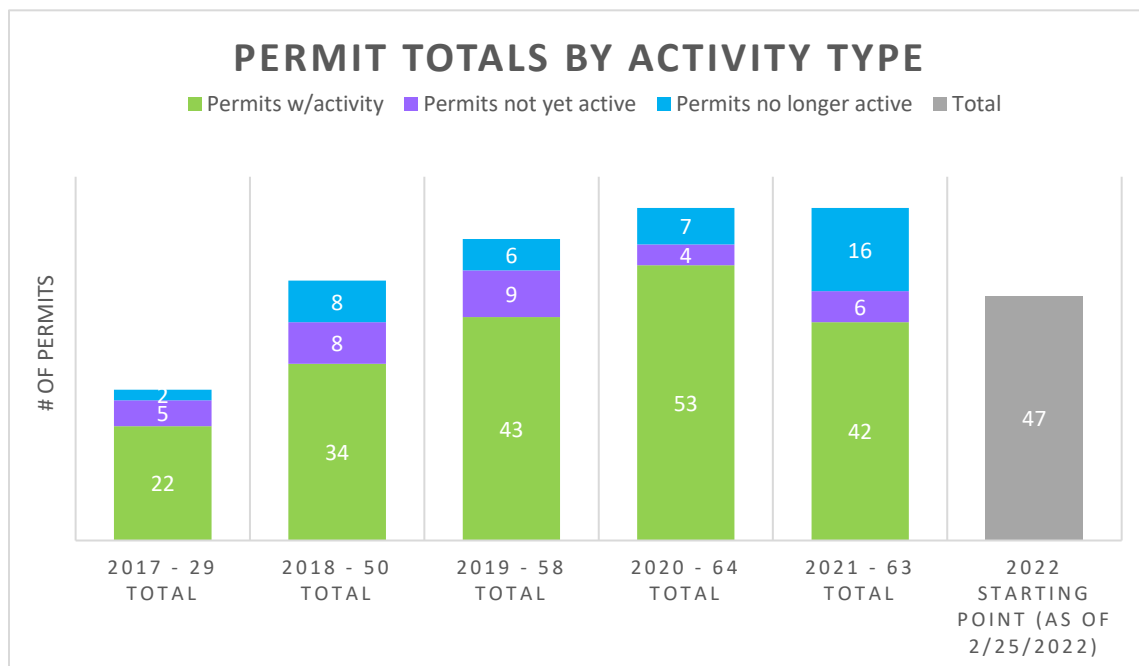
The term “short-term rental” or STR, will also be used to describe bed and breakfast establishments permitted through the conditional use permit (CUP) process.

I. Permit Holder Data

A. Financial Data

Permit Data	2017	2018	2019	2020	2021
Total Permits	29	50	58	64	63
Active permits in use	22	34	43	53	41
Active permits not yet used	5	8	9	4	6
No longer active permits	2	8	6	7	16
Rental Data from Active Permits					
Total nights rented	1155	2928	3190	1788	2917
Average nights rented per active CUP	53	86	74	30	71
Minimum nights rented	2	2	2	0	1
Maximum nights rented	146	446	259	174	205
Financial Data from Active Permits (\$ USD)					
Total bed tax remitted	14,979	27,950	39,137	21,293	47,286
Total implied revenue	249,663	465,838	652,292	354,883	788,100
Average bed tax remitted	680	822	910	402	1,153
Average implied revenue	11,348	13,701	15,169	6,695	19,222
Minimum bed tax remitted	12	0	14	0	6
Maximum bed tax remitted	2,434	3,107	3,776	1,581	2,936

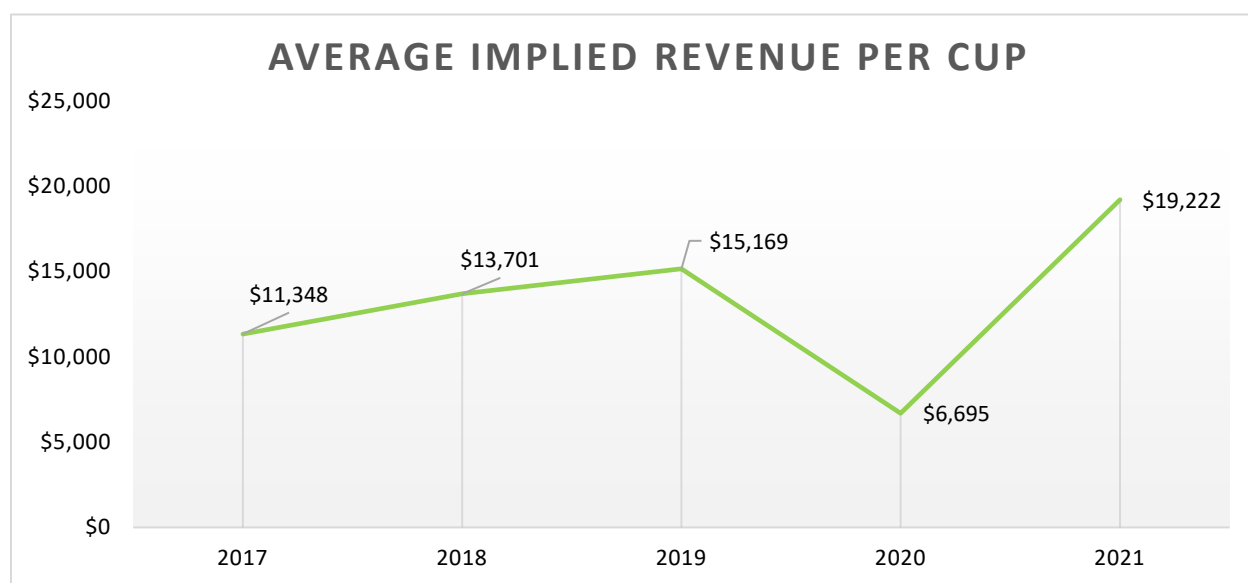
Summary: At the beginning of 2020, there were a total of 57 active permits. The Commission approved 8 new CUPs for STRs in 2021, one of which is now inactive. 15 other permits also became inactive in this period. There are 2 permits that have been approved in early 2022 that were not asked to complete the 2021 report due to lack of activity. There are two active permits for which the data was not made available in time for this report.



As Sitka's bed tax on short-term rentals is 6%, and the total bed remitted was \$47,286, implying a total revenue of 788,100. Over 2917 rental days, this would put the average price per night at approximately \$270. Given that average nights rented in 2021 is within a similar range to that of 2018 and 2019, it would appear that there are higher prevailing prices for short-term rentals.

STRs still represent a significant revenue source that could substantially offset housing expenses. The average revenue per permit holder is \$19,222; a sizeable revenue stream for properties owners not otherwise captured at hotels, lodges, or short-term rentals/bed and breakfast establishments in other zoning districts.

The average implied revenue per CUP increased steadily between 2017 and 2019, dropped dramatically in 2020, and rebounded to its new high in 2021.



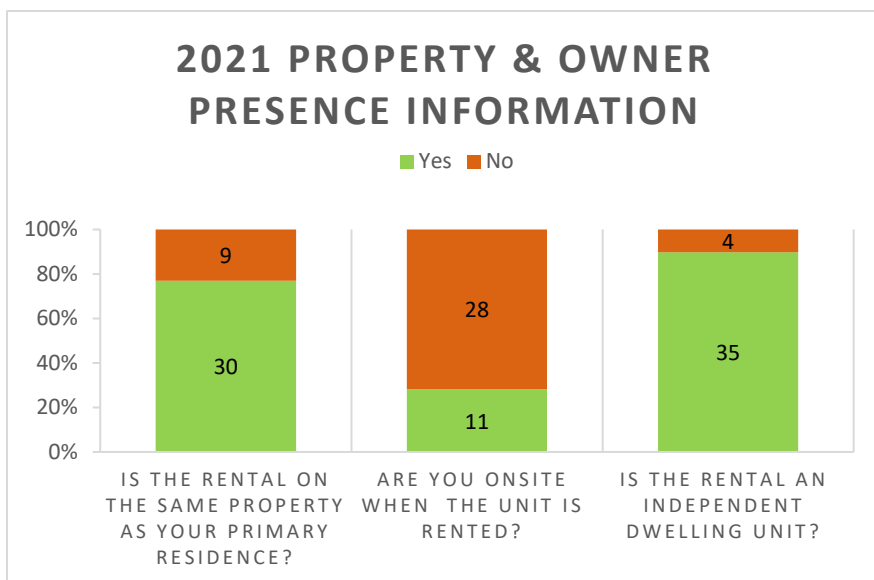
B. Property Data

In an attempt to answer the question, “to what extent are short-term rentals decreasing the available pool of long-term rentals?” staff included some questions about the property and owner presence during rental periods for the first time in the 2019 report, and kept these questions in the 2021 report.

77% of active permit holders responded that the rental was on the same property as their primary residence (compared to 68% in 2020), with far more respondents stating they were offsite during the rental period than 2020; 45% versus 28% for 2020 and 2021 respectively. 90% of the rental units were reported as independent dwelling units.

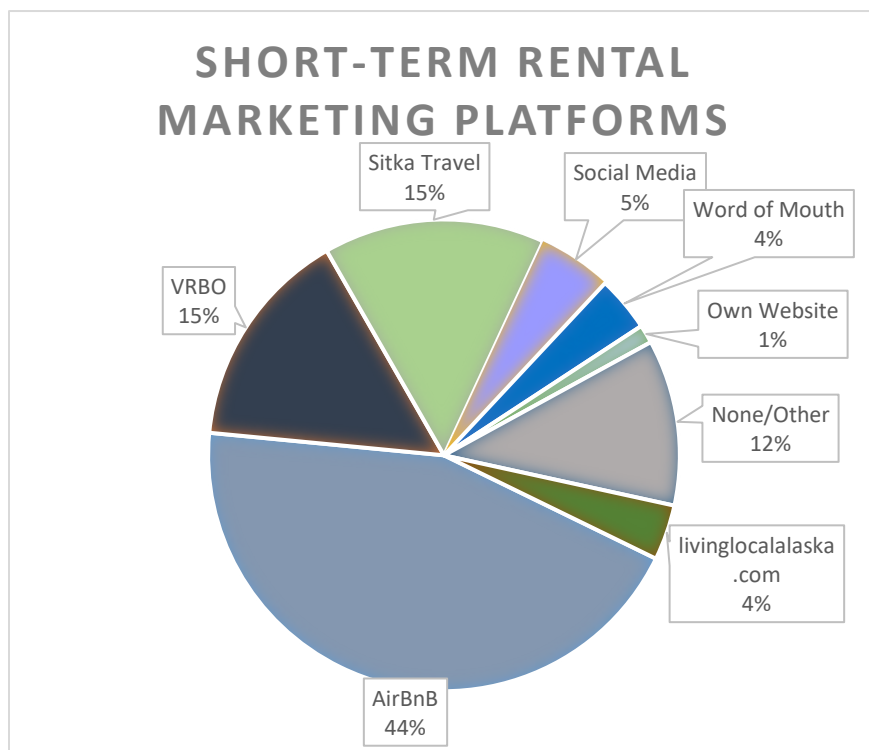
Of the 9 respondents who stated that the rental was not on the same property as their primary residence, all were described as independent dwelling units (however one is a boat). It would stand to reason that if the property is not a primary residence and is an independent dwelling unit, it would have limited use outside of long-term rental were it not for the short-term rental option.

It is more challenging to make this determination within the pool of those who claim the rental is part of their primary residence; among this group, 17 are reported as independent dwelling units. Some respondents rent their entire primary dwelling unit while out of town. The choices to utilize a dwelling unit within one's primary residence could include guest space, hobby space, or just additional living area; we cannot definitively say these short-term rentals detract from the long-term rental pool.



C. Marketing Platforms

Another new addition to the 2019 report that was carried through to the 2021 report was a question to permit holders regarding the marketing platforms used. Staff felt this was helpful information to assist in monitoring short-term rental activity as well as understanding how many short-term rentals are professionally managed.



Most respondents listed multiple marketing platforms, such as using multiple websites, or a manager as well as a private listing site (such as Airbnb or VRBO).

Airbnb was far and away the most popular marketing platform, followed by VRBO and Sitka Travel (a local company).

44% of those with active permits stated that they were using professional services for property management. This is a notable increase over the 30% reported in the 2020 report.

II. Permit Holder Feedback, Comments, and Concerns

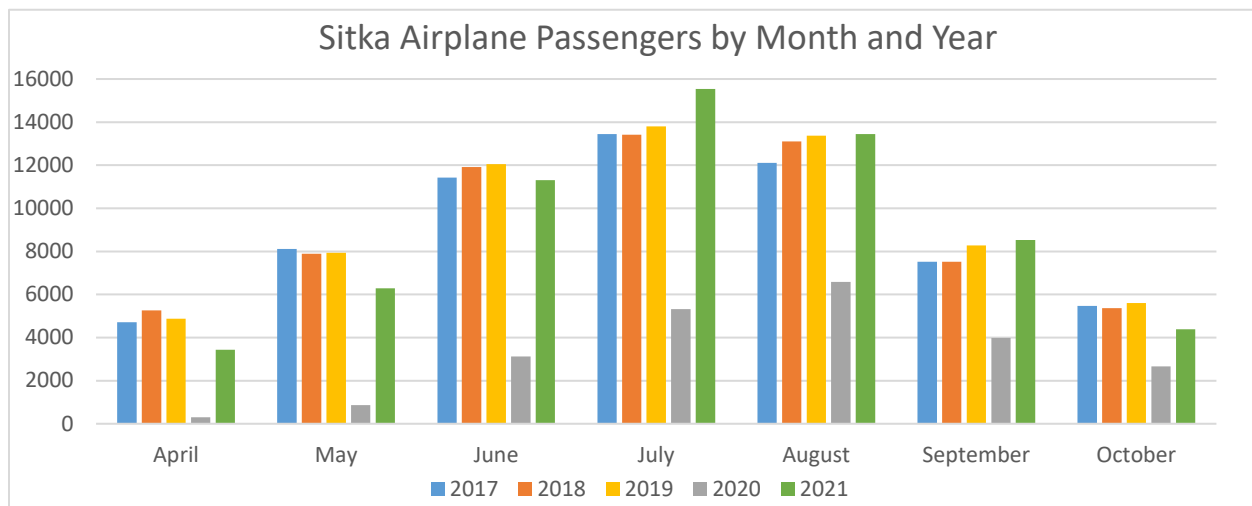
2021 saw the largest number of “deactivations” since STR data has been gathered and tracked through this report. Some of the inactive permits reported that they found long-term renters for their units, or they have sold the properties and short-term rental activity was not continued by the new owners. Clarification and enforcement of the utility billing policy regarding short-term rentals was a strong driver in the number of permit closures that took place over 2021 – this appeared to be a “tipping point” for permits that were only utilized a handful of days each year. Of the 16 permits that are now considered inactive, 4 have communicated with the Planning Department that they would like to keep their permit open and/or that they disagree with the inactive status. These permit holders will be advised of their option to reapply.

Few comments were received from active permit holders; a few noted that they are only using their permits during the summer months, one stated disagreement with the utility billing rates for short-term rentals, and one stated that they felt that some of the questions (particularly those regarding marketing platforms, property management, and whether permit holders are onsite during rentals) could be violating their privacy.

III. Conclusion

A. Conclusion

While 2020 was a challenging year for short-term rental use given the COVID-19 pandemic, 2021 showed a rebounding of the independent visitor industry. Data from the Bureau of Transportation Statistics showed that passenger enplanement at Sitka Rocky Gutierrez airport over the summer of 2021 was in line with volumes seen in 2017-2019. In fact, July 2021 had the largest volume of passengers for any July in the 5-year period, exceeding the next highest July (which was 2019) by approximately 12.6% and was the largest passenger volume seen in any month as far back as 2002.



Data gathered from: https://www.transtats.bts.gov/Data_Elements.aspx?Data=2

Total nights rented in 2021 is in line with activity levels from 2018 and 2019, as is the average nights rented per permit. This also demonstrates a “return to normal” in terms of demand within the short-term rental market. The increase in bed tax remittance far surpassing previous years indicates that market prices for short-term rentals were considerably higher than in years past. The cause for higher price is unknown, and could be driven by one or many variables such as more “premium properties” being offered than in years past, inflation, or supply-side effects.

B. Explanation of Attachments

The Commission requested that staff perform a community survey regarding short-term rentals in May 2021. This survey was conducted, and 291 individuals participated. The results were shared with both the Commission and the Assembly in August. Another copy of the survey report is attached for review.

Mapping the distribution of short-term rental permits shows higher density of permits in the downtown and Edgemoor Drive areas, which generally correlate with higher density residential development. Within these areas, no observable pattern or clustering was found in permit locations within neighborhoods, the intensity of their use, or if the property was the primary residence of the permit holder to indicate potential “dark neighborhood” scenarios. The distribution maps are also attached for review.

IV. Attachments

- Short-Term Rental Community Survey Results
- Short-Term Rental Distribution Maps



City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

Coast Guard City, USA

To: Chair Spivey and Planning Commission Members

From: Amy Ainslie, Planning Director
Ben Mejia, Planner I

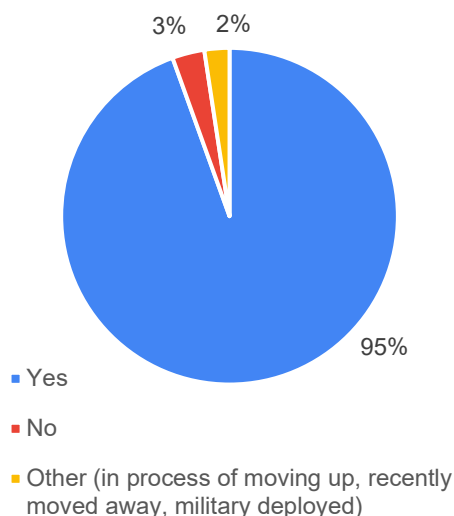
Date: July 30, 2021

Subject: **Short-Term Rental Survey**

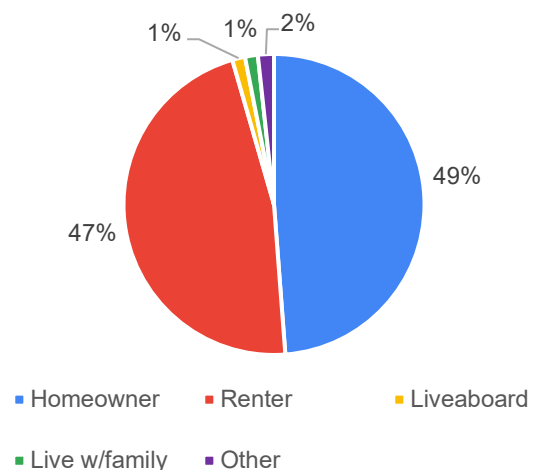
At their May 5, 2021 meeting, Commissioners requested that staff create and publish a community survey to better understand public opinion on short-term rentals, as well as rental and housing price data. Commissioners felt it would be helpful to have information from respondents on their status as a homeowner or renter, their ease or difficulty in finding housing, income and housing expense relative to income, and their opinions on actions that should or should not be taken in terms of regulating short-term rentals.

291 respondents took the survey between May 12 and May 28, 2021. Respondents were not required to give any personal identifier information to fill out the survey, and all questions were optional. Questions on income and housing expenses specifically had the option of “prefer not to answer” for respondents. Most respondents were Sitka residents (~95%). There was a fairly even divide between renters (47%) and homeowners (49%).

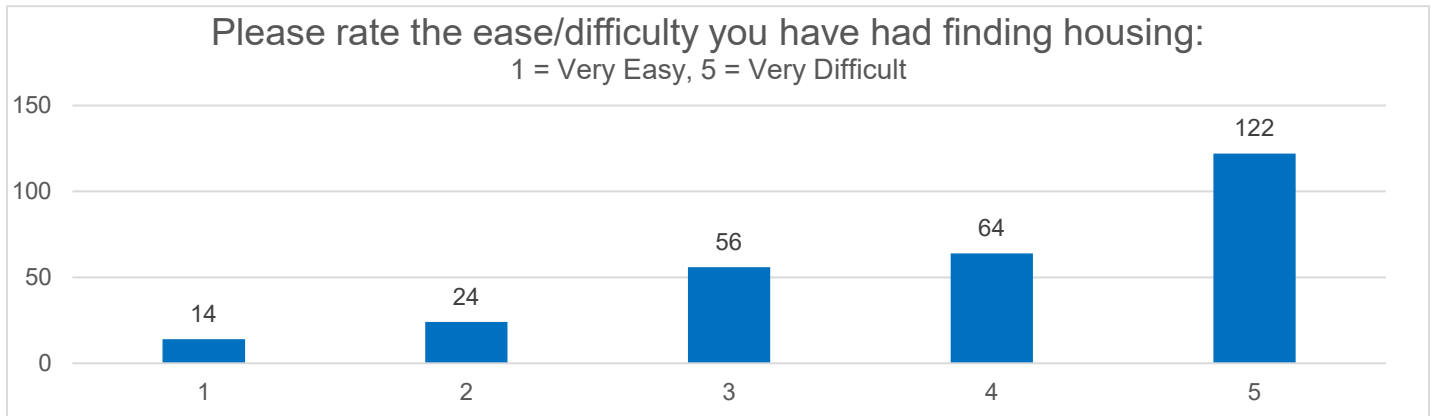
Are you a Sitka Resident?



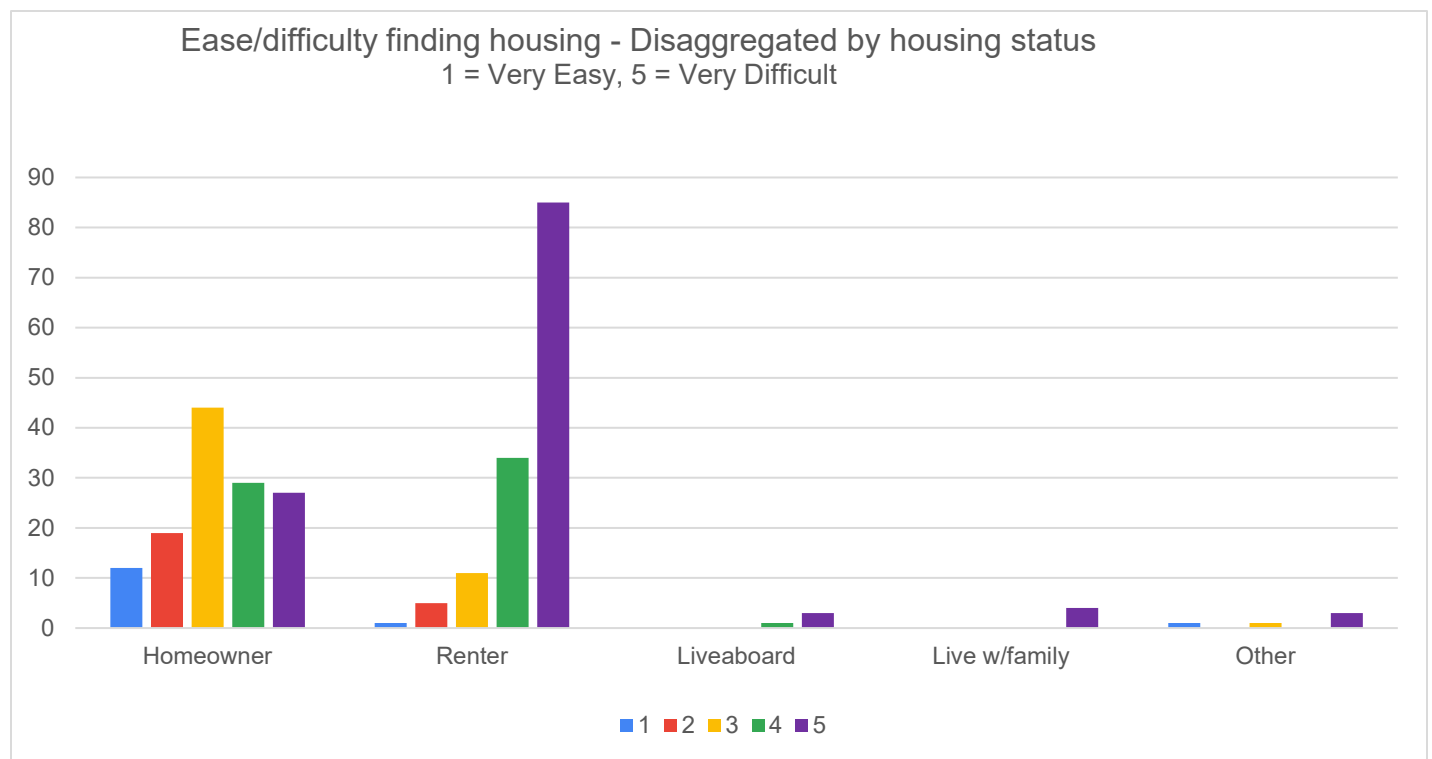
Are you a homeowner or renter?



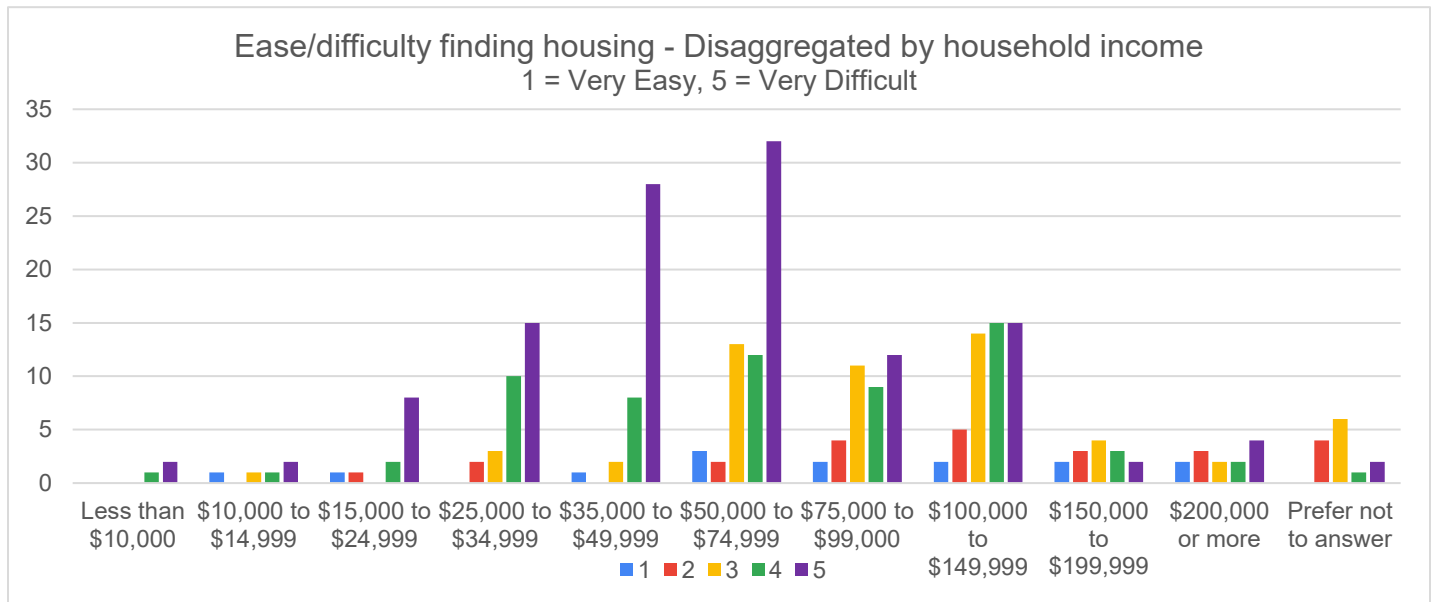
Respondents were asked to rate their experience in the ease/difficulty of finding housing using a scale in which a 1 was “very easy” and a 5 was “very difficult”. 86% of respondents rated their experience as a 3 or higher, indicating a general difficulty of finding housing in Sitka. 44% rated their experience as a 5, very difficult.



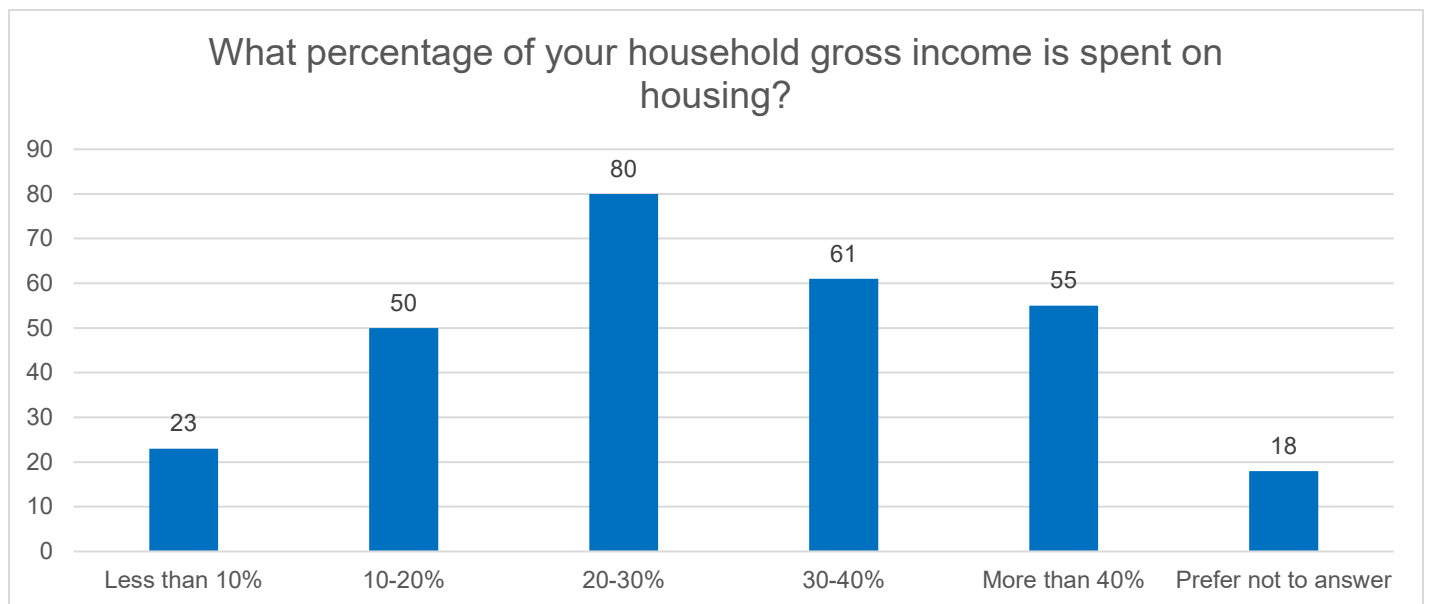
When disaggregated by housing status (homeowner, renter, etc.), homeowners showed more of a “bell curve” distribution in terms of their experiences finding housing with most rating it as a 3, while renters report much more difficulty in finding housing. All respondents who live with family said their experience in finding housing has been very difficult.



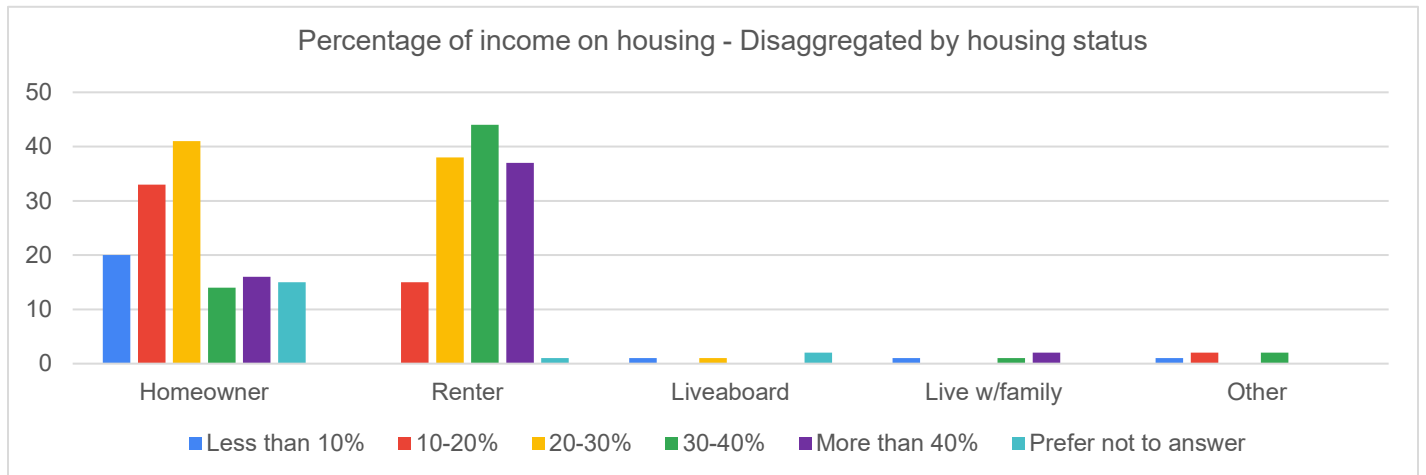
High numbers of those who have had a “very difficult” time finding housing have household incomes that fall within the \$15,000 - \$74,999 ranges, though at least some respondents in every income bracket reported having difficulty finding housing.



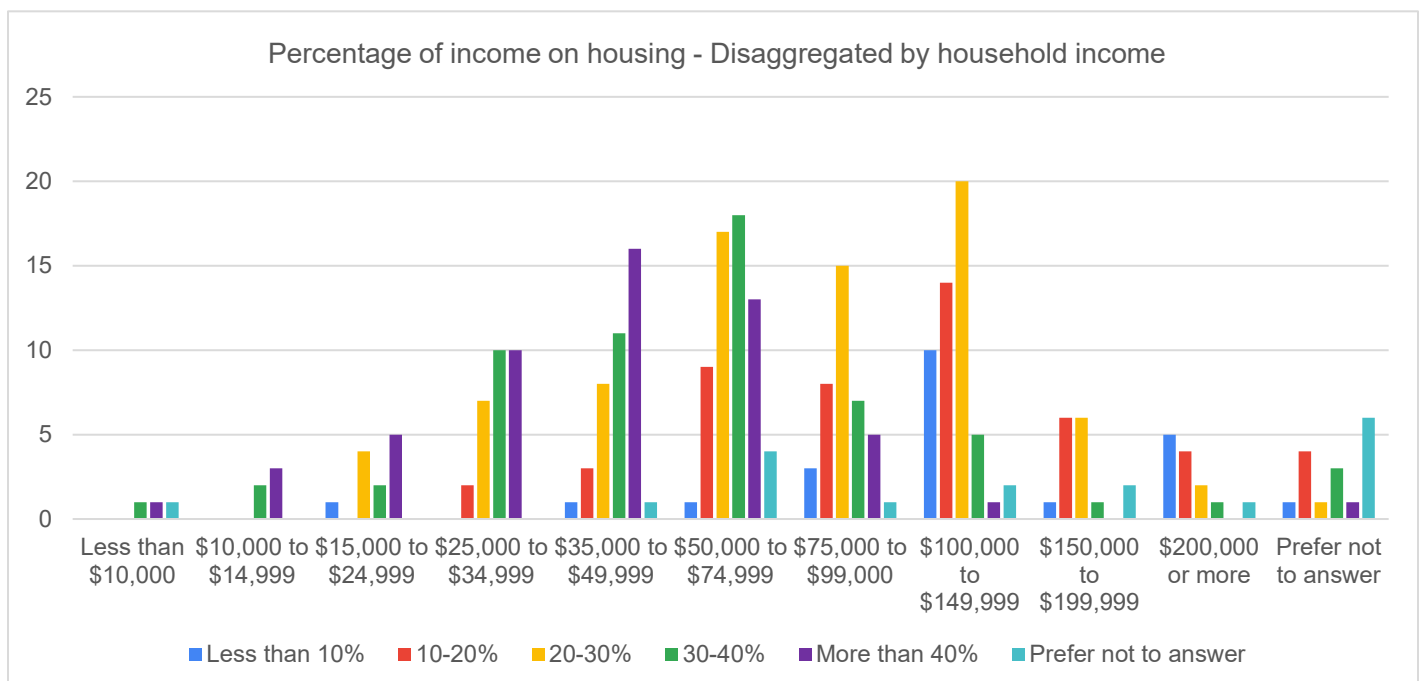
On housing expenses, there was a bell curve distribution with most respondents answering that they spend between 20-30% of their gross household income on housing expenses.



What percentage of your household gross income is spent on housing?					
Income spent on housing:	Percent of Homeowners	Percent of Renters	Percent of Liveaboards	Percent of those who Live w/family	Percent of Other
Less than 10%	14%	0%	25%	25%	20%
10-20%	24%	11%	0%	0%	40%
20-30%	29%	28%	25%	0%	0%
30-40%	10%	33%	0%	25%	40%
More than 40%	12%	27%	0%	50%	0%
Prefer not to answer	11%	1%	50%	0%	0%



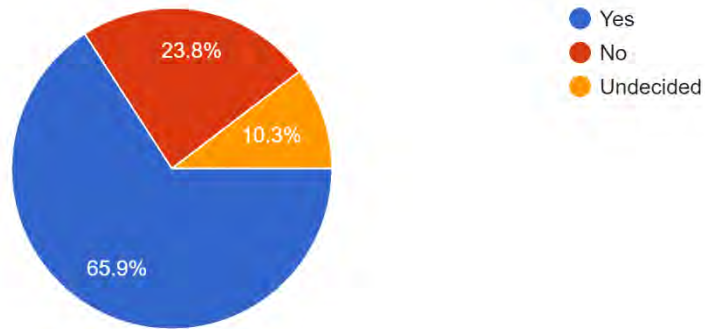
Homeowners and renters alike experience housing cost burden (greater than 30% of gross income spent on housing). No renters reported spending less than 10% of their gross household income on housing. None within reported annual incomes greater than \$150,000 reported spending more than 40% of their income on housing. Almost all income groups reported spending at least 10% - 30% of their incomes on housing.



Short-term rental specific questions:

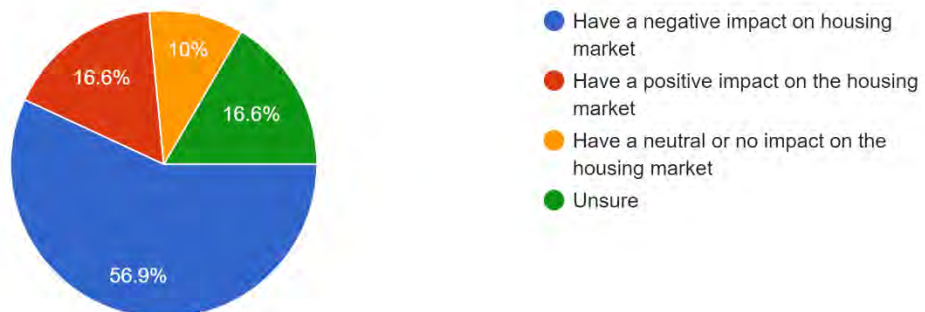
Are you concerned about the number of short-term rentals in Sitka?

290 responses



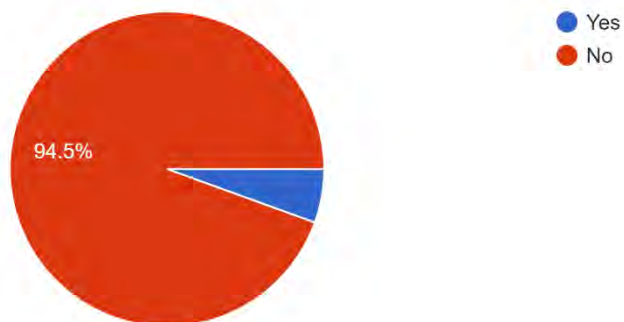
I believe short-term rentals:

290 responses

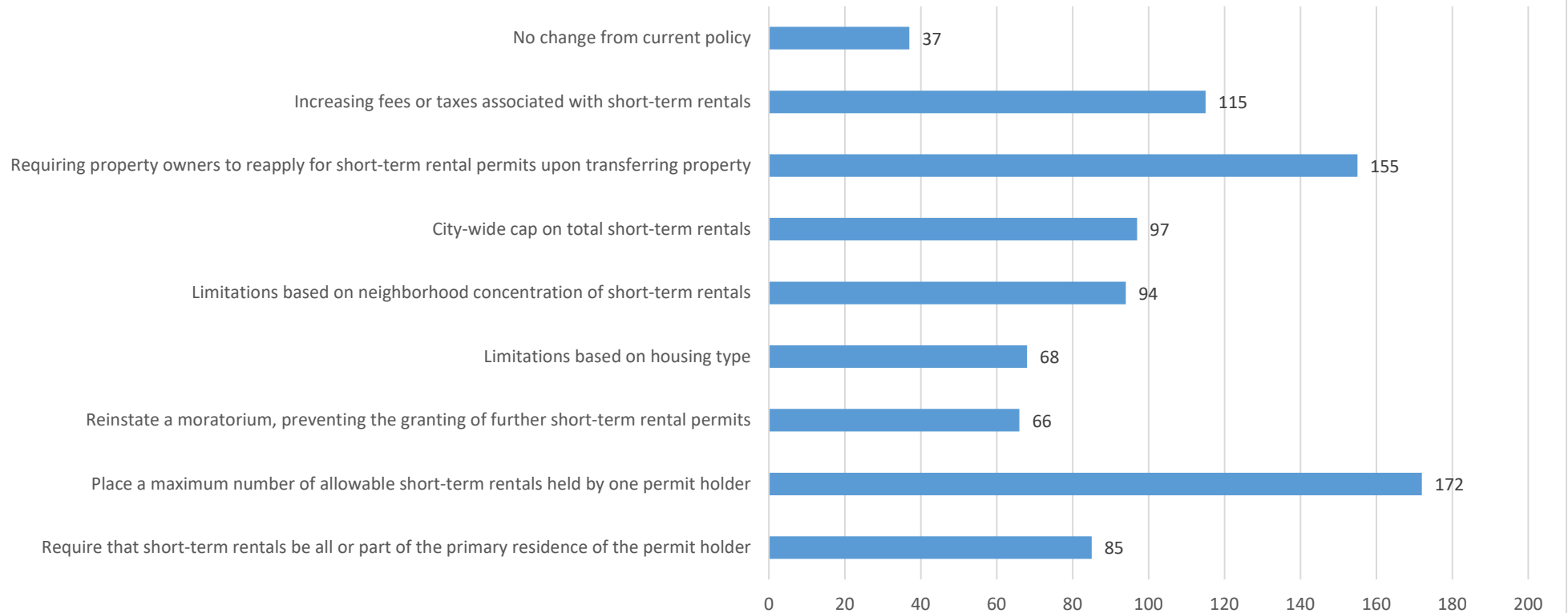


Do you own a short-term rental property in Sitka?

290 responses



Actions you would like to see taken on the permitting of short-term rentals:



Other suggestions included:

- Making more affordable housing/land for housing development available (4)
- Letting market dictate/limited City involvement (11)
- Limit the number any one property manager can manage (1)
- Incentives for converting short-term rentals to long-term (6)
- Fines for illegally operated/unpermitted STRs (2)
- Making more seasonal housing available (2)
- Limit STR permits to Sitka residents (3)

There was also an opportunity for respondents to provide free-form feedback. There were over 100 comments – staff attempted to summarize these by theme to provide the Commission with a sense of the overall comments.

1. Housing Availability and Affordability

Approximately 60-70 respondents provided comments regarding the lack housing availability in Sitka, high prices, and other difficulties of getting into housing. Within this pool, there were mixed feelings on the role that short-term rentals play in these problems; some were specific in citing short-term rentals as having negative effects, some felt that short-term rentals were unrelated to these observed problems, and some did not address whether they felt short-term rentals were having an impact in this area. Other observed problems included competing with Coast Guard and health care employees for housing, and the difficulties in finding pet-friendly housing.

Among popular suggestions were increasing land availability for housing development, easing restrictions on density and ADUs, establishing funds for affordable housing development, initiatives to lower cost of living,

2. Balance and Incentives

Several comments acknowledged a need for diversity in housing and lodging options, but wished for more balance and perhaps incentives for more long-term rentals. Some of those suggestions included tax breaks for ADU construction and long-term rental conversion. Others would like to see more enforcement of short-term regulations, higher taxes/fees associated with short-term rentals, time limitations for permits, or residency requirements for permit holders.

3. Free Market and Choice

Some responses were specifically focused on property owner choice and free market principles (approximately 15-20). These respondents felt that property owners ought to have the right to use their property as they see fit, and that the market should be able to regulate/determine appropriate levels on its own. There was some overlap between this section and that above – there was acknowledgement on both sides that short-term rentals can be an important tool in offsetting high housing costs for residents.

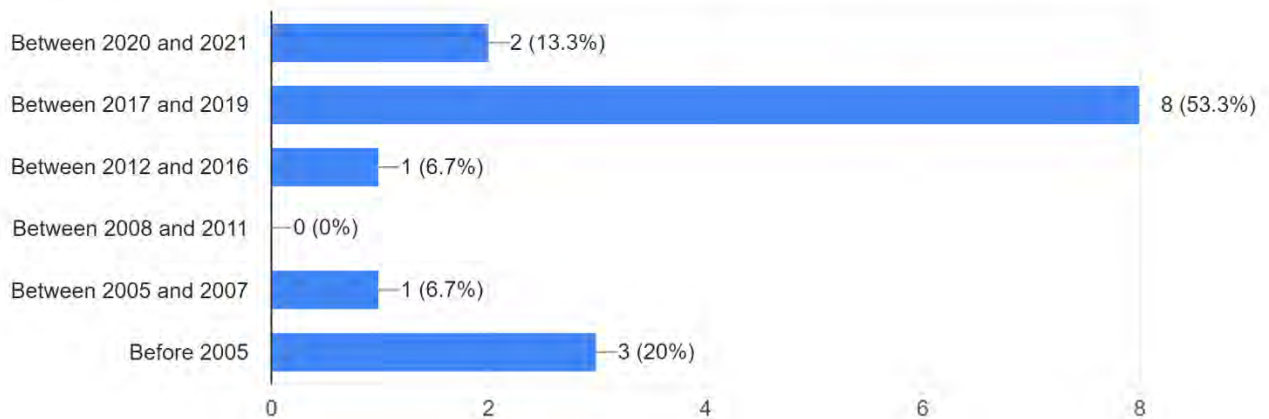
4. Tourism Economy

Many cited the importance that short-term rentals play in the tourism economy, particularly as they support independent travelers that contribute to Sitka's economy. Some respondents felt that allowing short-term rentals more equitably divides the income from the tourism industry among locals (as opposed to benefits only being captured by hotels and lodges). On a related note, there were many comments made regarding the need for expanded seasonal housing given our increase in population over the summer related to the tourism and fishing industries.

This survey also took the opportunity to ask questions of those who own short-term rental properties in Sitka. While we collect some of this data in our annual reports, staff thought we might have some respondents who have short-term rental properties in zones that allow them by right and therefore are not captured in the annual report data.

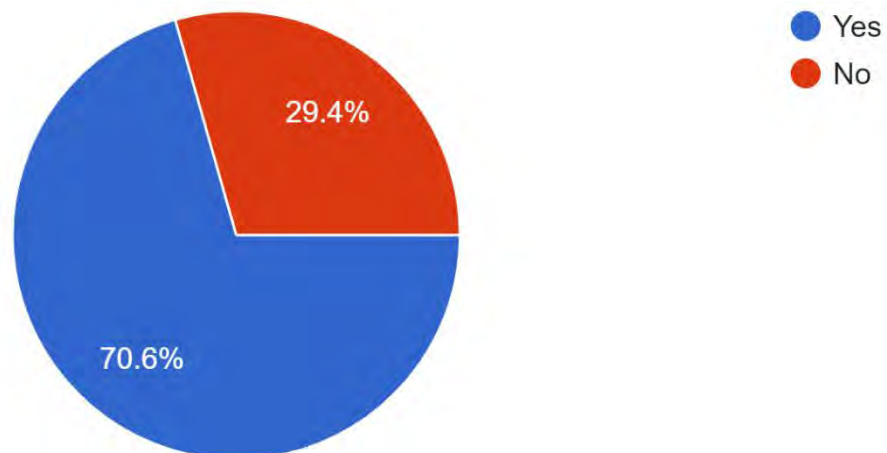
What year did your short-term rental begin operating? (Multiple boxes can be selected in the case you operate more than one short-term rental and they began operation at different times)

15 responses



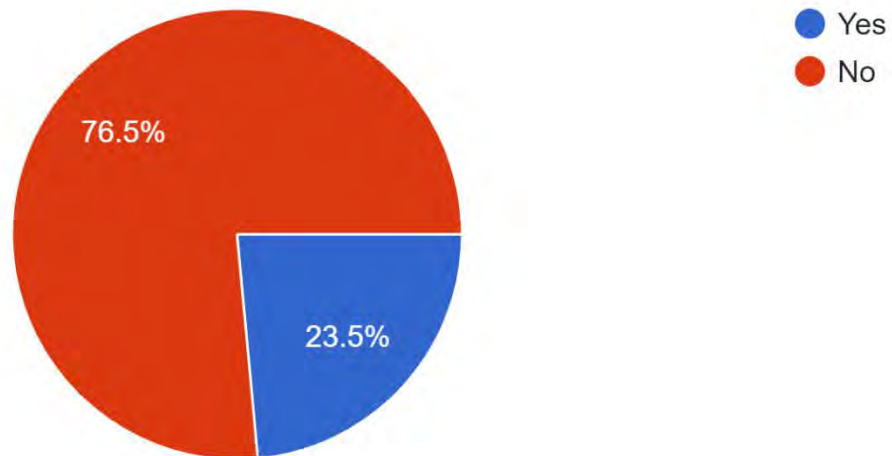
Is your short-term rental on the property of your primary residence?

17 responses



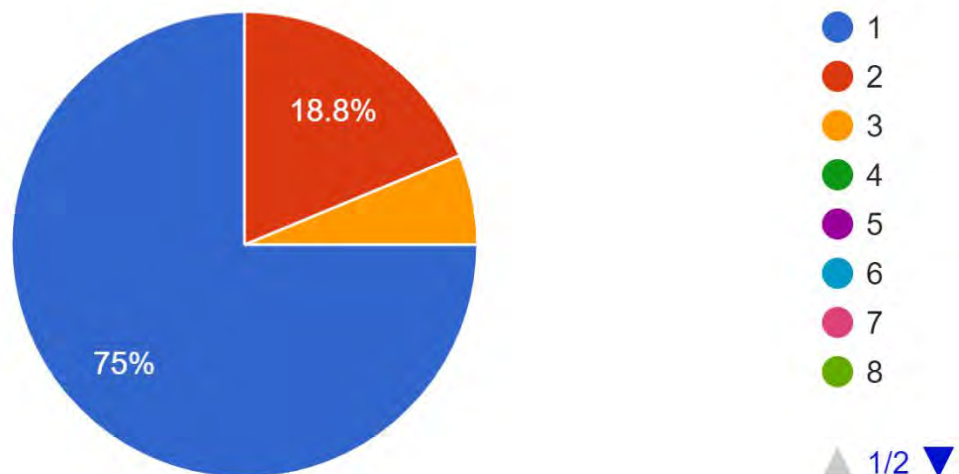
Was the short-term rental property previously used for long-term rental?

17 responses



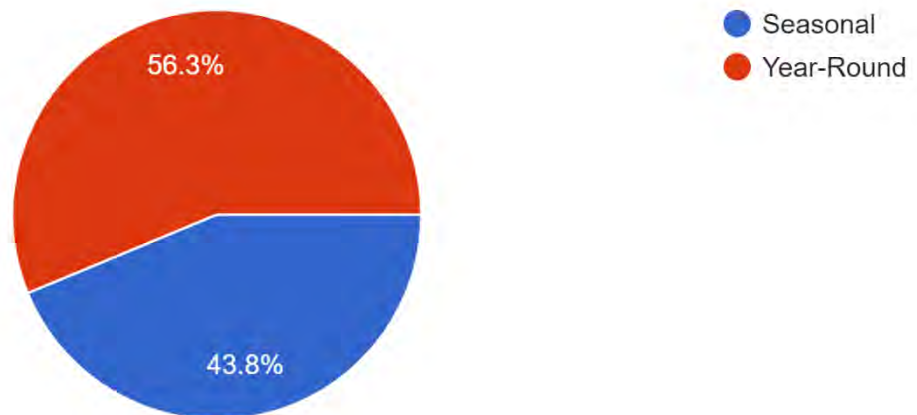
How many dwellings do you own for the purpose of short-term rental?

16 responses



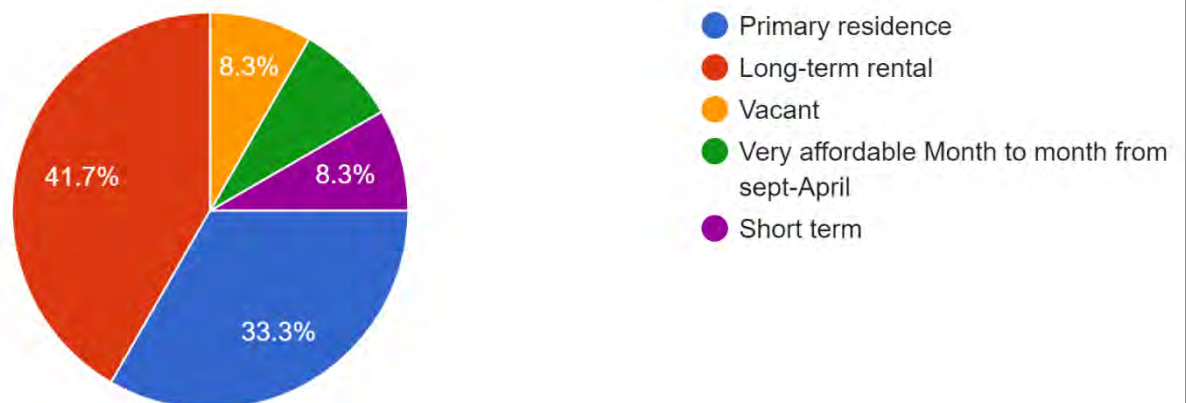
Do you use your short-term rental seasonally or year-round?

16 responses



If your short-term rental is seasonal, what is the use of the rental in the off-season?

12 responses



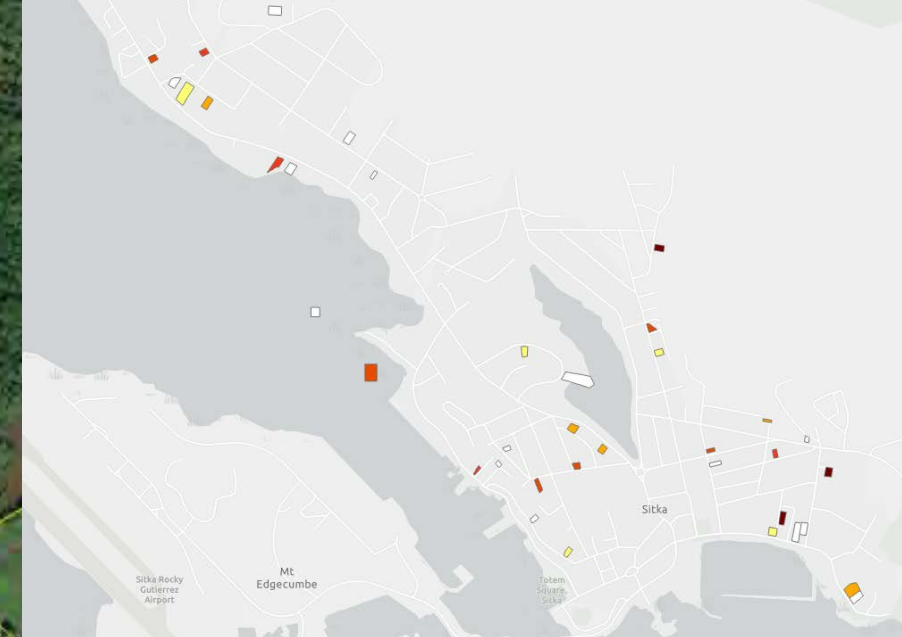
2021 STR Permits

STATUS

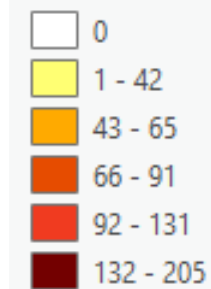
- Active
- Inactive
- Not Yet Active

Citywide View of Short-term Rental Distribution

Includes “active”, “Inactive” and “not yet active” permits included in 2021 Annual Short-term Rental Report



Nights Rented in 2021



Above:
Graduated
Symbol map
showing
distribution
of nights
rented

Edgecumbe Drive & Connectors





Sawmill Creek Road

2021 STR Permits

STATUS

- Active
- Inactive
- Not Yet Active





CITY AND BOROUGH OF SITKA

Legislation Details

File #: 22-047 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/15/2022 In control: City and Borough Assembly

On agenda: 3/22/2022 Final action:

Title: Discussion/Decision of a Class IIB tidelands permit for a community personal use dock at 1401 and 1403 Halibut Point Road

Sponsors:

Indexes:

Code sections:

Attachments: [Discussion Decision Motions](#)
[Memo](#)
[Class IIB Permit Request Supporting Documents](#)

Date	Ver.	Action By	Action	Result
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Step 1

Discussion / Decision

of a Class IIB tidelands permit for a personal use dock at 1401 and 1403 Halibut Point Road.

Step 2

Option 1. Approve the permit with staff recommended additional condition in 1a. The Assembly may also wish to address 1b.

1a. I MOVE TO approve an exclusive transferable permit for a period of ten years for a Class IIB tidelands permit for development of a personal use dock seaward of 1401 Halibut Point Road and 1403 Halibut Point Road. A condition is placed on this approval that the applicants must receive approval for a conditional use permit for a personal use dock – perimeter of dock and float exceed 300 linear feet before the municipality will issue the Class IIB tidelands permit.

1b. Increase the annual fee for the permit above the \$200/year in code

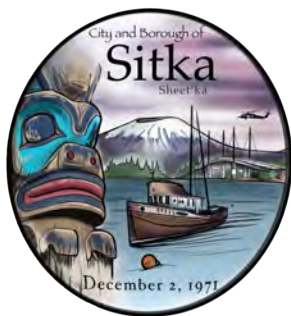
I MOVE TO find that higher fees are justified by area of the tidelands that are involved. The annual permit fee shall be \$_____ adjusted every five years based on the aggregate rate of inflation for the previous five-year period.

Option 2. Require this request to follow the Class III procedures

I MOVE that the request for use of tidelands for a personal use dock seaward of 1401 and 1403 Halibut Point Road follow the Class III approval procedures.

Option 3. Deny/postpone the request

I MOVE TO deny/postpone the request for use of tidelands for a personal use dock seaward of 1401 and 1403 Halibut Point Road.



CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator

From: Amy Ainslie, Planning Director

Date: March 16, 2022

Subject: Class IIB Tidelands Permit Request

Background

The applicants for this request are the upland property owners at 1401 Halibut Point Road (John Hardwick and Ral West) and 1403 Halibut Point Road (Kris Pearson). The request originally arose in 2019, which is when Planning Commission and Ports and Harbors reviews took place. The applicants put the request on hold until early March of this year and would like to continue forward with Assembly consideration.

The dock will consist of a 12' x 200' pier, a 8' x 70' gangway, and two floats sized 12' x 40' and 12' x 100'. The tidelands in this area are shallow, requiring a significant distance to be spanned between shore and adequate mooring depths. Excluding ramps and gangways, the perimeter of the floats is 328 linear feet.

Sitka General Code (SGC) Chapter 18.16, Tideland Lease Procedure governs the procedures for leasing and permits for use of CBS owned tidelands. There are three classes for permits/leases under this Chapter – Class I is for tidelands permits that can be cancelled by CBS on 30 days' notice, Class II is for personal use docks and facilities immediately seaward of deeded lands, and Class III is for commercial docks and/or personal use docks that include the lease of space and facilities. The enclosure titled "Permit Classes and Approval" provides information on the different approval classes for tidelands and approval authority/process for each.

Requirements for Class IIB permits:

1. Submission of full horizontal and vertical dimension drawings of the dock facilities drawn to scale.
2. Submission of an approved corps of engineers permit.
3. Planning consideration of the request during at least one meeting, and meeting minutes provided to the Assembly.

4. An estimate from the Assessor of the value of the tidelands.

All of these requirements have been met and are included as enclosures for Assembly review. Additionally, a Resolution was passed by the Assembly in 1994 (Resolution 94-580) stating that within the breakwater, north of 913 Halibut Point Road, only upland owners may apply to use Municipal tidelands seaward of their property for placement of mooring buoys or construction of private docks.” Given this property’s location inside the breakwater, it was determined that Ports and Harbors review was appropriate. The Commission unanimously recommended approval of the request.

Analysis

1. **Classification as a Class IIB Facility**

Class IIB approvals are for large personal use docks (where the perimeter exceeds 300 linear feet). Per the zoning code, the proposed dock is a “personal use dock – perimeter of dock and float exceed 300 linear feet”. While it is shared between two parties, it does not cleanly rise to the level of being considered a “community personal use dock” wherein property owners in the area, not just upland property owners, would be allowed to use the dock. In this case, the dock is for the exclusive use of the upland property owners. This is also why the orientation of the dock in the tidelands sits between the two properties so that both upland properties can access it.

The standard terms for a Class IIB facility are an initial 10 year approval with two automatic five-year renewals that may be exercised at the applicant’s discretion.

Class III approvals are generally used for commercial use docks, docks owned/used by those other than the upland property owners (which would include community docks), and/or personal use docks that also include the lease of the space.

Importantly, the difference between a lease and permit is that a lease generally gives broader allowance for use within the lease area, whereas the permit only allows the construction and use of the dock as approved in the permit. In other words, a permit does not provide leasehold interest that is akin to ownership interest; it gives you permission to use CBS tidelands for a limited and specified use.

Planning staff felt this request fit within the definition of a Class IIB permit. The Assembly has the choice to require this request to follow the Class III procedures.

2. **Annual Permit Fee**

SGC 18.16.090(D) states that the annual permit fee for Class IIB facilities shall be two hundred dollars a year, adjusted every 5 years based on aggregate

inflation in the previous 5 year period. However, the annual permit fee can be higher than this amount only in the event the Assembly finds that higher permit fees are justified by the area of the tidelands that are involved.

The Assessor completed an evaluation of the tidelands, and at the 4.5% base lease rate, the annual lease price would be approximately \$2,068. However, this valuation included a large area in terms of square footage (drawings provided had a rough approximation and were not tight to just the square footage of tidelands occupied by the proposed dock).

Recognizing the uniqueness of this proposal given the size of development, use of the area limited by the shallowness of the tidelands, and permit approval only (not leasehold interest), the applicants would like to propose an annual permit fee of \$1500.00.

3. Additional Conditions

The applicants need to obtain a conditional use permit from the Planning Commission for a “personal use dock – perimeter of dock and float exceed 300 linear feet.” Staff would recommend adding a condition of approval to this permit (which the Assembly is empowered to do per SGC 18.16.090(E)) that the municipality shall not issue the Class IIB tidelands permit until the conditional use permit has been approved.

Fiscal Note

CBS would gain the annual permit fee plus applicable taxes, as well as any increase in property tax revenue resulting from the increased value to the subject properties resulting from dock development.

If the Assembly would like to charge a higher price for the annual permit fee above the \$200/year in code, a finding needs to be made. Suggested wording to make such a finding is provided.

Recommendation

Motion language is provided here for possible outcomes based on Assembly deliberation and decision.

Option 1. Approve the permit with staff recommended additional condition in 1a. The Assembly may also wish to address 1b.

1a. “I MOVE TO approve an exclusive transferable permit for a period of ten years for a Class IIB tidelands permit for development of a personal use dock seaward of 1401 Halibut Point Road and 1403 Halibut Point Road. A condition is placed on this approval that the applicants must receive approval for a conditional use permit for a personal use dock – perimeter of dock and float exceed 300 linear feet before the municipality will issue the Class IIB tidelands permit.”

1b. "I MOVE TO find that higher fees are justified by area of the tidelands that are involved. The annual permit fee shall be \$_____ adjusted every five years based on the aggregate rate of inflation for the previous five-year period."

Option 2. Require this request to follow the Class III procedures

"I MOVE that the request for use of tidelands for a personal use dock seaward of 1401 and 1403 Halibut Point Road follow the Class III approval procedures."

Option 3. Deny/postpone the request

"I MOVE TO deny/postpone the request for use of tidelands for a personal use dock seaward of 1401 and 1403 Halibut Point Road."

Encl: Permit Classes and Approval
Excerpt of Planning Commission Minutes 9.18.19
Assessor Evaluation (3.4.22)
Applicant Narrative and Dock Facilities Drawings
Approved USACE permit

Approval Classes	Approval Class Definitions	Sub-Class Types	Approval Authority & Process
Class I	Permits for use of tidelands that are cancelable by the municipality on 30 days' notice	None	May be made by the Administrator with or without approval of the Assembly.
Class II	Class II Approval: Personal use docks and facilities that are immediately seaward of deeded lands and deeded tidelands.	Class IIA: Grants the owner exclusive use of a personal dock that does not exceed 300 linear feet and the tidelands that are immediately adjacent to the facility. Class IIB: For the exclusive use of personal docks with a perimeter of more than 300 linear feet. Class IIC: Approval for mooring buoys.	Approvals shall be made by the Assembly by motion. -Assembly may decide that a Class II facility follow the Class III procedures. Approvals shall be made by the Assembly by motion. -Assembly may decide that a Class II facility follow the Class III procedures. The Planning Commission may approve Class IIC applications with appeal rights to the Assembly. OR , Approvals can be made by the Assembly by motion, or the Assembly may decide that a Class II facility follow the Class III procedures.
Class III	Leases for commercial docks and facilities and/or personal docks that include the lease of space and facilities. The approval of Class III facilities shall grant the facility owner exclusive use of the facility. The area required for the berthing of all vessels shall be included in the lease area. Class III facilities include community use docks or docks constructed and owned by individuals other than the upland property owner.	None	Lease is considered and approved via ordinance

**M-Windsor/S-Hughey moved to adopt the findings as listed in the staff report.
Motion passed 4-0 by voice vote.**

C [CUP 19-14](#)

Public hearing and consideration of a conditional use permit for a short-term rental at 208 Kaagwaantaan Street in the R-1 single-family and duplex residential district. The lot is also known as Lot 1, Back Street Subdivision. The request is filed by Jennifer Alley. The owner of record is Jennifer Alley.

Attachments: [CUP 19-14 208 Kaagwaantaan STR Staff Report](#)
[CUP 19-14 208 Kaagwaantaan STR Aerial](#)
[CUP 19-14 208 Kaagwaantaan STR Floor Plan](#)
[CUP 19-14 208 Kaagwaantaan STR Photos](#)
[CUP 19-14 208 Kaagwaantaan STR Plat](#)
[CUP 19-14 208 Kaagwaantaan STR Renter Handout](#)
[CUP 19-14 208 Kaagwaantaan STR Application](#)
[CUP 19-14 208 Kaagwaantaan STR Public Comment](#)

Ainslie described the property as a single-family home which was owner-occupied. There was a guest suite on the first floor of the house with a bedroom and bathroom; there was not a separate kitchen or cooking facilities and therefore the guest suite would not be considered a separate dwelling unit, diminishing the impact of using the space as a short-term rental on housing stock. The property was at the entrance of Kaagwaantaan Street which was a slow speed, one-way street. Detailed instructions would be needed in the handout to provide directions to ensure compliance with the traffic rules. Ainslie noted that parking could be a potential issue, as the renter handout instructed guests to utilize a City owned lot used for parking adjacent to mailboxes on Kaagwaantaan. Ainslie also noted that one public comment from a neighbor across the street had been received in support of the proposal. Ainslie recommended approval.

The applicant, Jennifer Alley, came forward. Commissioners discussed potential parking issues with the applicant. Alley stated that her property had more than enough room for parking. Windsor noted that when working in the area, he did not find lack of parking to be an issue.

M-Windsor/S-Hughey moved to table consideration of this item until the end of the meeting. Motion passed 4-0 by voice vote.

M-Windsor/S-Hughey moved to approve the conditional use permit for a short-term rental at 208 Kaagwaantaan in the R-1 single-family and duplex residential zoning district subject to the attached conditions of approval. The property was also known as Lot 1, Back Street Subdivision. The request was filed by Jennifer Alley. The owner of record was Jennifer Alley. Motion passed 4-0 by voice vote.

**M-Windsor/S-Hughey move to adopt the findings as listed in the staff report.
Motion passed 4-0 by voice vote.**

D [LM 19-01](#)

Public hearing and consideration of a tidelands lease request for submerged municipal tidelands immediately adjacent to 1401 and 1403 Halibut Point Road in the R-1 single-family and duplex residential district. The lots are also

known as Lots 1 and 2, Borhauer Subdivision. The request is filed by Kris Pearson, John Hardwick, and Ral West. The owners of record are Kris and Erica Pearson, John T. Hardwick Revocable Living Trust, and Ral West Revocable Living Trust.

Attachments: [LM 19-01 1401 & 1403 HPR Tidelands Lease Staff Report](#)
[LM 19-01 1401 & 1403 HPR Tidelands Lease Aerial](#)
[LM 19-01 1401 & 1403 HPR Tidelands Lease Lease Area](#)
[LM 19-01 1401 & 1403 HPR Tidelands Lease Dock Plans](#)
[LM 19-001 1401 & 1403 HPR Tidelands Lease RES 94-580](#)
[LM 19-01 1401 & 1403 HPR Tidelands Lease Applicant Materials](#)

Ainslie laid-out the process by which Municipal tidelands leases are considered and potentially granted. The proposal was classified as a Class IIB permit which is a personal use dock in which the perimeter exceeds 300 linear feet. The role of the Planning Commission in this case was to provide comments on the proposal to staff and the applicant, provide a venue for public hearing and testimony, and to recommend, or not recommend, the proposal to the Assembly. Ainslie noted that per the zoning code, personal use docks are a conditional use in R-1 zones; if the item was recommended for approval, a conditional use permit would come before the Commission at the next meeting. Ainslie clarified that a competitive bid was not needed in this case, because the applicants were the upland property owners. Ainslie stated how the proposal was consistent with the limited use of the area as described in RES 94-580. The proposal had been considered by the Ports and Harbors Commission on 9/11/19 to ensure that there would be no interference with harbor operations; Ports and Harbors voted unanimously to recommend approval of the proposal.

Ainslie described the details of the proposal. Due to the shallow shoreline in the area, it was difficult to access submerged tidelands with adequate depth required for a dock facility which is why a 200 foot pier and 70 foot gangway between shore and the two floats sized 12 feet by 40 feet and 12 feet by 100 feet were needed. Given the expense of such infrastructure, the applicants had decided a joint project would be most efficient. Though there were no land issues present in this case, there was the potential for marine infrastructure, marine traffic, and noise disturbances to occur. The mitigations to these potential issues included the distance between the docks and shore where residences are located, the curvature of the shore line around the subject properties, the fact that the properties were within the breakwater where moderate to heavy marine traffic already occurred, and that the Army Corps of Engineers would be providing oversight of environmental impact through their permitting process. Ainslie stated that she had received one verbal comment from a neighbor in support of the proposal. Ainslie recommended approval. Windsor inquired about the length of the lease, Ainslie answered that due to the classification of the permit, the lease would be for 10 years. Hughey asked if any easements were in place or would be created to ensure access to the shared dock. Ainslie answered that there were no existing or proposed easements, but that the applicants intended to create a legal document/covenant to ensure continued access and maintenance of the dock even in the event that the properties were to transfer ownership.

The applicants, Kris Pearson, John Hardwick, and Ral West came forward. West clarified that they were creating a dock association as the legal instrument for the shared facilities. Pearson and Hughey discussed some of the construction logistics.

M-Hughey/S-Windsor moved to recommend approval of the lease request for Municipal tidelands located seaward of 1401 and 1403 Halibut Point Road. The properties were also known as Lots 1 and 2 Borhauer Subdivision. The request was filed by Kris Pearson, John Hardwick, and Ral West. The owners of record were Kris and Erica Pearson, John T. Hardwick Revocable Living Trust, and Ral West Revocable Living Trust. Motion passed 4-0 by voice vote.

E [P 19- 03](#)

Public hearing and consideration of a preliminary plat for a minor subdivision at 1306 Halibut Point Road in the R-2 zoning district. The property is also known as Lot 1A, Little Critter Subdivision. The applicant is the Sitka Community Land Trust. The owner of record is the Sitka Community Land Trust.

Attachments: [P 19-03 SCLT 1306 HPR Staff Report](#)
 [P 19-03 SCLT 1306 HPR Aerial](#)
 [P 19-03 SCLT 1306 HPR Current Plat](#)
 [P 19-03 SCLT 1306 HPR Preliminary Plat](#)
 [P 19-03 SCLT 1306 HPR Applicant Materials](#)

Hughey recused himself to become the applicant.

Ainslie recalled that the Commission had reviewed the conceptual plat of this proposal at the May 1st meeting. The property in question had been deeded to the Sitka Community Land Trust (SCLT) for the affordable housing project, much of which had been previously subdivided for the project. The remaining unsubdivided land was largely non-developable due to the slope, stability, and access issues that would be present. However, on the southeast side of this area, there was a plateau SCLT believed to be buildable, however, not buildable for the SCLT. The access from SCLT property to the plateau would be too steep, and easements from neighbors would be needed. Given these challenges, development of the area would no longer fit within the organization's purview for affordable housing. SCLT reached a preliminary agreement with the neighbor at 1301 Edgecumbe Drive, Robert Woolsey, to purchase this area if the proposed subdivision was successful. The applicant had done significant work to ensure that adequate access and utilities were available to the newly created lot, and to plat necessary easements. The Public Works department was waiting for preliminary plat approval to be achieved before issuing a license for the private use of Kostrometinoff Street which would be used to access the newly created lot. This license would ensure equitable sharing of maintenance costs for all neighbors using the right-of-way. Obtaining the license was a conditional of approval. Ainslie also described a future boundary line adjustment Woolsey planned to request if the subdivision was successful. Ainslie concluded that approving the subdivision would allow SCLT to use the land that would otherwise be surplus to further finance the affordable housing project, would make use of otherwise vacant land, the newly created lot provided adequate space, air, utility needs, meeting the development standards, and that the proposal was an opportunity to clean-up maintenance of the privately used Kostrometinoff Street. Ainslie recommended approval. Spivey asked if the access had been reviewed by emergency services. Ainslie answered that the Police and Fire Departments had been included on a review of the project during the conceptual stage and neither had stated concern regarding the access. Ainslie stated this could be revisited and clarified before final plat approval.

Assessor Evaluation Provided 3.4.22

Parcel #	
Total Sq. Ft.	36,800
Lease Rate (CAP)	0.045
Upland/FilledValue PSF	\$9.99
Unfilled Value PSF (25% of Upland)	\$2.50
Submerged/Prefilled Value PSF (50% of Unfilled Value)	\$1.25
Market Value	\$45,954
Annual Market Rent	\$2,067.93

*comp 3-0690-000

LOC 2.45

**Narrative to accompany Application for
Tideland Lease at 1403/1401 Halibut Point Road**

John Hardwick and Ral West (via their respective Revocable Living Trusts) purchased the property located at 1401 Halibut Point Road. They have begun construction of a new primary residence on this property. The neighbor owning the property at 1403 Halibut Point Road, Kris Pearson, also wishes to build a dock and proposes to join with John Hardwick and Ral West in the applications for permits and tideland lease, as well as the construction of the dock. Each property owner has multiple vessels requiring moorage at this proposed dock.

Hardwick/West and Pearson have contracted with an engineer in Ketchikan, Trevor Sande, for the purpose of designing the dock and applying for Corps of Engineers Permit. Preliminary drawings for the dock and the proposed placement of the dock are attached.

This is Trevor's recommendation for the dimensions and location of the dock: The pier is centered on the extension of the common line between properties. The float is offset toward deeper water. I show fill on land, ideally this would extend to the mean high water line but we would need survey data to determine where that line is. Pier could be constructed from land during low tide. I recommend 8' minimum with 10' preferred. I consider 10' float a minimum and recommend 12' on the outer float for better turning at the tee.

The length of the floating dock would be 100'.

John Hardwick and Ral West have been residents of Sitka since 2006, and own a home and several pieces of income property in Sitka.

Respectfully Submitted,

Handwritten signatures of John Hardwick and Ral West in black ink. The signature of John Hardwick is on the left and the signature of Ral West is on the right.

John Hardwick and Ral West



① PIER PLAN VIEW
② SCALE: 1"=100'

VICINITY MAP

APPLICATION BY:

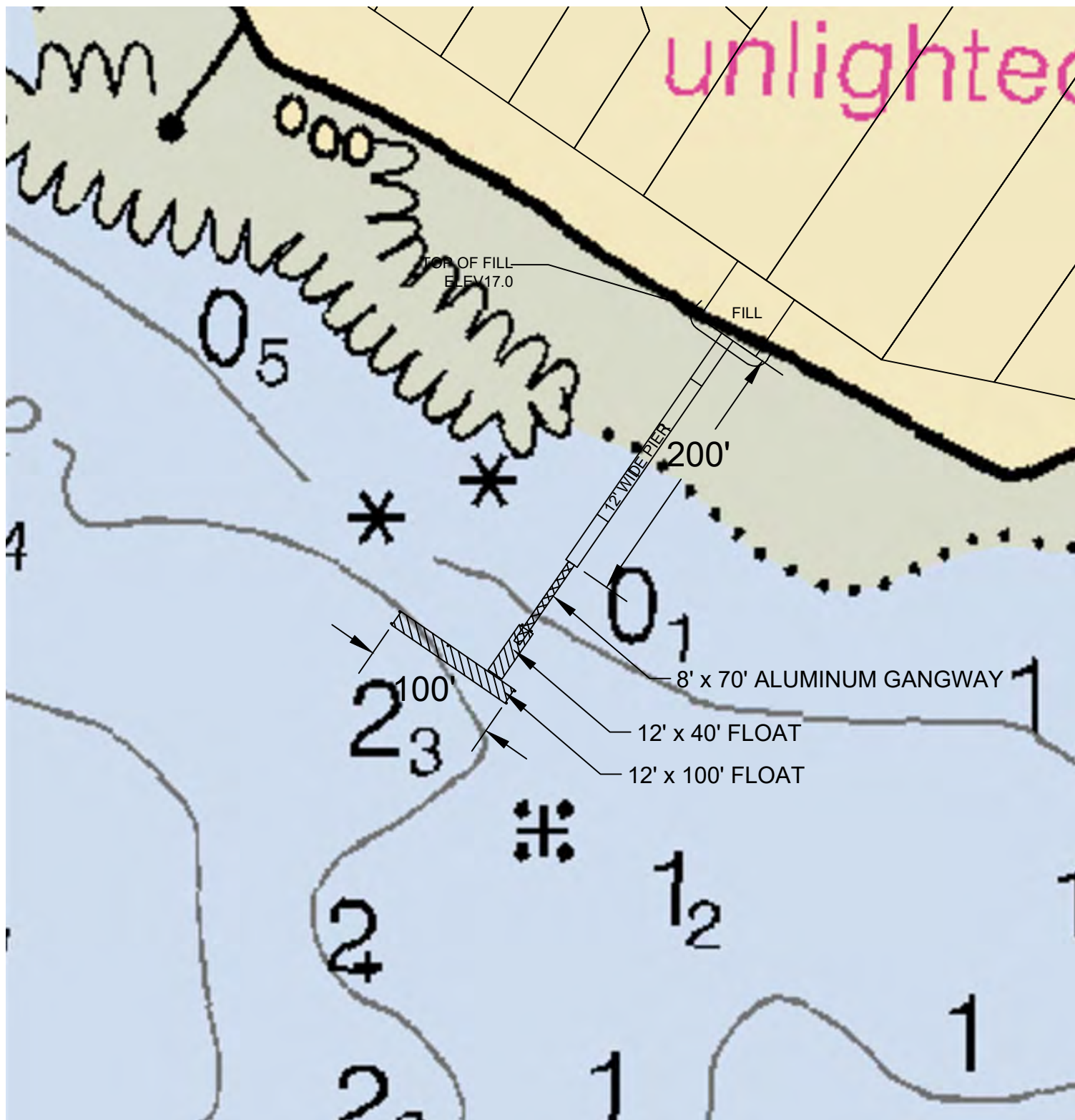
PEARSON
PIER AND MOORAGE
FLOAT

AT: SITKA

LOCATED IN: T.55S., R.63E., SECTION 36
Lat 57°3'44.1"N, Long. 135°21'34.8"W

DATE: 7-25-19

SHEET **1** OF **7**



① CAUSEWAY SECTION VIEW
③ SCALE: 1"=100'

TIDAL DATA SOURCE: NOAA
NAUTICAL CHART SITKA
HARBOR ENTRANCES

PIER AND FLOAT PLAN VIEW

APPLICATION BY:
KRIS PEARSON

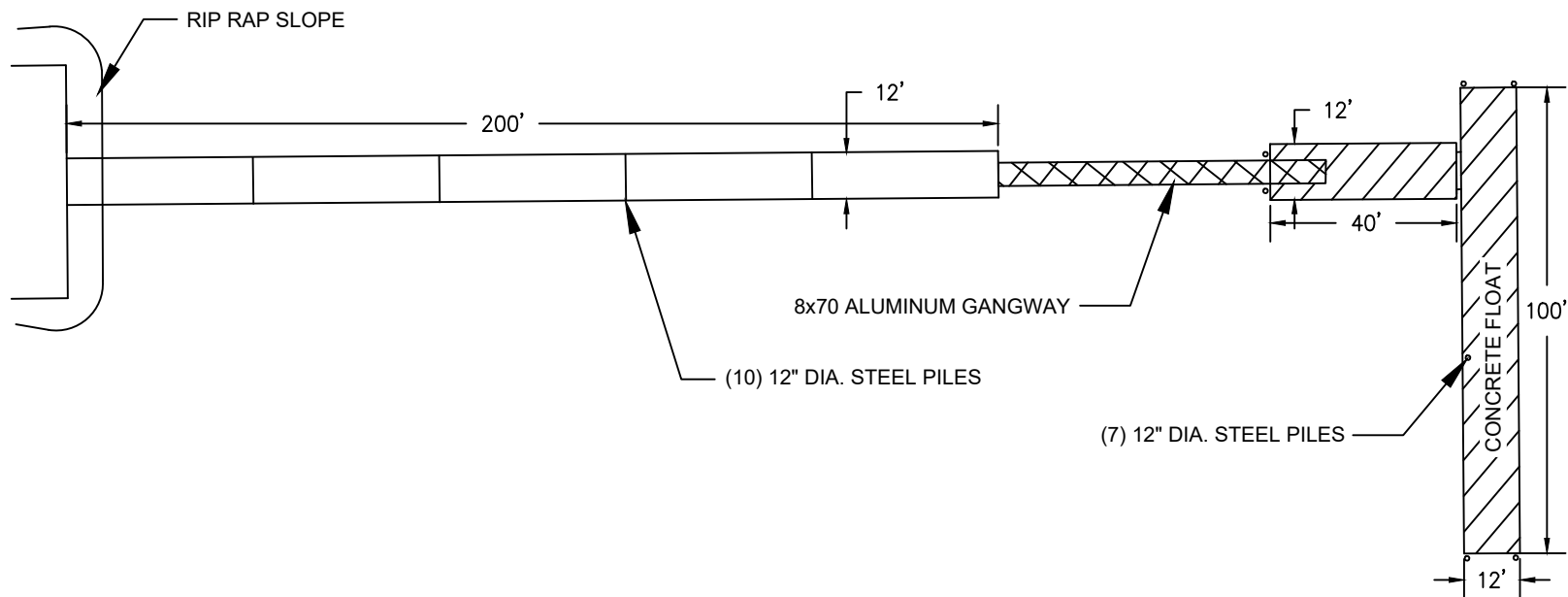
PEARSON
PIER AND MOORAGE
FLOAT

AT: SITKA

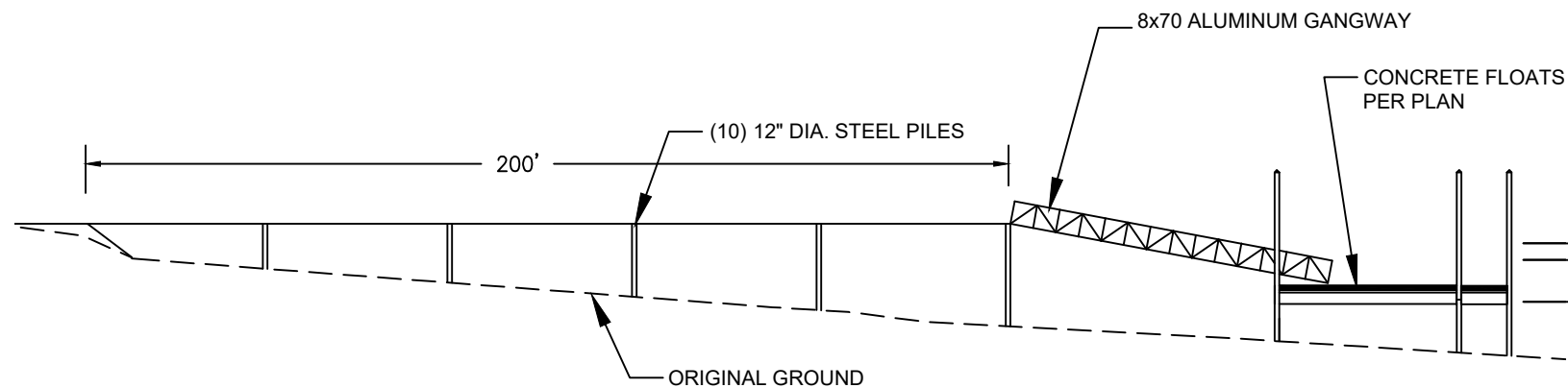
LOCATED IN: T.55S., R.63E., SECTION 36
Lat 57°3'44.1"N, Long. 135°21'34.8"W

DATE: 7/25/19

SHEET **3** OF **7**



① RAMP AND FLOAT PLAN VIEW
1"=40'



② RAMP AND FLOAT ELEVATION VIEW
1"=40'

TYPICAL SECTIONS

APPLICATION BY:

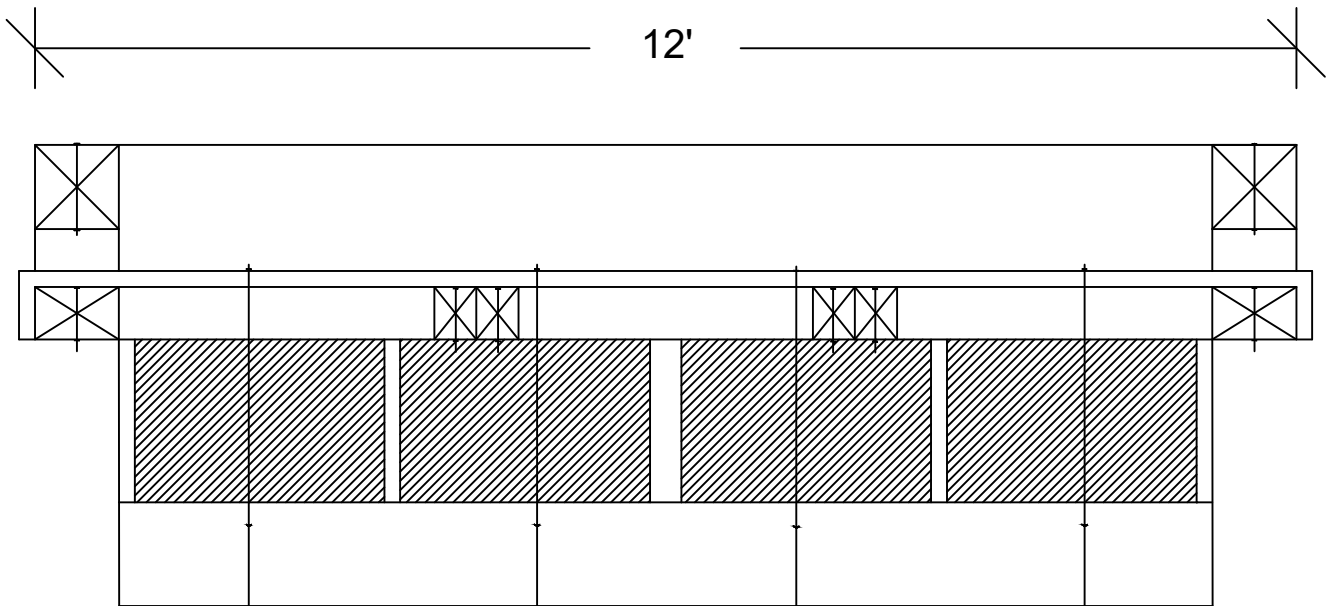
PEARSON
PIER AND MOORAGE
FLOAT

AT: SITKA

LOCATED IN: T.55S., R.63E., SECTION 36
Lat 57°3'44.1"N, Long. 135°21'34.8"W

DATE: 7-25-19

SHEET 4 OF 7



TYPICAL CONCRETE FLOAT

TIDAL DATA SOURCE: NOAA
NAUTICAL CHART SITKA
HARBOR EXTRANCES

**PIER AND FLOAT
PLAN VIEW**

APPLICATION BY:
KRIS PEARSON

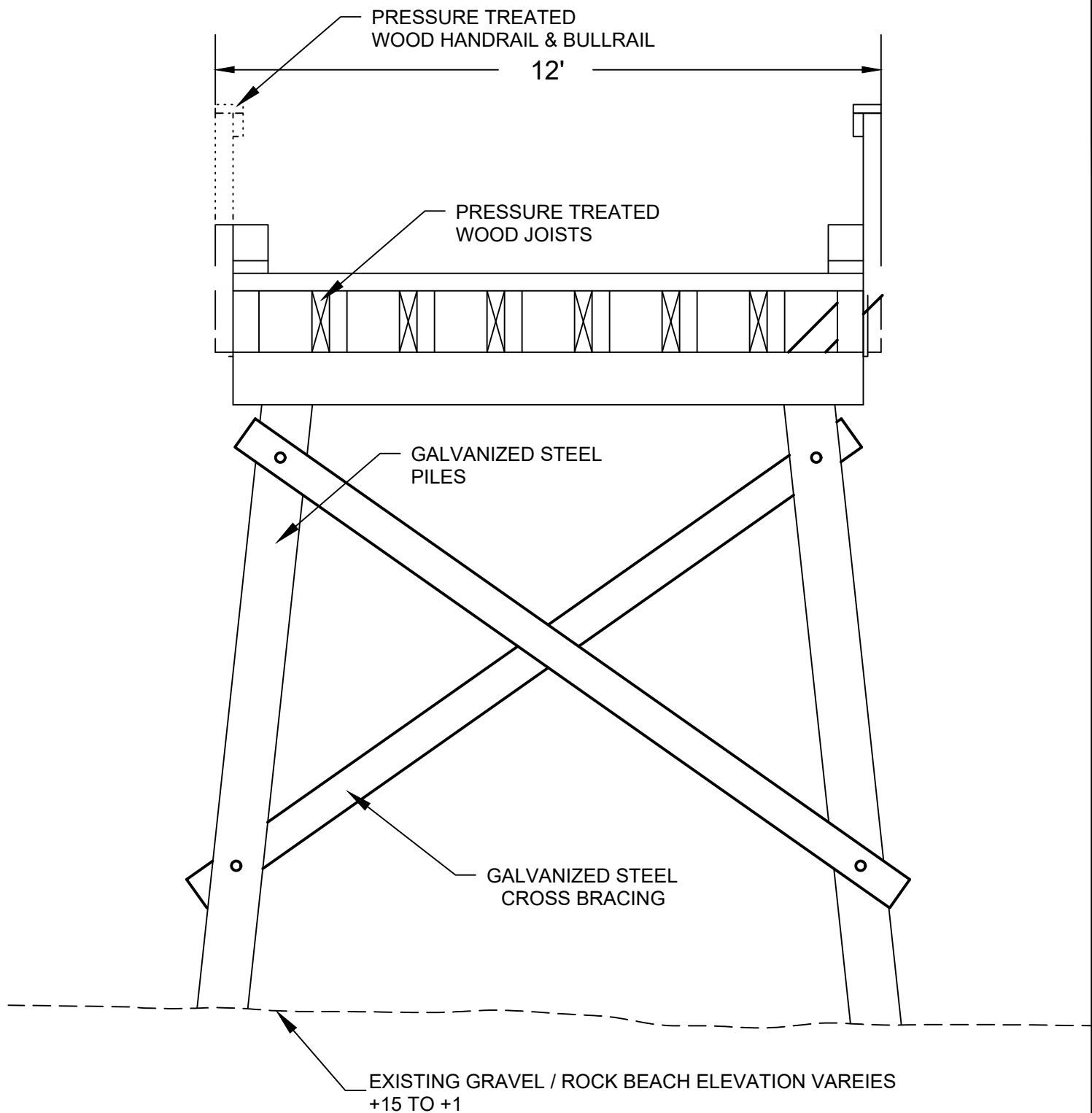
PEARSON
PIER AND MOORAGE
FLOAT

AT: SITKA

LOCATED IN: T.55S., R.63E., SECTION 36
Lat 57°3'44.1"N, Long. 135°21'34.8"W

DATE: 7/25/19

SHEET **3** OF **7**



TYPICAL PIER

TIDAL DATA SOURCE: NOAA
NAUTICAL CHART SITKA
HARBOR EXTRANCES

PIER AND FLOAT PLAN VIEW

APPLICATION BY:
KRIS PEARSON

PEARSON
PIER AND MOORAGE
FLOAT

AT: SITKA

LOCATED IN: T.55S., R.63E., SECTION 36
Lat 57°3'44.1"N, Long. 135°21'34.8"W

DATE: 7/25/19

SHEET **6** OF **7**



DEPARTMENT OF THE ARMY
ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS
REGULATORY DIVISION
P.O. BOX 22270
JUNEAU, AK 99802-2270

November 7, 2019

Regulatory Division
POA-2019-00536

1401-3 HPR Dock Association
Attention: John Hardwick
107A Toivo Circle
Sitka, Alaska 99835

Dear Mr. Hardwick:


Enclosed is the signed Letter of Permission (LOP), file number POA-2019-00536, Sitka Harbor, authorizing the installation of structures in navigable waters of the United States (U.S.) to construct pile-supported dock. Additionally, enclosed are a Notification of Administrative Appeals Options and Process and Request for Appeal form regarding this Department of the Army Letter of Permission (see section labeled "Initial Proffered Permit"), and a Notice of Authorization, which should be posted in a prominent location near the authorized work.

The project site is located within Section 35, T. 55 S., R. 63 E., Copper River Meridian; USGS Quad Map Sitka A-5; Latitude 57.062250° N., Longitude 135.359667° W.; 1401 Halibut Point Road; in Sitka, Alaska.

If changes to the plans or location of the work are necessary for any reason, plans must be submitted to us immediately. Federal law requires approval of any changes before construction begins. Nothing in this letter excuses you from compliance with other Federal, State, or local statutes, ordinances, or regulations

Please contact me via email at: Randal.P.Vigil@usace.army.mil, by mail at the address above, or by phone at (907) 790-4491, if you have questions or to request a paper copy of the LOP and enclosures.

Sincerely,



Randal P. Vigil
Project Manager

Enclosures



DEPARTMENT OF THE ARMY
ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS
REGULATORY DIVISION
P.O. BOX 22270
JUNEAU, AK 99802-2270

November 7, 2019

Regulatory Division
POA-2019-00536

DEPARTMENT OF THE ARMY
LETTER OF PERMISSION

Authorization is hereby granted to 1401-3 HPR Dock Association, to install the following structures below the Mean High Water Mark (+9.1 feet above the 0.0 foot contour) for the construction of a dock in Sitka Harbor, which is a navigable water of the United States (U.S.):

- one 12 foot wide x 200 foot long pile-supported, (10) 12-inch diameter steel, aluminum decked pier;
- one 12 foot wide x 40 foot long concrete float;
- one 12 foot wide x 100 foot long concrete float;
- one 8 foot wide x 70 foot long aluminum gangway;
- (7) 12-inch diameter steel, concrete float, anchor piles.

The work will be performed in accordance with the enclosed plan, sheets 1 – 7, dated August 27, 2019, which are incorporated in and made a part of this Letter of Permission.

This action is based upon the recommendation of the Chief of Engineers and under the provisions of Section 10 of the 1899 Rivers and Harbors Act (30 Stat 1151; 33 U.S.C. 403).

This authorization is subject to the following special conditions and the enclosed general conditions and further information (see enclosure entitled: GENERAL CONDITIONS/INFORMATION).

Special Conditions:

1. The permittee shall comply with the Federal Endangered Species Act, you must implement all of the mitigating measures identified in the enclosed National Marine Fisheries Service letter of concurrence (Number NMFS # AKRO-2019-03283, dated November 4, 2019), including those ascribed to the Corps therein. If you are unable to implement any of these measures, you must immediately notify the Corps and the National Marine Fisheries Service so we may consult as appropriate, prior to initiating the work, in accordance with Federal law.

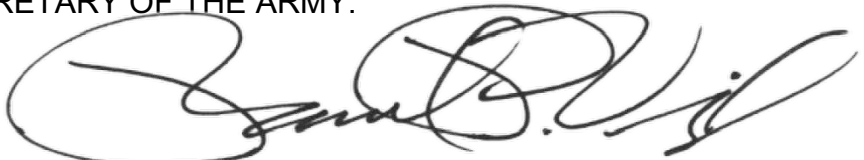
2. You must install and maintain, at your expense, any safety lights and signals prescribed by the U.S. Coast Guard (USCG), through regulations or otherwise, on your authorized facilities. The USCG may be reached at the following address and telephone number: Commander (oan), 17th Coast Guard District, Post Office Box 25517, Juneau, Alaska 99802, (907) 463-2272.

3. The permittee understands and agrees that, if future operations by the U.S. require the removal, relocation, or other alteration, of the structure or work herein authorized, or if, in the opinion of the Secretary of the Army or his authorized representative, said structure or work shall cause unreasonable obstruction to the free navigation of the navigable waters, the permittee will be required, upon due notice from the Corps, to remove, relocate, or alter the structural work or obstructions caused thereby, without expense to the U.S. No claim shall be made against the U.S. on account of any such removal or alteration.

4. Within 60 days of completion of the work authorized by this permit, the Permittee shall complete the attached "Self-Certification Statement of Compliance" form and submit it to the Corps (U.S. Army Corps of Engineers, Regulatory Division, CEPOA-RD, Juneau Field Office, P.O. Box 22270 Juneau, AK. In the event that the completed work deviates in any manner from the authorized work, the Permittee shall describe the deviations between the work authorized by this permit and the work as constructed on the "Self-Certification Statement of Compliance" form. The description of any deviations on the "Self-Certification Statement of Compliance" form does not constitute approval of any deviations by the Corps.

Nothing in this authorization shall be construed as excusing you from compliance with other Federal, State, or local statutes, ordinances, or regulations which may affect the proposed work.

BY AUTHORITY OF THE SECRETARY OF THE ARMY:



November 7, 2019

DATE

FOR: District Engineer
U.S. Army, Corps of Engineers

GENERAL CONDITIONS/INFORMATION

1. The time limit for completing the work authorized ends five years from the date of this authorization. If you find that you need more time to complete the authorized activity, submit your request for a time extension to this office for consideration at least one month before the above date is reached.
2. You must maintain the activity authorized by this permit in good condition and in conformance with the terms and conditions of this permit. You are not relieved of this requirement if you abandon the permitted activity. Should you wish to cease to maintain the authorized activity or should you desire to abandon it without a good faith transfer, you must obtain a modification of this permit from this office, which may require restoration of the area.
3. If you discover any previously unknown historic or archeological remains while accomplishing the activity authorized by this permit you must immediately notify this office of what you have found. We will initiate the Federal and State coordination required to determine if the remains warrant a recovery effort or if the site is eligible for listing in the National Register of Historic Places.
4. If you sell the property associated with this permit, you must contact the Alaska District Corps of Engineers to validate the transfer of this authorization.
5. If a conditioned water quality certification has been issued for your project, you must comply with the conditions specified in the certification as special conditions to this permit.
6. You must allow representatives from this office to inspect the authorized activity at any time deemed necessary to ensure that it is being or has been accomplished in accordance with the terms and conditions of your permit.

Further Information:

1. Limits of this authorization.
 - a. This permit does not obviate the need to obtain other Federal, State, or local authorizations required by law.
 - b. This permit does not grant any property rights or exclusive privileges.
 - c. This permit does not authorize any injury to the property or rights of others.
 - d. This permit does not authorize interference with any existing or proposed Federal project.

2. Limits of Federal Liability. In issuing this permit, the Federal Government does not assume any liability for the following:

- a. Damages to the permitted project or uses thereof as a result of other permitted or un-permitted activities or from natural causes.
- b. Damages to the permitted project or uses thereof as a result of current or future activities undertaken by or on behalf of the U.S. in the public interest.
- c. Damages to persons, property, or to other permitted or un-permitted activities or structures caused by the activity authorized by this permit.
- d. Design or construction deficiencies associated with the permitted work.
- e. Damage claims associated with any future modification, suspension, or revocation of this permit.

3. Reliance on Applicant's Data. The determination of this office that issuance of this permit is not contrary to the public interest was made in reliance on the information you provided.

4. Re-evaluation of Permit Decision. This office may re-evaluate its decision on this permit at any time the circumstances warrant. Circumstances that could require a re-evaluation include, but are not limited to, the following:

- a. You fail to comply with the terms and conditions of this permit.
- b. The information provided by you in support of your permit application proves to have been false, incomplete, or inaccurate (See 3 above).
- c. Significant new information surfaces which this office did not consider in reaching the original public interest decision.

Such a re-evaluation may result in a determination that it is appropriate to use the suspension, modification, and revocation procedures contained in 33 CFR 325.7 or enforcement procedures such as those contained in 33 CFR 326.4 and 326.5. The referenced enforcement procedures provide for the issuance of an administrative order requiring you to comply with the terms and conditions of your permit and for the initiation of legal action where appropriate. You will be required to pay for any corrective measures ordered by this office, and if you fail to comply with such directive, this office may, in certain situations, (such as those specified in 33 CFR 209.170) accomplish the corrective measures by contract or otherwise and bill you for the cost.

5. Extensions. General Condition #1 establishes a time limit for the completion of the activity authorized by this permit. Unless there are circumstances requiring either a prompt completion of the authorized activity or a reevaluation of the public interest decision, the Corps will normally give favorable consideration to a request for an extension of this time limit.



**This notice of authorization must be
conspicuously displayed at the site of work.**

United States Army Corps of Engineers
Sitka Harbor

**A PERMIT TO: INSTALL STRUCTURES IN NAVIGABLE WATERS OF THE
UNITED STATES.**

AT: 1401 HALIBUT POINT ROAD; IN SITKA, AK

HAS BEEN ISSUED TO: 1401-3 HPR DOCK ASSOCIATION

on: NOVEMBER 7, 2019 and expires on: NOVEMBER 30, 2019

ADDRESS OF PERMITTEE: 107A TOIVO CIRCLE, SITKA, AK 99835

Permit Number:

POA-2019-00536


**FOR: *District Commander*
Randal P. Vigil
Project Manager
REGULATORY DIVISION**

NOTIFICATION OF ADMINISTRATIVE APPEAL OPTIONS AND PROCESS AND REQUEST FOR APPEAL

Applicant: 1401-3 HPR Dock Association		File Number: POA-2019-00536	Date: 11/07/2019
Attached is:			See Section below
X	INITIAL PROFFERED PERMIT (Standard Permit or Letter of permission)		A
	PROFFERED PERMIT (Standard Permit or Letter of permission)		B
	PERMIT DENIAL		C
	APPROVED JURISDICTIONAL DETERMINATION		D
	PRELIMINARY JURISDICTIONAL DETERMINATION		E

SECTION I - The following identifies your rights and options regarding an administrative appeal of the above decision. Additional information may be found at

http://www.usace.army.mil/CECW/Pages/reg_materials.aspx or Corps regulations at 33 CFR Part 331.

A: INITIAL PROFFERED PERMIT: You may accept or object to the permit.

- **ACCEPT:** If you received a Standard Permit, you may sign the permit document and return it to the district engineer for final authorization. If you received a Letter of Permission (LOP), you may accept the LOP and your work is authorized. Your signature on the Standard Permit or acceptance of the LOP means that you accept the permit in its entirety, and waive all rights to appeal the permit, including its terms and conditions, and approved jurisdictional determinations associated with the permit.
- **OBJECT:** If you object to the permit (Standard or LOP) because of certain terms and conditions therein, you may request that the permit be modified accordingly. You must complete Section II of this form and return the form to the district engineer. Your objections must be received by the district engineer within 60 days of the date of this notice, or you will forfeit your right to appeal the permit in the future. Upon receipt of your letter, the district engineer will evaluate your objections and may: (a) modify the permit to address all of your concerns, (b) modify the permit to address some of your objections, or (c) not modify the permit having determined that the permit should be issued as previously written. After evaluating your objections, the district engineer will send you a proffered permit for your reconsideration, as indicated in Section B below.

B: PROFFERED PERMIT: You may accept or appeal the permit

- **ACCEPT:** If you received a Standard Permit, you may sign the permit document and return it to the district engineer for final authorization. If you received a Letter of Permission (LOP), you may accept the LOP and your work is authorized. Your signature on the Standard Permit or acceptance of the LOP means that you accept the permit in its entirety, and waive all rights to appeal the permit, including its terms and conditions, and approved jurisdictional determinations associated with the permit.
- **APPEAL:** If you choose to decline the proffered permit (Standard or LOP) because of certain terms and conditions therein, you may appeal the declined permit under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the division engineer. This form must be received by the division engineer within 60 days of the date of this notice.

C: PERMIT DENIAL: You may appeal the denial of a permit under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the division engineer. This form must be received by the division engineer within 60 days of the date of this notice.

D: APPROVED JURISDICTIONAL DETERMINATION: You may accept or appeal the approved JD or provide new information.

- **ACCEPT:** You do not need to notify the Corps to accept an approved JD. Failure to notify the Corps within 60 days of the date of this notice, means that you accept the approved JD in its entirety, and waive all rights to appeal the approved JD.
- **APPEAL:** If you disagree with the approved JD, you may appeal the approved JD under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the division engineer. This form must be received by the division engineer within 60 days of the date of this notice.

E: PRELIMINARY JURISDICTIONAL DETERMINATION: You do not need to respond to the Corps regarding the preliminary JD. The Preliminary JD is not appealable. If you wish, you may request an approved JD (which may be appealed), by contacting the Corps district for further instruction. Also you may provide new information for further consideration by the Corps to reevaluate the JD.

SECTION II - REQUEST FOR APPEAL or OBJECTIONS TO AN INITIAL PROFFERED PERMIT

REASONS FOR APPEAL OR OBJECTIONS: (Describe your reasons for appealing the decision or your objections to an initial proffered permit in clear concise statements. You may attach additional information to this form to clarify where your reasons or objections are addressed in the administrative record.)

ADDITIONAL INFORMATION: The appeal is limited to a review of the administrative record, the Corps memorandum for the record of the appeal conference or meeting, and any supplemental information that the review officer has determined is needed to clarify the administrative record. Neither the appellant nor the Corps may add new information or analyses to the record. However, you may provide additional information to clarify the location of information that is already in the administrative record.

POINT OF CONTACT FOR QUESTIONS OR INFORMATION:

If you have questions regarding this decision and/or the appeal process you may contact:

Randal Vigil

Alaska District Corps of Engineers
Juneau Regulatory Field Office (CEPOA-RD-SE)
Post Office Box 22270
Juneau, Alaska 99802-2270
(907) 790-4491

If you only have questions regarding the appeal process you may also contact:

Regulatory Program Manager
U.S. Army Corps of Engineers, Pacific Ocean Division
CEPOD-PDC, Bldg 525
Fort Shafter, HI 96858-5440

RIGHT OF ENTRY: Your signature below grants the right of entry to Corps of Engineers personnel, and any government consultants, to conduct investigations of the project site during the course of the appeal process. You will be provided a 15 day notice of any site investigation, and will have the opportunity to participate in all site investigations.

Signature of appellant or agent.

Date:

Telephone number:

SELF-CERTIFICATION STATEMENT OF COMPLIANCE

Permit Number: POA-2019-00536

Permittee's Name & Address (please print or type): _____

Telephone Number: _____

Location of the Work: _____

Date Work Started: _____ Date Work Completed: _____

PROPERTY IS INACCESSIBLE WITHOUT PRIOR NOTIFICATION: YES _____ NO _____
TO SCHEDULE AN INSPECTION PLEASE CONTACT _____
AT _____

Description of the Work (e.g. bank stabilization, residential or commercial filling, docks, dredging, etc.): _____

Acreage or Square Feet of Impacts to Waters of the United States: _____

Describe Mitigation completed (if applicable): _____

Describe any Deviations from Permit (attach drawing(s) depicting the deviations):

I certify that all work and mitigation (if applicable) was done in accordance with the limitations and conditions as described in the permit. Any deviations as described above are depicted on the attached drawing(s).

Signature of Permittee

Full Name of Permittee (printed or typed)

Date



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration

National Marine Fisheries Service

P.O. Box 21668

Juneau, Alaska 99802-1668

November 4, 2019

Col. Philip Borders
U.S. Army Corps of Engineers, Alaska District
Regulatory Division
P. O. Box 22270
Juneau, AK 99802-2270

Re: R&M Engineering, Sitka Harbor 1401-3 HPR Dock Association dock, POA-2019-00536, AKRO-2019-03283

Dear Colonel Borders:

This letter responds to your request for concurrence from the National Marine Fisheries Service (NMFS) pursuant to Section 7 of the Endangered Species Act (ESA) for the proposal to construct a dock supported by seventeen 12-inch diameter steel piles inside the breakwater of Sitka Harbor near Sitka, Alaska. NMFS received a request for an expedited informal consultation on October 29, 2019. Your revised request qualified for our expedited review and concurrence because it met our screening criteria and contained all required information on your proposed action, mitigation measures, and its potential effects to listed species and designated critical habitat. Expedited consultation for this proposed action commenced on October 29, 2019.

We reviewed your consultation request document and related materials. Based on our knowledge, expertise, and the materials you provided, we concur with your conclusions that the proposed action with its proposed mitigation measures (including a 3,500-m exclusion zone that encompasses all waters within the breakwater and extends westward to where the underwater sound is attenuated by the Parker Group of islands), is not likely to adversely affect the Mexico distinct population segment (DPS) humpback whale (*Megaptera novaeangliae*), Western DPS Steller sea lion (*Eumetopias jubatus*), Northeast Pacific fin whale (*Balaenoptera physalus*), North Pacific right whale (*Eubalaena japonica*), or North Pacific sperm whale (*Physeter macrocephalus*). A complete administrative record of this consultation is on file at the Juneau NMFS office.

Reinitiation of consultation is required where discretionary federal involvement or control over the action has been retained or is authorized by law and if (1) take of listed species occurs, (2) new information reveals effects of the action that may affect listed species or critical habitat in a manner or to an extent not previously considered, (3) the action is subsequently modified in a manner that causes an effect to the listed species or critical habitat that was not considered in this concurrence letter, or (4) a new species is listed or critical habitat designated that may be affected by the identified action (50 CFR 402.16).

Please direct any questions regarding this letter and instruct the applicant to submit the protected species observer report to Julie Scheurer, at Julie.scheurer@noaa.gov or 907-586-7111.

Sincerely,

Jonathan M. Kurland
Assistant Regional Administrator
for Protected Resources

cc: Randal.P.Vigil@usace.army.mil





DEPARTMENT OF THE ARMY
ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS
REGULATORY DIVISION
P.O. BOX 22270
JUNEAU, AK 99802-2270

October 29, 2019

Regulatory Division
POA-2019-00536

Mr. Jon Kurland
Assistant Regional Administrator for Protected Resources
National Marine Fisheries Service, Alaska Region
Post Office Box 21668
Juneau, Alaska 99802

Dear Mr. Kurland,

The U.S. Army Corps of Engineers, Regulatory Division (Corps) has received and is reviewing a Department of the Army (DA) permit application submitted by R&M Engineering-Ketchikan on behalf of the 1401-3 HPR Dock Association for the proposed project as described below. The Corps requests initiation of expedited informal consultation under section 7(a)(2) of the Endangered Species Act (ESA) for the proposed project. As the federal lead action agency, the Corps intends to review the proposed project for authorization pursuant to Section 10 of the Rivers and Harbors Act of 1899 (Section 10) (33 USC 403).

The purpose of this letter is to evaluate the potential effect of the proposed action on species listed as endangered or threatened under the ESA, or their designated critical habitat. Our supporting analysis is provided below. We request your written concurrence if you agree with our determination.

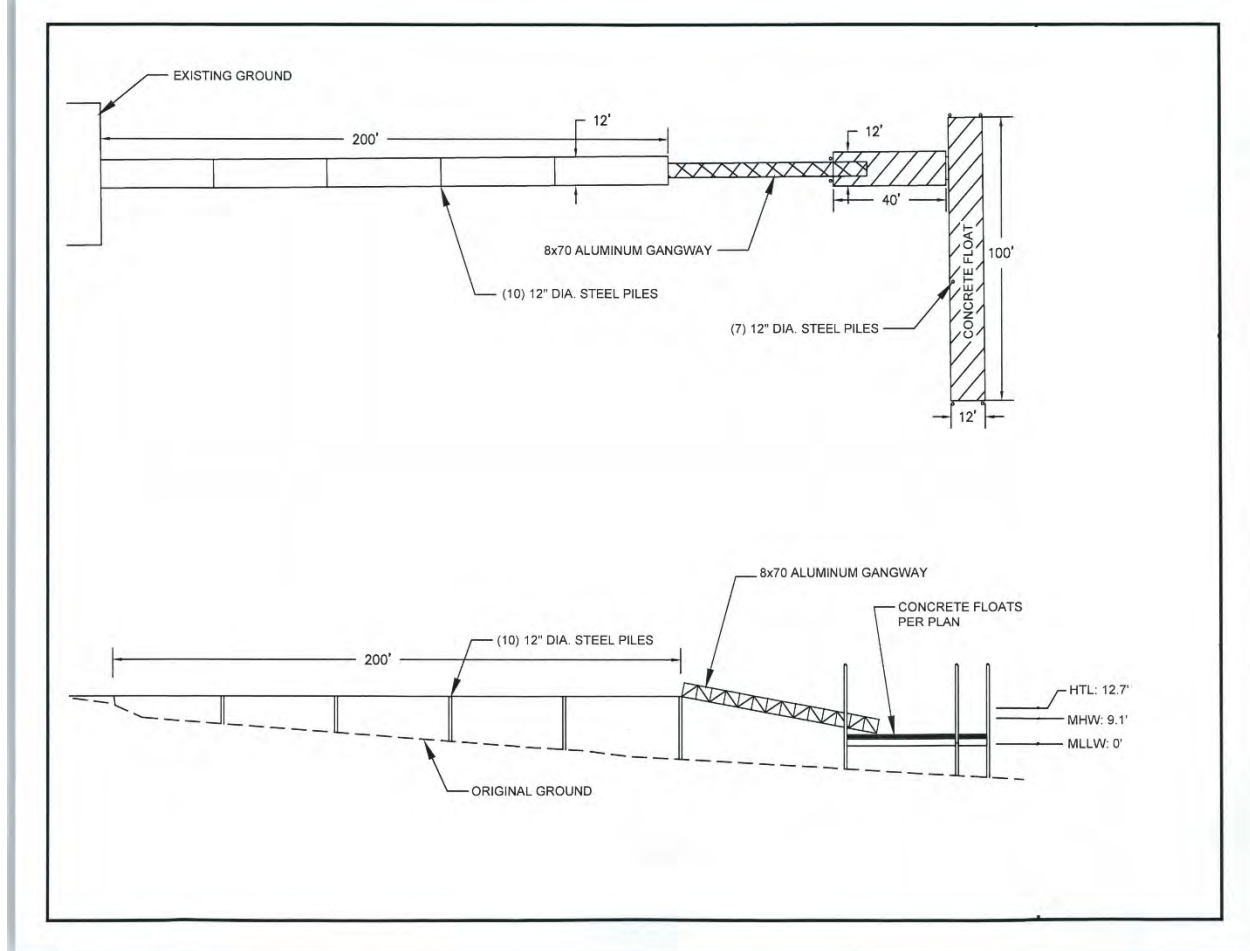
Project Description

The proposed project would involve the following work in, over, or below the Mean High Water Mark (+9.1 feet above the 0.0 foot contour) in Sitka Harbor, which is a navigable water of the United States (U.S.):

- Construct one 12 foot wide x 200 foot long pile supported, (10) 12-inch diameter steel, aluminum decked pier;
- Install one 12 foot wide x 40 foot long concrete float;
- Install one 12 foot wide x 100 foot long concrete float;
- Install one 8 foot wide x 70 foot long aluminum gangway;

- Install (7) 12-inch diameter steel, concrete float, anchor piles.

Figure 1. Proposed Project Plan



The project site is located at Section 35, T. 55 S., R. 63 E., Copper River Meridian; USGS Quad Map Sitka A-5; Latitude 57.062250° N., Longitude 135.359667° W.; 1401 Halibut Point Road; in Sitka, Alaska. Figure 2 shows the project location.

Figure 2. Project Location Map

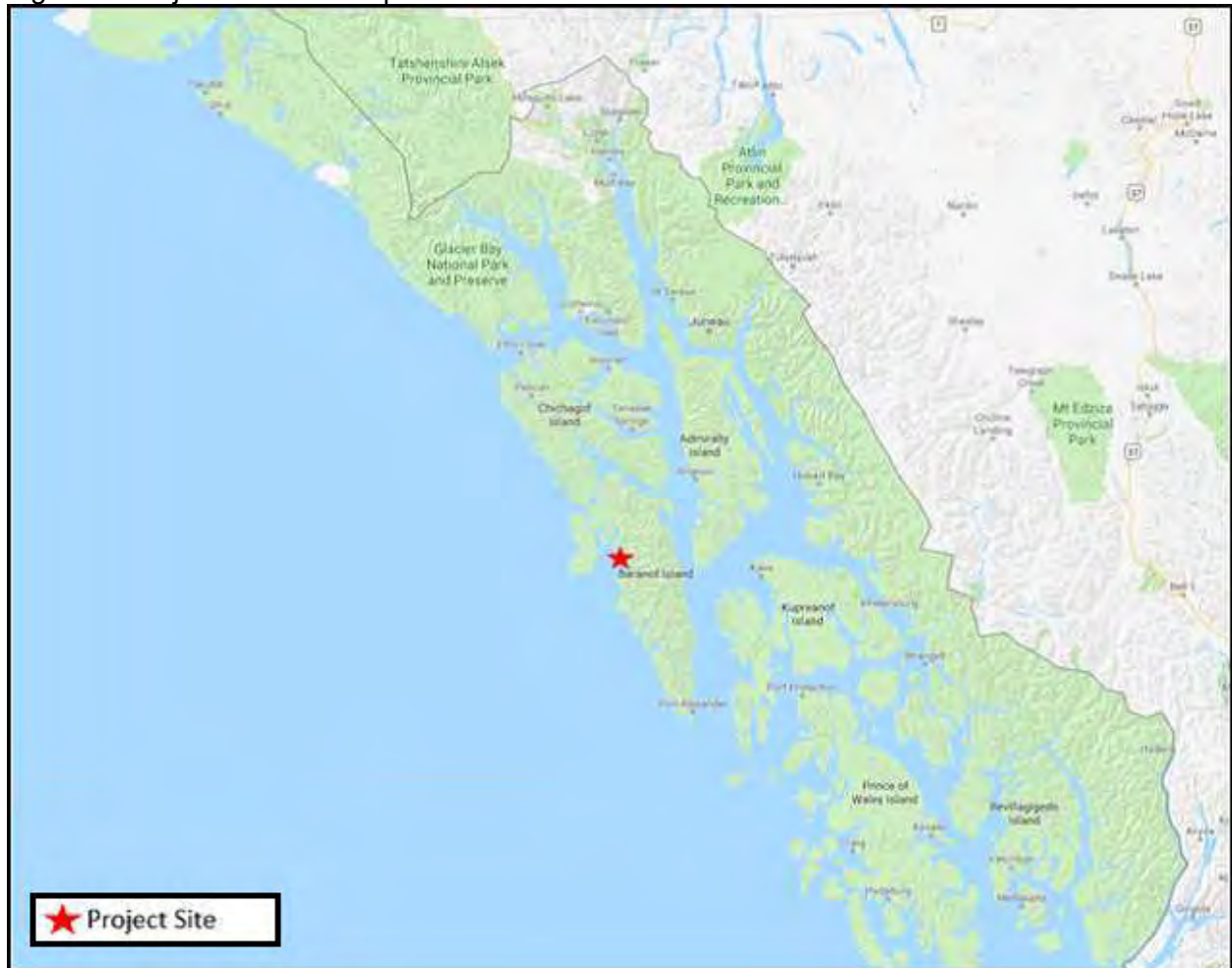


Figure 3. Proposed Dock Site



Construction Methods

Pile Installation Equipment

The following equipment would be used:

- Vibratory hammer- Model: ICE 22-30, Energy rating: 183 ft. lbs., Max Frequency: 615 vpm, Force: 81 tons.
- Drill- Model: Sandvick Silverdrill 32-SD12/39, Weight: 1085 lb, Drill bit: 14", Air consumption: 250 psi.
- Compressor: Model: Ingersoll Rand 1170-350 (1170 CFM @ 350 PSI), RPM: 1800 RPM.

Pile Installation

Piles would be installed with a vibratory hammer. If bedrock is encountered piles would be socketed into the bedrock with a down-hole drill with under-reamer bit (the drill will be used first to drill a hole into the bedrock to a maximum depth of 5 feet and then socket the pile into the bedrock). Drilling would be done through a casing; fill the hole with sand, remove casing, and install the piling.

If a vibratory hammer can be used on all 17 piles. Duration would be approximately 10 minutes per piling. If no drilling is required, six piles per day would be installed.

Drilling pile sockets averages 45 minutes per pile. Worst case scenario is that drilling would be required on all piling, which would result in two piles installed per day.

Construction Vessels

The following vessels are expected to be used to support construction:

- One flexi float material barge (approximately 80 feet x 20 feet by 5 feet) to transport materials equipment from Sitka dock to the project site.
- A construction barge, the H2 (crane barge 85 feet x 35 feet x 5 feet), to be used onsite to perform construction.
- A 26 foot twin 300 hp push tug "CECIL P."
- One skiff (16-foot skiff with a 60 horsepower outboard motor) transported to the project site on the construction barge or acquired locally in Sitka to support construction activities.

Transport of Materials and Equipment

The materials would be shipped direct from Washington to Sitka via Alaska Marine Lines or Samson Tug & Barge. The flexifloat sectional material barge, any required drilling equipment & casing would be shipped via Alaska Marine Lines or Samson Tug and barge from Ketchikan to Sitka. The H2 construction barge & CECIL P push tug would travel Ketchikan to Sitka under their own power, perform the work, and demobilize back to Ketchikan upon completion. Once on site, the H2 would deploy a

four point anchor / winch system, as well as 90 foot spud to control positioning while performing the work.

Transport of Workers to and from Work Platform

Transport of Workers to and from Work Platform Construction workers would either walk directly on to the work platform or use a skiff within the harbor for transport to the work platform. There could be multiple skiff trips during the day; however, the area of travel would be small and enclosed within the harbor's breakwater.

Dates and Duration

Work is expected to commence on or around May 1, 2020, and extend through May 9, 2020. If permitted, the project proponent would have five years to complete the proposed work.

Description of the Action Area

The action area is defined in the ESA regulations (50 CFR 402.02) as the area within which all direct and indirect effects of the project will occur. The action area is distinct from and larger than the project footprint because some elements of the project may affect listed species some distance from the project footprint. The action area, therefore, extends out to a point where no measurable effects from the project are expected to occur.

For this project, the action area has been determined by the area of water that will be ensonified above the NMFS Level B harassment acoustic threshold of 120 decibels (dB) re 1 μ Pa (rms) for continuous sources (e.g. vibratory pile driving), the area where received noise levels from pile driving could expose humpback whales and Steller sea lions to behavioral harassment. This area has been calculated to extend approximately 12,023 meters from the sound sources in Sitka Sound in Southeast Alaska (Table 1).

The distance to the Level B threshold was calculated based on a proxy source level of 160.0 SPL for vibratory installation of 24-inch diameter steel piles and using the practical spreading model in the Zone of Influence spreadsheet tool developed by NMFS. The proxy source level is from the 90th percentile measured source levels from pile driving of 24-inch diameter piles to construct the Alaska Department of Transportation and Public Facilities Kodiak Ferry Terminal in Kodiak, Alaska (Denes et al. 2017, Table 72).

Table 1. Calculated Distances to Level B Shutdown Zones

Source	NMFS-managed species (m)
Vibratory Pile Driving/Removal	
12-inch installation	5,412
Socketing (down-hole drilling)	
12-inch installation	12,023

NOTE: The Sitka Harbor breakwater, Parker Group Islands, and the harbor topography stop underwater noise transmission before it reaches these calculated distances, thus, the Action Area is truncated where these landforms and structures stop underwater noise transmission. See Figure 4.

Table 2. Sitka Harbor Dock Project Shut Down Zones

Source	NMFS-managed species (m)
Vibratory Pile Driving	
12-inch installation	3,500 west of breakwater 1,000 inside of harbor
Socketing (down-hole drilling)	
12-inch installation	3,500 west of breakwater 1,000 inside of harbor

Sitka Dock Project Action Area

The action area of the proposed project would normally encompass the disturbances defined by Level B Harassment acoustic threshold, an alternative action area is proposed based on the breakwater present in the Sitka Harbor and the narrow characteristics of the Sitka Channel. A similar determination was made by NMFS for the dock construction project for Silver Bay Seafoods in False Pass, AK. Figure 4 shows the proposed action area.



Figure 4. Proposed action area for the Sitka Dock Project.

NMFS Listed Species and Critical Habitat in the Action Area

Within the action area, threatened Mexico Distinct Population Segment (DPS) humpback whale (*M. novaeangliae*); endangered Western DPS Steller sea lion (*E. jubatus*); endangered fin whale (*Balaenoptera physalus*); endangered North Pacific right whale (*Eubalaena japonica*); and endangered sperm whale (*Physeter macrocephalus*); occur.

Critical habitat has been designated for two of these species, the North Pacific right whale and the Western DPS Steller sea lion; however, the project action area does not encompass critical habitat of any ESA-listed species, and thus this project will have no effect on critical habitat.

Humpback Whale

Humpback whale migrations from their tropical calving and breeding grounds in winter to their high-latitude feeding grounds in summer. However, humpback whales have been observed in Southeast Alaska in all months of the year.

Straley et al. (2018) documented 440 humpback whales at the north end of Eastern Channel over 190 hours of observation over eight years (Straley et al. 2018; Table 3). During 21 days of monitoring during the construction of GPIP Dock between October 9 and November 9, 2017, 39 humpback whales were observed (Turnagain 2017). No humpback whales were observed within Sitka Channel during the eight days of monitoring in January 2017 during the construction of the Sitka Petro Dock (Windward 2017). Near Biorka Island, about 25 kilometers south of the project, 22, 3, 0, and two humpback whales were sighted in June, July, August, and September 2018, respectively (Turnagain 2018). Humpback whales were not observed during recent monitoring conducted for short periods over eight days in September 2018 near Crescent Harbor (SolsticeAK 2018).

Table 3. Total number of Individuals Observed and Minutes of Observation by Month from Whale Park between 1995 and 2002 ¹ (From Straley, et al. 2018)

Species	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Humpback whales	73	35	6	3	0	N/A	N/A	N/A	16	66	131	110
Steller sea lions	287	180	66	8	0	N/A	N/A	N/A	12	18	113	22
Observation effort (mins)	1,127	1,646	1,608	960	258	0	0	0	1,197	1,667	1,807	1,085

¹ No observations were made between June and August.

Most of the humpback whales that are found feeding in Sitka Sound in winter months make the migration south across the North Pacific to their mating and calving grounds in Hawaii and Mexico; however, this likely occurs after herring have moved out of the project area. Humpback whales have been documented making the migration in under 40 days, allowing whales to feed longer before they migrate south for mating and calving activities (ASG 1997).

Similar to the rest of Southeast Alaska, based on the analysis of Wade et al. (2016), there is a 93.9 percent probability that humpback whales occurring in the action area belong to the non-listed (recovered) Hawaii DPS and there is a 6.1 percent probability that humpback whales occurring in Sitka Sound and Silver Bay belong to the threatened Mexico DPS.

Critical habitat has not been designated for the humpback whale.

Though humpback whales are routinely observed in the Sitka Sound during foraging and migrating activities, their occurrence in the project area is unlikely due to heavy boat traffic and the narrow characteristics of the Sitka Channel. However, the applicant would implement shutdown procedures if a humpback whale is observed to enter the shutdown zone.

Steller Sea Lion

Steller sea lions occur year-round in the project action area. Most are expected to be from the Eastern DPS; however, it is likely that some Steller sea lions in the action area are from the Western DPS (Jemison et al. 2013; NMFS 2013). Jemison et al. (2013) estimated an average annual breeding season movement of Western DPS Steller sea lions to southeast Alaska of 917 animals. Based this information, approximately half of the observed Steller sea lions in the project area could belong to the endangered western DPS.

Steller sea lions were seen from Whale Park during every month of monitoring (September to May) between 1994 and 2002 (Straley et al. 2018). In June 2019 and in the vicinity of the action area, a total of 42 individual Steller sea lions were sighted on three separate days during the O'Connell Bridge Lightering Float Replacement Project (SolsticeAK 2019). Individual sea lions were seen on 19 of 21 days in Silver Bay and Easter Channel during monitoring for GPIP dock construction between October and November 2017 (Turnagain 2017). Near Biorka Island, sea lions were seen infrequently; six, two, and zero sea lions were sighted in June, July, and August 2018, respectively (Turnagain 2018). During eight days of monitoring for the Petro Marine dock in January 2017, individual sea lions were seen on three days (Windward 2017). Steller sea lions were observed five of eight days during recent monitoring conducted in 2018 near the action area where a group of 4 sea lions were observed once and remaining observations were of individuals (SolsticeAK 2018). Steller sea lions are expected near the project footprint because they are observed occasionally in the area year-round.

During Straley's surveys, Steller sea lions were often seen in groups of two to three; however, a group of more than 100 was sighted on at least one occasion (Straley et al. 2018). Sightings were of single individuals and up to groups of three during the O'Connell Lightering Float (SolsticeAK 2019). Steller sea lions in groups of one to eight individuals were observed around Sitka GPIP dock construction. All Steller sea lions were alone in Sitka Channel during Petro Marine Dock construction monitoring (Windward 2017). SolsticeAK (2018) observed a group of four sea lions on one day; however, most sea lions were alone during the September 2018 monitoring period.

NMFS designated critical habitat for the Steller sea lion on August 27, 1993 (58 FR 45269). The project action area does not overlap Steller sea lion critical habitat. The Biorka Island haulout (over 25 kilometers southwest of the proposed action area; Figure 5) is the closest designated critical habitat in Southeast, Alaska and is well outside the action area.

Figure 5. Steller Sea Lion Critical Habitat in Southeast Alaska (Adapted from NMFS 2017a)



Given their widespread range and their opportunistic foraging strategies, we conclude that Steller sea lions may be in the project action area during the proposed project activities; however, the applicant would implement shutdown procedures if a Steller sea lion is observed likely to enter the shutdown zone.

Fin Whales

Fin whales are rare in the inside waters of southeastern Alaska (Neilson et al. 2012) and within the Crescent Harbor Float Replacement Project action area. During 190 hours of observation between September and May from 1994 to 2002 from Sitka's Whale Park, located at the north end of Eastern Channel in Sitka Sound, Straley et al. (2018) did not observe any fin whales. During 21 days of monitoring during the construction of Gary Paxon Industrial Park (GPIP) Dock in Sawmill Cove near Sitka between October 9 and November 9, 2017, no fin whales were observed (Turnagain 2017). No fin whales were observed within Sitka Channel and in the vicinity of the Crescent Harbor during the 8 days of monitoring in January 2017 during the construction of the Sitka Petro Dock (Windward 2017). Near Biorka Island, about 25 kilometers south of the project, no fin whales were sighted in June, July, August, or September 2018 (Turnagain 2018). Fin whales were not observed near Crescent

Harbor during recent monitoring conducted for 15-minute periods over eight days in September 2018 (SolsticeAK 2018).

Critical habitat has not been designated for the fin whale.

Based on the information above, fin whales are not expected in the project area because they are rare in the Eastern Channel of Sitka Sound. We conclude that it would be extremely unlikely to encounter a fin whale in the action area; however, the applicant would implement shutdown procedures if a fin whale is observed likely to enter the shutdown zone.

North Pacific Right Whale

North Pacific right whales are rare in the action area. During Straley et al.'s (2018) 190 hours of monitoring, no North Pacific right whales were observed in the Crescent Harbor Float Replacement Project action area. The whales were not observed during the 21 days of monitoring during the construction of GPIP Dock in October and November 2017 (Turnagain 2017). They were not observed during the eight days of monitoring during the construction of the Sitka Petro Dock in January 2017 (Windward 2017). They were not sighted during recent monitoring at Biorka Island (25 kilometers south of Crescent Harbor) in June, July, August, or September 2018 (Turnagain 2018). Additionally, North Pacific right whales were not observed during limited monitoring conducted in September 2018 in the immediate vicinity of the lightering float (SolsticeAK 2018).

The designated critical habitat in the Gulf of Alaska (located over 900 kilometers [550 miles] west of the proposed action) is the closest designated critical habitat for the North Pacific right whale and is well outside the action area.

North Pacific right whales are not expected in the project area because they are rare, and because the project location is not a documented feeding or calving area. We conclude that it would be extremely unlikely to encounter a North Pacific right whale in the action area; however, the applicant would implement shutdown procedures if a right whale is observed likely to enter the shutdown zone.

Sperm Whale

Sperm whales are rare in the action area, because they are pelagic and prefer more open water habitats than are found in Sitka Sound. Sperm whales were not seen during 190 hours of observation completed by Straley et al. (2018); during 21 days of monitoring for GPIP dock construction between October and November 2017 (Turnagain 2017); during eight days of monitoring for the Petro Marine dock in January 2017 (Windward 2017); during 40 days of monitoring for Biorka Dock construction between June and September 2018; or during limited monitoring over eight days at the lightering float in September 2018 (SolsticeAK 2018).

Critical habitat has not been designated for the sperm whale.

Sperm whales are not expected in the action area, and we conclude that it would be extremely unlikely to encounter a sperm whale in the action area; however, the applicant would implement shutdown procedures if a sperm whale is observed likely to enter the shutdown zone.

Effects Determination

Acoustic Disturbance

Possible impacts to marine mammals exposed to loud underwater noise include mortality (directly from the noise, or indirectly from a reaction to the noise), injury, and disturbance ranging from severe (e.g., abandonment of vital habitat) to mild (e.g., startle response), if pile driving is not shut down when individuals are within the action area.

Hearing loss, Discomfort, or Injury

If a received sound level is high enough, the sound may cause discomfort or tissue damage to auditory or other systems. An animal may experience temporary loss of hearing, partial, or full hearing loss. Marine mammals exposed to high received sound levels may experience non-auditory physiological effect such as increased stress, neurological effects, bubble formation, resonance effects, and other types of organ or tissue damage. Permanent, partial, or full hearing loss may occur if marine mammals are exposed to underwater sounds exceeding the injury threshold of 180 or 190 dB re 1p.Parms for humpback whales and Steller sea lions, respectively (NMFS 2016). Although proposed vibratory hammer and drilling will introduce continuous sounds into the water, the activities are not expected to cause hearing loss, discomfort, or injury due to the implementation of mitigation measures, including the maintenance of an exclusion zone.

Behavioral Changes

Marine mammals that are exposed to elevated noise levels associated with in-water vibratory drilling could exhibit behavioral changes such as increased swimming speed, increased surfacing time, or decreased foraging. Additional responses of marine mammals to pile driving activity might include a reduction of acoustic activity, a reduction in the number of individuals in the area, and avoidance of the area. Of these, temporary avoidance of the noise-impacted area is anticipated to be the most likely response on this project. Avoidance responses may be initially strong if an individual moves rapidly away from the source or weak if animal movement is only slightly deflected away from the source. Individuals likely return after completion of pile installation, as demonstrated by a variety of studies about temporary displacement of marine mammals by industrial activity (Richardson et al. 1995)

Masking

Marine mammal auditory signals may be masked by increased noise levels or overlapping frequencies. The project area is within an existing navigation channel, and therefore marine mammals that come into the area may already be habituated to increased noise levels. Sound levels from existing cruise ship traffic near Sitka have

likely resulted in the habituation of whales and sea lions to noise in the area, since they are sometimes seen in the area when vessels are nearby.

We do not anticipate that installation of the proposed dock will expose any ESA-listed species to sound pressure levels that reach Level A or B acoustic harassment thresholds because: 1) the projects incorporate monitoring and mitigation measures that includes an 3,500 meter exclusion zone outside the harbor breakwater which minimizes the risk of exposure for any individual that enters it; 2) sound vibrations will only escape the center gap in the breakwater during pile driving within the harbor (approximately three hours over nine days or thirteen hours worst case scenario), thereby reducing the likelihood of exposure to listed species; 3) sound levels from existing vessel traffic has resulted in habituation to noise among whales (particularly humpback whales) and sea lions occurring near the area; and 4) two Protected Species Observers will monitor the area before, during, and after pile installation.

Noise Impact to Prey Species

Fish populations in the project area that serve as humpback whale and Steller sea lion prey could be affected by noise from in-water pile-driving. High underwater SPLs have been documented to alter behavior, cause hearing loss, and injure or kill individual fish by causing serious internal injury (Hastings and Popper 2005). However, given the small area of the project site, the short duration of vibratory drilling, and the fact that any physical changes to this habitat would not be likely to reduce the localized availability of fish, it is unlikely that listed whales or Steller sea lions would be affected. The applicant considers potential impacts to prey resources to be discountable.

Habitat Alteration

The project would occur over 25.6 kilometers from the nearest Steller sea lion critical habitat, and the project is not expected to impact any of the essential features that define critical habitat for any species.

Vibratory drilling for the new dock will briefly disturb the substrate and increase the turbidity of the water due to disturbed sediment. Sedimentation associated with the project is not likely to have detectable effects on any or their habitat, because the area that would be impacted would be within the breakwaters of Sitka Harbor. Indirect effects to prey due to sediment in the water would be minimal due to re-colonization and the temporary nature of the activity, and are expected to be undetectable to whales or Steller sea lions. In addition, that facility does not include poured concrete foundations or creosote piles that are toxic to fish.

Vessel Traffic

When this project is completed, it will not result in an increased number of vessels in the action area. The proposed dock would result in a slight increase in mooring capacity within Sitka Harbor, however vessel traffic in and out of the surrounding waters would remain unchanged, as the boats that would moor at the dock already traverse these waters, and there would be no increased risk of vessel strikes in the future. We

have also considered the likelihood that an increase in vessel traffic related to project activities would generally increase the risk of interactions between marine mammals and vessels in the action area above and beyond baseline conditions. The use of a barge and a small skiff would cause a small, localized, temporary increase in vessel traffic for less than one month. Given the extremely small increase in vessel traffic above existing levels in this reach of Sitka Harbor, there will be no measurable or detectable increase in the risk of vessel strike, and effects to listed species that could be found in the area are discountable.

Mitigation Measures

The applicant has agreed to implement the following standard mitigation measures for pile driving projects in order to minimize the risk of harm to listed species for their proposed project:

1. Two protected species observers (PSOs), able to accurately identify and distinguish species of Alaska marine mammals, will be present before and during all in-water construction and demolition activities.
2. Prior to in-water construction activities, an exclusion (i.e., shut-down) zone will be established. For this project, the exclusion zone includes all marine waters within 3,500 meters west of the breakwater and 1,000 meters within the harbor of the sound source.
3. Pile-driving will not be conducted unless all waters within and adjacent to the exclusion zone are clearly visible.
4. The PSO(s) will be positioned such that the entire exclusion zone is visible to them (e.g., situated on a platform, elevated promontory, boat or aircraft).
5. The PSO(s) will have the following to aid in determining the location of observed listed species, to take action if listed species enter the exclusion zone, and to record these events:
 - a. Binoculars;
 - b. Range finder;
 - c. GPS;
 - d. Compass;
 - e. Two-way radio communication with construction foreman/superintendent; and
 - f. A log book of all activities which will be made available to NMFS upon request.
6. The PSO(s) will have no other primary duty than watching for and reporting on events related to listed species.
7. The PSO(s) will have the ability to communicate orally, by radio or in person, with project personnel to provide real-time information on listed species observed in the area as necessary, and will have the authority to order a shutdown of noise-producing operations in the event that a listed species is observed within or is judged likely to enter the exclusion zone.
8. The PSO(s) will work in shifts lasting no longer than four hours with at least a one hour break between shifts, and will not perform duties as a PSO for more than 12 hours in a 24 hour period (to reduce PSO fatigue).

9. The PSO(s) will scan the exclusion zone for the presence of listed species for 30 minutes before any pile-driving or removal activities take place.
 - a. If any listed species are present within the exclusion zone, pile-driving and removal activities will not begin until the animal(s) has left the exclusion zone or no listed species have been observed in the exclusion zone for 15 minutes (for pinnipeds) or 30 minutes (for cetaceans).
10. Throughout all pile-driving activity, the PSO(s) will continuously scan the exclusion zone to ensure that listed species do not enter it.
 - a. If any listed species enter, or appear likely to enter, the exclusion zone during pile-driving or removal activities, all pile-driving activity will cease immediately. Pile-driving activities may resume when the animal(s) has been observed leaving the area on its own accord. If the animal(s) is not observed leaving the area but is no longer visible, pile-driving activity may begin 15 minutes (for pinnipeds) or 30 minutes (for cetaceans) after the animal is last observed in the area. Note: If a listed species is observed within the exclusion zone during construction operations, the PSO will notify NMFS immediately after ordering a shut-down of operations.
11. On week prior to beginning construction the NMFS will be notified when work will commence. Contact Ms. Julie Scheurer (julie.scheurer@noaa.gov) at NMFS Protected Resources Division, Juneau Office.
12. Ramp-up (soft start) procedures will be applied prior to beginning pile-driving activities each day and/or when pile-driving hammers have been idle for more than 30 minutes:
 - a. For impact pile-driving, contractors will be required to provide an initial set of three strikes from the hammer at 40 percent energy, followed by a 30 second waiting period. This procedure shall be repeated two additional times prior to operational impact pile driving.
13. All in-water pile driving will be completed by May 9, 2020.
14. A final PSO report will be provided to NMFS.
 - a. The reporting period for each monthly PSO report will be the entire calendar month, and reports will be submitted by close of business on the fifth day of the month following the end of the reporting period (e.g., the monthly report covering April 1 to 30, will be submitted to the NMFS by close of business on May 5).
 - b. PSO report data will also include the following for each listed species observation or "sighting event" if repeated sightings are made of the same animal(s):
 - i. Species, date, and time for each sighting event.
 - ii. Number of animals per sighting event; and number of adults/juveniles/calves per sighting event.
 - iii. Primary, and, if observed, secondary behaviors of the marine mammals in each sighting event.
 - iv. Geographic coordinates for the observed animals, with the position recorded by using the most precise coordinates practicable (coordinates

- must be recorded in decimal degrees, or similar standard, and defined coordinate system).
- v. Time of the most recent pile-driving or other project activity prior to listed species observation.
 - vi. Environmental conditions as they existed during each sighting event, including Beaufort sea state, weather conditions, visibility (km/mi), lighting conditions, and percent ice cover.
- c. A final report will be submitted to the NMFS within 90 days after the final pile has been driven for the project. The report will summarize the results of listed species monitoring conducted during the in-water project activities. The report will include items from the list above, as well as the following:
- i. Summaries of monitoring efforts including total hours, total distances, and listed species distribution through the study period, accounting for sea state and other factors that affect visibility and detectability of listed species.
 - ii. A description of any factors that may have influenced detectability of listed species (e.g., sea state, number of observers, fog, glare, etc.).
 - iii. Species composition, occurrence, and distribution of listed species sightings, including date, water depth, numbers, age/size/gender categories (if determinable), group sizes, and ice cover.
 - iv. Number of listed species observed (by species) during periods with and without project activities (and other variables that could affect detectability), such as:
 - 1. Initial listed species sighting distances versus project activity at time of sighting.
 - 2. Observed listed species behaviors and movement types versus project activity at time of sighting.
 - 3. Numbers of listed species sightings/individuals seen versus project activity at time of sighting.
 - 4. Distribution of listed species around the action area versus project activity at time of sighting.
15. Though take is not authorized, if a listed species is taken (i.e., a listed species is observed entering the 3,500 and 1,000 meter exclusion zone before pile-driving operations can be shut down), re-initiation of consultation is required, and the take must be reported to NMFS within one business day (contact listed at item 15 below). PSO records for listed species taken by project activities must include:
- a. All the information that must be listed in the PSO report.
 - b. Number of listed species taken.
 - c. The date and time of each take.
 - d. The cause of the take (e.g., impact hammer operating at maximum energy).
 - e. The time the listed species entered the exclusion zone, and, if known, the time it exited the zone.
 - f. Mitigation measures implemented prior to and after the animal entered the exclusion zone.

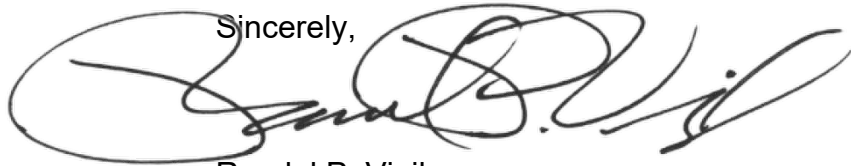
16. All reports will be submitted to: Ms. Julie Scheurer (julie.scheurer@noaa.gov) at NMFS Protected Resources Division, Juneau Office.

Conclusions

Based on the best information available, the Corps has determined that the potential stressors posed by this project would result in insignificant impacts, or the likelihood of impacts would be discountable, for ESA-listed species under the NMFS jurisdiction. For these reasons, the Corps has determined that the proposed action may affect, but is not likely to adversely affect the Western DPS of Steller sea lion or the Mexico DPS of humpback whale. The Corps requests written concurrence under Section 7 of the ESA, as amended (16 U.S.C. §1531 et seq.), with that determination within 30- days of the date of this letter.

The Corps is considering using a Letter of Permission, to authorize these activities. Should you require further information regarding this project, please contact me via email at Randal.P.Vigil@usace.army.mil, by mail at the address above, or by phone at (907) 790-4491. Thank you for your assistance and attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Randal P. Vigil", written over a large, loopy circular flourish.

Randal P. Vigil
Project Manager

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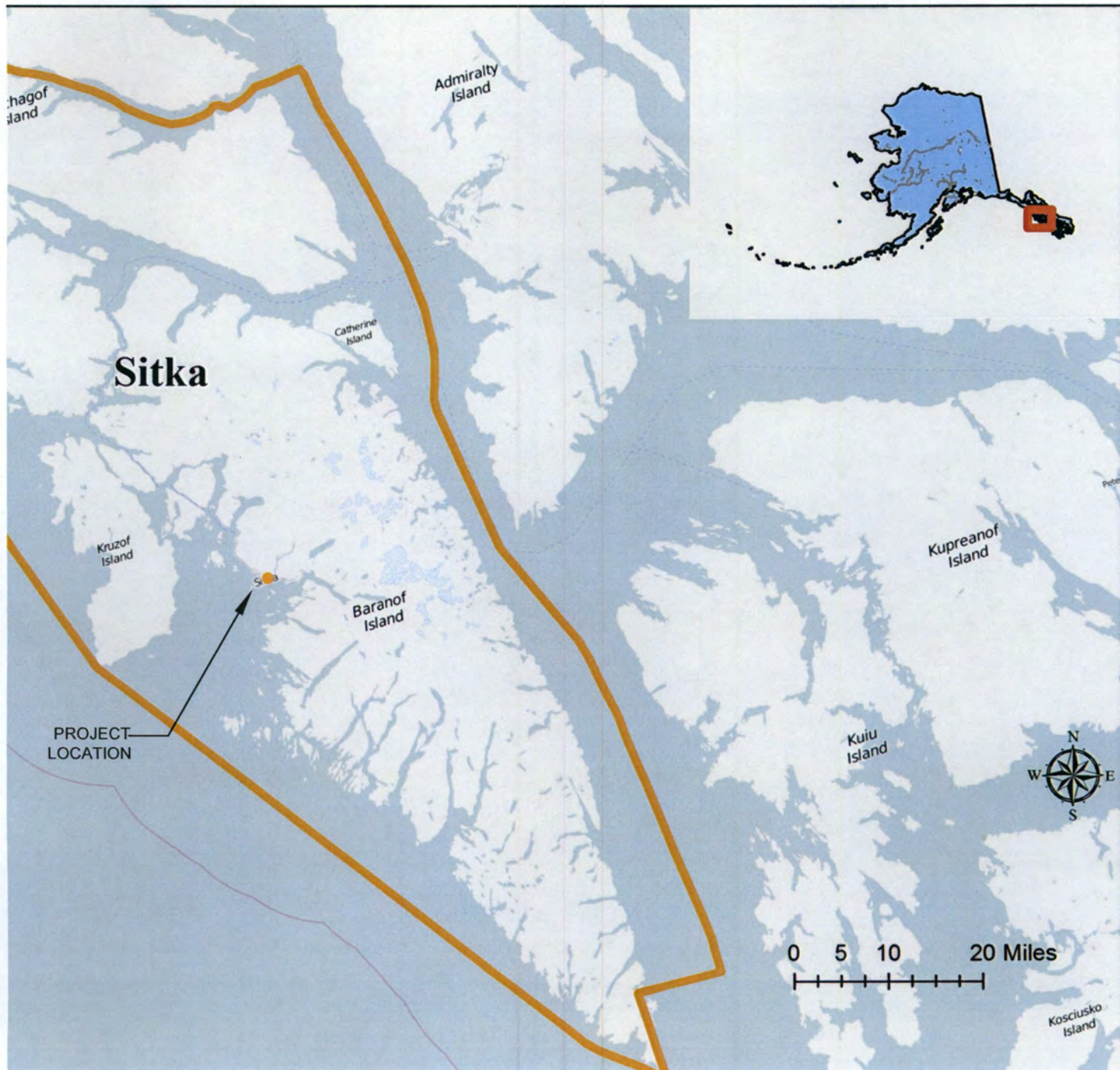
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CF:

Jon.kurland@noaa.gov



① PIER PLAN VIEW
② SCALE: 1"=100'

VICINITY MAP

APPLICATION BY:
1401-3 HPR DOCK ASSOCIATION
1401 HALIBUT POINT ROAD

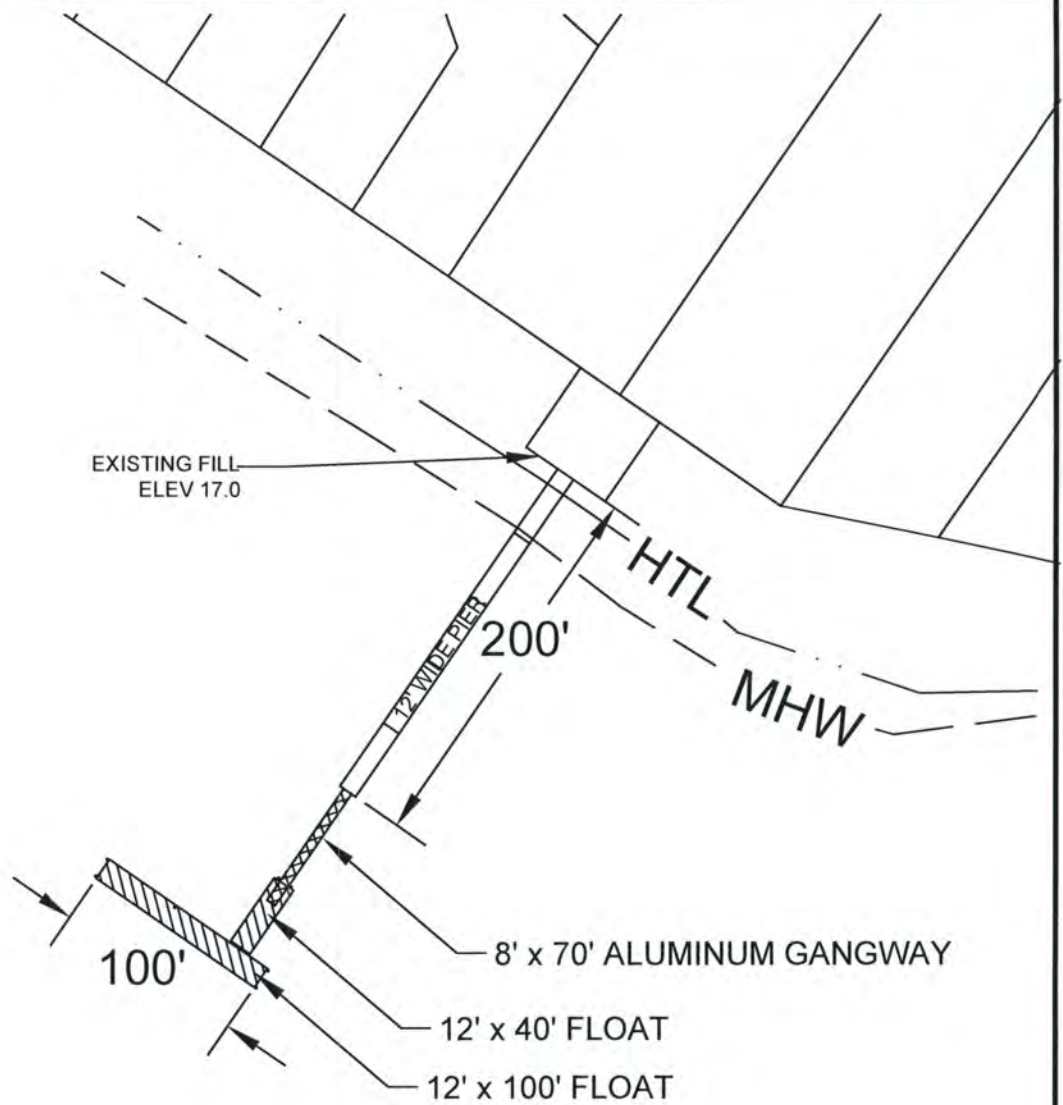
SITKA PIER AND MOORAGE FLOAT

AT: SITKA

LOCATED IN: T.55S., R.63E., SECTION 36
Lat 57°3'44.1"N, Long. 135°21'34.8"W

DATE: 8-27-19

SHEET **1** OF **7**



① CAUSEWAY SECTION VIEW
③ SCALE: 1":100'

TIDAL DATA SOURCE: NOAA
NAUTICAL CHART SITKA
HARBOR ENTRANCES

PIER AND FLOAT PLAN VIEW

APPLICATION BY:
1401-3 HPR DOCK ASSOCIATION
1401 HALIBUT POINT ROAD

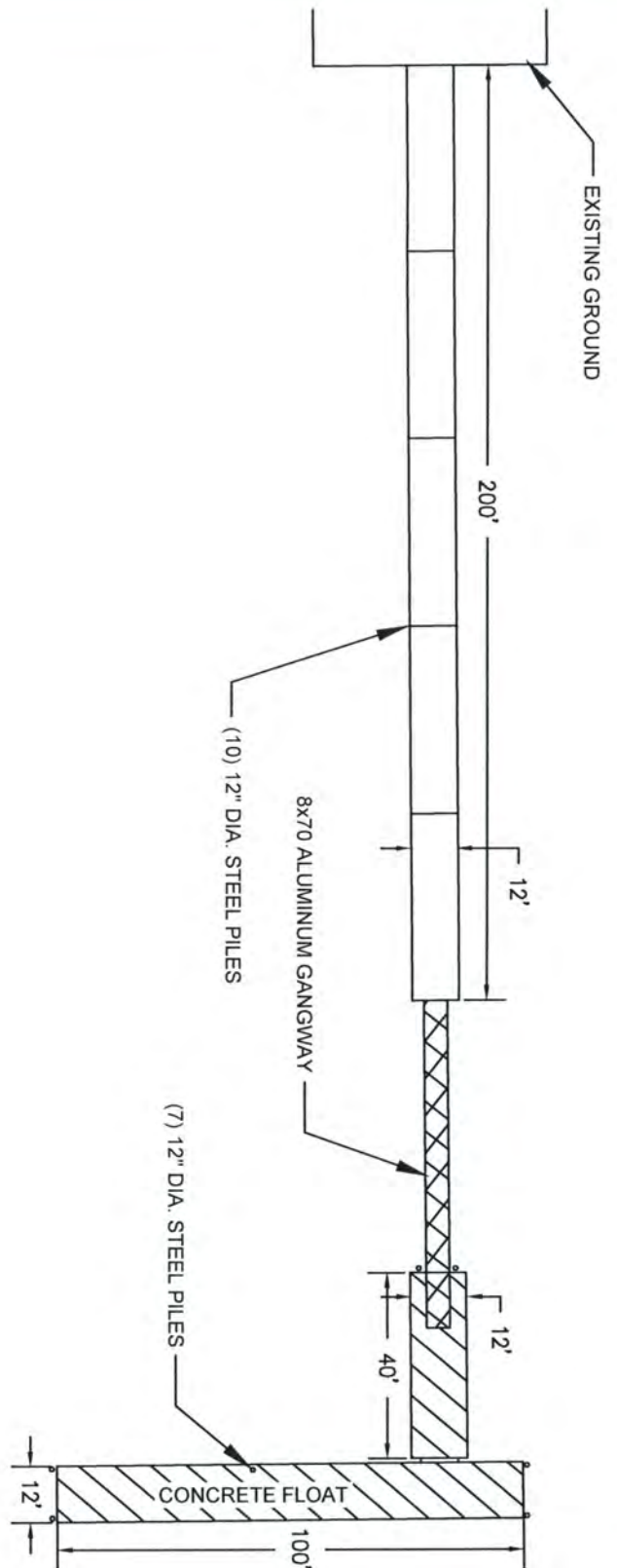
SITKA
PIER AND MOORAGE
FLOAT

AT: SITKA

LOCATED IN: T.55S., R.63E., SECTION 36
Lat 57°3'44.1"N, Long. 135°21'34.8"W

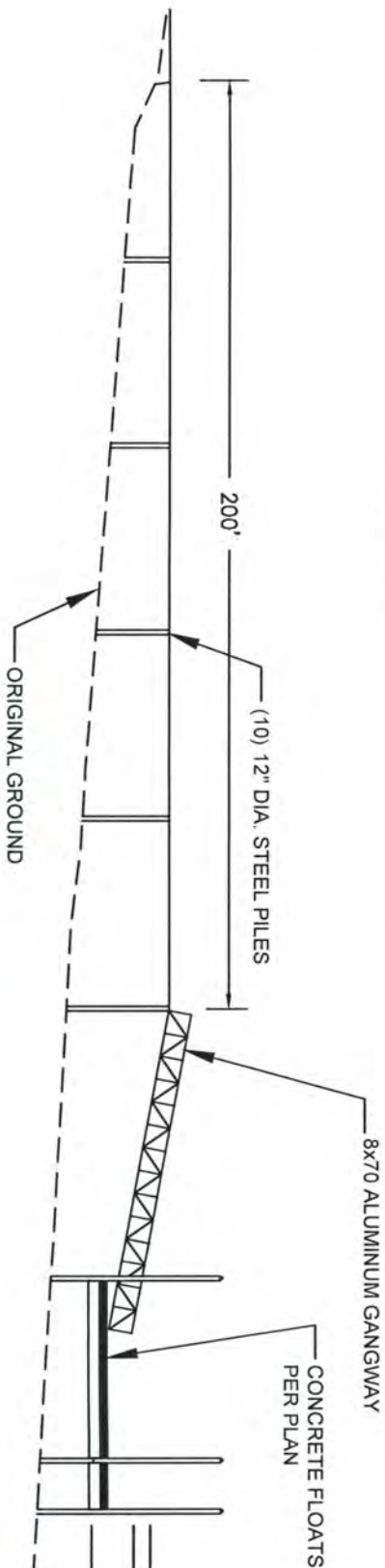
DATE: 8/27/19

SHEET **3** OF **6**



1
4
1"=40'

RAMP AND FLOAT PLAN VIEW



2
4
1"=40'

RAMP AND FLOAT ELEVATION VIEW

HTL: 12.7'
MHW: 9.1'
MLLW: 0'

TYPICAL SECTIONS

APPLICATION BY:
1401-3 HPR DOCK ASSOCIATION
1401 HALIBUT POINT ROAD

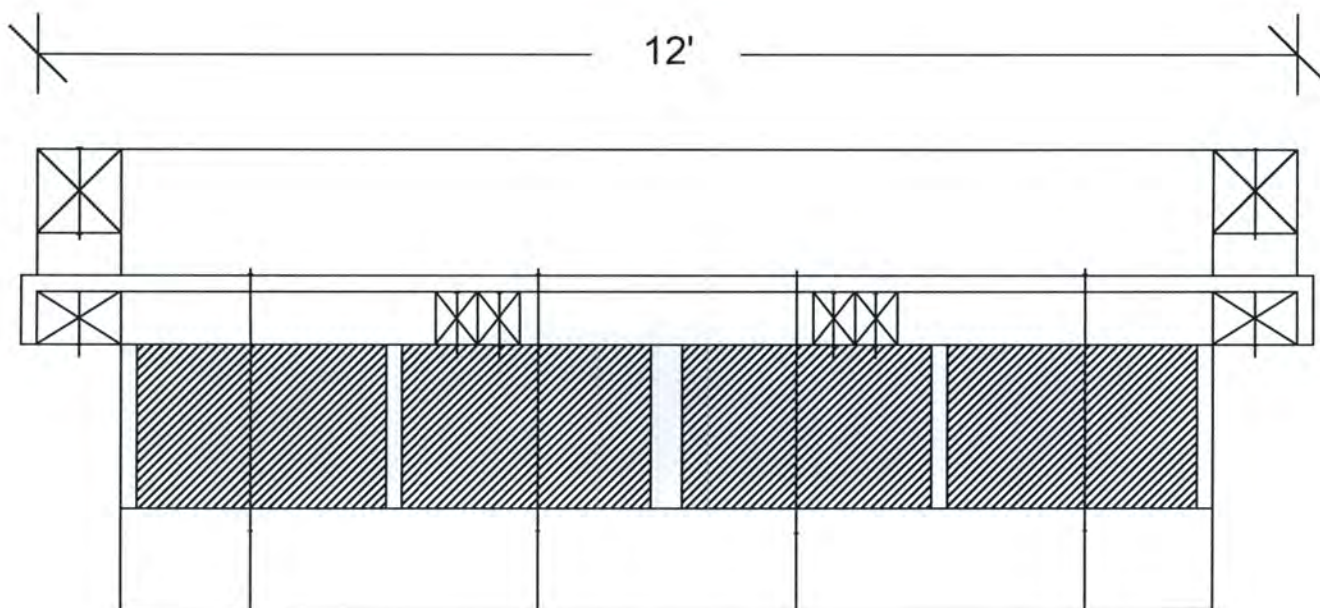
SITKA
PIER AND
MOORAGE FLOAT

AT: SITKA

LOCATED IN: T.55S., R.63E., SECTION 36
Lat 57°3'44.1"N, Long. 135°21'34.8"W

DATE: 7-25-19

SHEET **4** OF **6**



TYPICAL CONCRETE FLOAT

TIDAL DATA SOURCE: NOAA
NAUTICAL CHART SITKA
HARBOR EXTRANCES

**PIER AND FLOAT
PLAN VIEW**

APPLICATION BY:
1401-3 HPR DOCK ASSOCIATION
1401 HALIBUT POINT ROAD

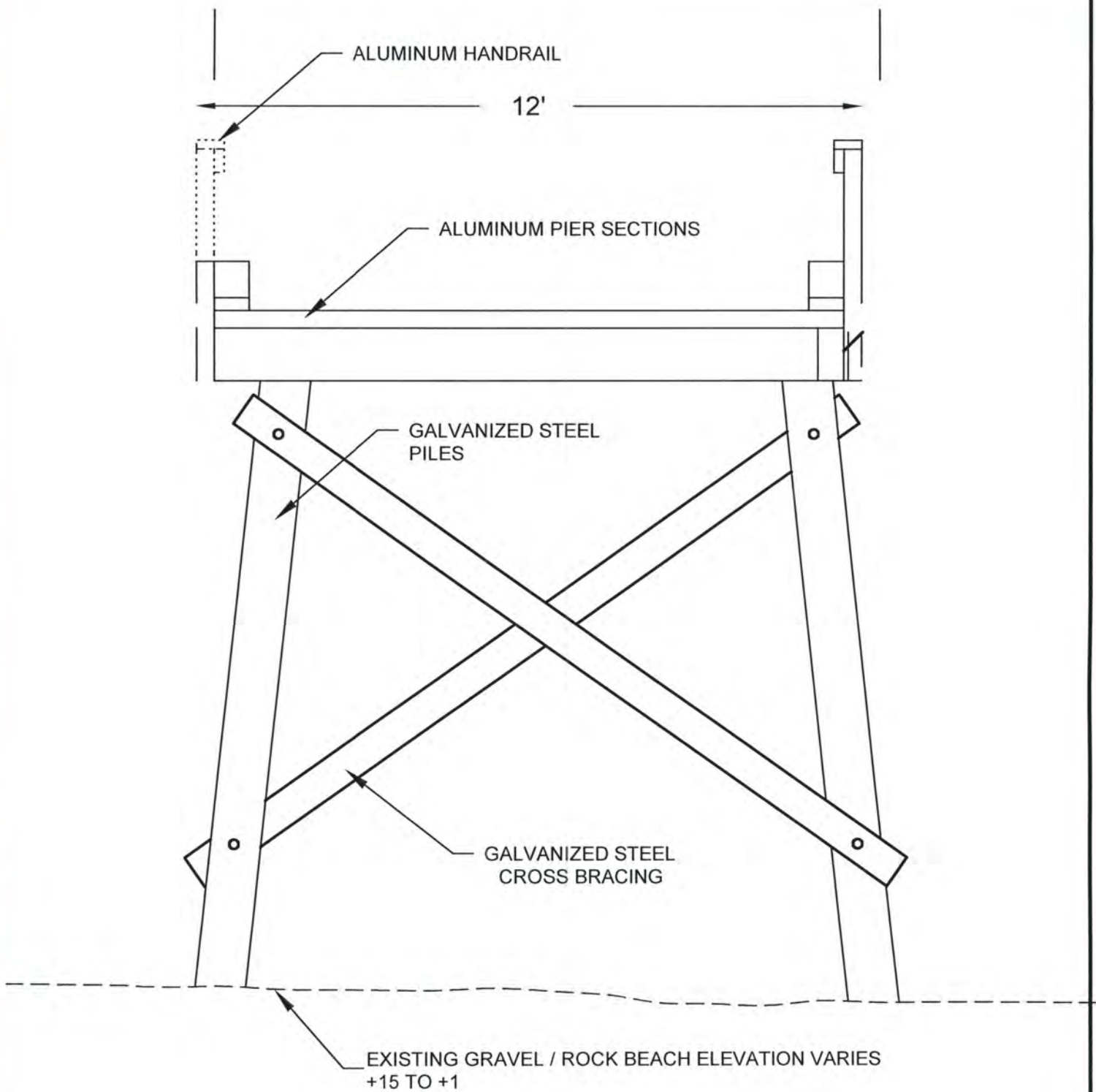
SITKA
PIER AND MOORAGE
FLOAT

AT: SITKA

LOCATED IN: T.55S., R.63E., SECTION 36
Lat 57°3'44.1"N, Long. 135°21'34.8"W

DATE: 7/25/19

SHEET **5** OF **6**



TYPICAL PIER

TIDAL DATA SOURCE: NOAA
NAUTICAL CHART SITKA
HARBOR ENTRANCES

PIER AND FLOAT PLAN VIEW

APPLICATION BY:
1401-3 HPR DOCK ASSOCIATION
1401 HALIBUT POINT ROAD

SITKA
PIER AND MOORAGE
FLOAT

AT: SITKA

LOCATED IN: T.55S., R.63E., SECTION 36
Lat 57°3'44.1"N, Long. 135°21'34.8"W

DATE: 7/25/19

SHEET **6** OF **6**



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 22-07 Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 3/16/2022 In control: City and Borough Assembly

On agenda: 3/22/2022 Final action:

Title: Authorizing the lease of Granite Creek Industrial Site Lease Areas 2 and 3, a 12.7 acre parcel, for material extraction and sale (1st reading)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2022-07](#)
[Memo Ord 2022-07](#)
[Ord 2022-07](#)
[Updated Bundled Granite Creek Areas 23 Lease](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

POSSIBLE MOTION

I MOVE TO approve Ordinance 2022-07 on first reading authorizing the lease of Granite Creek Industrial Site Lease Areas 2 and 3, a 12.7 acre parcel, for material extraction and sale.





CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

From: Michael Harmon, P.E., Public Works Director 

Date: March 16, 2022

Subject: **Granite Creek Lease Area 2 and 3 - Material Extraction & Sale Lease Agreement**

Background

The City and Borough of Sitka (CBS) Granite Creek Lease Area 2 & 3 is approximately 12.7 acres in size and located within the Granite Creek Industrial Area. The Site is intended to be used as a material extraction and sale site moving forward and will no longer operate as an overburden waste disposal site, however, the successful proposer shall be responsible for monitoring and routine maintenance of the closed overburden waste disposal area to prevent erosion, drainage issues, or impacts to roads. The Site will support construction activities in the community.

Lease Area 2 and 3's lease with McGraw's Construction expired February 15, 2022. The CBS Public Works department would like to enter a five (5) year lease agreement with McG Constructors, Inc. The CBS Public Works department advertised the public Request for Proposal (RFP) December 17, 2021 and closed the solicitation January 13, 2022. CBS received one response to the public RFP from McG Constructors, Inc. A review committee reviewed the proposal and unanimously supported awarding the lease to McG Constructors, Inc. A Letter of Intent to Award was signed and dated January 24, 2022.

CBS Public Works has assembled a Lease Agreement. The term of the initial lease will be five (5) years, with the option to renew for up to one (1) additional five (5) year term upon mutual agreement by CBS and McG Constructors, Inc. Lease rate will be \$1,875.00 per month and royalty rates will be \$3.55 per cubic yard during the first term (both subject to CPI increases upon exercise of lease renewal) but may be renegotiated at lease renewal period.

Lessee will be required to maintain records of material leaving the Site, submit quarterly reports, and provide a survey of the Site annually by a professional land surveyor registered to practice in the State of Alaska as a method of accounting control for royalties paid on yardage.

Lessee is obligated to operate in accordance with industry standards, have a CBS approved Mining Plan which includes a Training Plan approved by Mine Safety and Health Administration (MSHA), and monitor and maintain the existing overburden waste disposal area under a Storm Water Pollution Prevention Plan (SWPPP).

Lessee is required to have two bonds for the duration of the lease: a \$100,000.00 payment bond and a \$100,000.00 reclamation bond.

Lease Area 2 & 3 is part of the larger industrial zoning district, and natural resource extraction activities are covered under Conditional Use Permit 01-16. CBS Public Works intends to solicit operators for additional quarry areas adjacent to Lease Area 2 and 3 in the future.

Analysis

McG Constructors, Inc. is a Southeast Alaska contractor with a number of construction projects throughout Sitka and will use the Site in support of construction activities in the community meeting CBS's desired use of the Site.

McG Constructors, Inc. is responsible for all activities on the site for the duration of their lease(s) including but not limited to safety, site maintenance, obtaining and maintaining all necessary permits, and controlling access to the site. CBS Public Works personnel will monitor the site.

Fiscal Note

Based on McG Constructors, Inc.'s winning Bid, the lease and royalty rates will be \$1,875.00 per month and \$3.55 per cubic yard, respectively, each subject to CPI increases upon exercise of lease renewal. In comparison, the current lease rate is \$1,450.00 per month and royalty rate is \$1.55 per cubic yard. The existing lease also provided royalty on overburden disposal of \$0.50 per cubic yard; however, this lease area will no longer operate as an overburden disposal site and thus no disposal royalties will be collected from that operation.

Recommendation

Approve this ordinance authorizing the City and Borough of Sitka (CBS) Public Works Department to enter into a material extraction and sale Lease Agreement with McG Constructors, Inc. for Lease Area 2 & 3 in the Granite Creek Industrial District.

Encl: Lease Agreement
Ordinance

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2022-07

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AUTHORIZING THE LEASE OF GRANITE CREEK INDUSTRIAL SITE LEASE AREAS 2 AND 3, A 12.7 ACRE PARCEL, FOR MATERIAL EXTRACTION AND SALE

1. CLASSIFICATION. This ordinance is not of a permanent nature and is not intended to become a part of the Sitka General Code.

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 facilitate the lease of approximately 12.7 acres of Granite Creek Industrial Site Areas 2 and 3 to McG Constructors, Inc., for material extraction and sale.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka.

- A. The leasing of Granite Creek Industrial Site Lease Areas 2 and 3 is hereby authorized with the following terms:
 - 1) The Lessee shall utilize the site for material extraction and sale.
 - 2) The Lessee shall pay \$1,875.00 per month rent for the lease of the site; CPI adjusted upon exercise of lease renewal.
 - 3) The Lessee shall pay royalty rates of \$3.55 per cubic yard; CPI adjusted upon exercise of lease renewal.
 - 4) The lease term is for five (5) years, with one (1) five (5) year renewal option subject to renegotiating of site boundaries, rent and royalties and by approval of Lessor Assembly.
- B. The Administrator is authorized to execute a lease document consistent with the terms of this ordinance, SGC Title 18 that governs municipal leases, and existing municipal policies.
- C. The requirement to competitively bid leases of municipal real property, as outlined by Sitka General Code 18.12.010(E), has been satisfied by the open Request for Proposal process.

5. EFFECTIVE DATE. This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, this 12th day of April, 2022.

Steven Eisenbeisz, Mayor

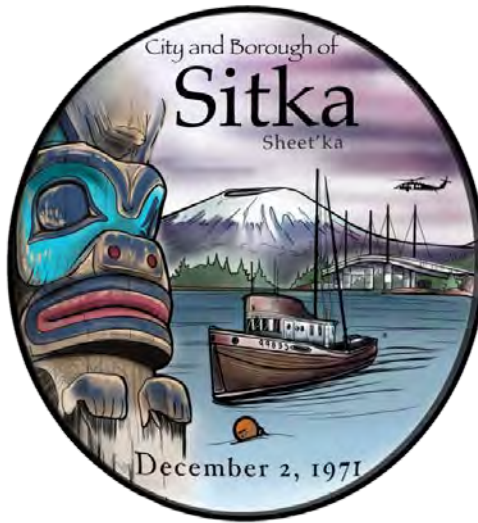
ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st reading: 3/22/2022

2nd and final reading: 4/12/2022

Sponsor: Administrator



LEASE AGREEMENT

BETWEEN

**CITY AND BOROUGH OF
SITKA**

AND

McG CONSTRUCTORS, INC.

FOR

GRANITE CREEK LEASE AREAS 2 AND 3

**LEASE AGREEMENT
BETWEEN
CITY AND BOROUGH OF SITKA
AND
MCG CONSTRUCTORS, INC.**

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Exhibits

- Exhibit 1 – Granite Creek Industrial Site Lease Area Map – to be revised by Lessee with Boundary Survey completed by registered land surveyor and stamped survey to be submitted by Lessee prior to commencing operations; See Section 3.1 (j) for more information
- Exhibit 2 – Cross Sections of Site – To be completed by a registered land surveyor and stamped cross sections to be submitted by Lessee prior to commencing operations and each year thereafter; See Section 2.4(d) for more information
- Exhibit 3 – Mining Plan – To be submitted by Lessee prior to commencing operations; See Section 3.1 (a) for more information
- Exhibit 4 – Storm Water Pollution Prevent Plan (SWPPP) – To be submitted by Lessee prior to commencing operations; See Section 3.1(b)(1) and Section 9.5 for more information

Attachments

- Attachment A – Conditional Use Permit 01-16

**LEASE AGREEMENT
BETWEEN
CITY AND BOROUGH OF SITKA
AND
MCG CONSTRUCTORS, INC.**

PREAMBLE

This Lease Agreement (“Lease”) between City and Borough of Sitka, 100 Lincoln Street, Sitka, Alaska 99835 (“Sitka,” “CBS” or “Lessor”) and McG Constructors, Inc., PO Box 718, Sitka, Alaska 99835 (“Lessee”), is effective [REDACTED]. This Lease consists of the Special Provisions, the General Provisions, Conditional Use Permit, and the attached Exhibits 1, 2, 3 and 4.

- Exhibit 1 – Granite Creek Industrial Site Lease Area Map – to be revised by Lessee with Boundary Survey completed by registered land surveyor and stamped survey to be submitted by Lessee prior to commencing operations; See Section 3.1 (j) for more information
- Exhibit 2 – Cross Sections of Site – To be completed by a registered land surveyor and stamped cross sections to be submitted by Lessee prior to commencing operations and each year thereafter; See Section 2.4(d) for more information
- Exhibit 3 – Mining Plan – To be submitted by Lessee prior to commencing operations; See Section 3.1 (a) for more information
- Exhibit 4 – Storm Water Pollution Prevent Plan (SWPPP) – To be submitted by Lessee prior to commencing operations; See Section 3.1(b)(1) and Section 9.5 for more information

SPECIAL PROVISIONS

ARTICLE I LEASE, TERM OF LEASE, AND TERMINATION OF LEASE

Section 1.1 Conveyance of Estate in Lease.

Lessor, for and in consideration of the Rents received and of the covenants and agreements made by Lessee, does lease to Lessee, and Lessee leases from Lessor, the “Subject Property” or “Site” as shown on Exhibit 1. Exhibit 1 shows the approximately 12.7-acre combined area Lease Site in the Granite Creek Industrial Area.

Section 1.2 Lease Term.

The Lease term is for five (5) years and commences on [REDACTED], 2022, and ends on [REDACTED], 2027, unless sooner terminated or extended as provided in this Lease. The Lease term may be extended, based on the Option to Renew in Section 1.3.

Section 1.3 Option to Renew.

Provided there is capacity and safe production limits are available, and there does not then exist a continuing material default by Lessee, and under this Lease at the time of exercise of this right or at commencement of any extended term, with written mutual agreement, the Lease may be extended for a maximum of one (1) successive term of five (5) years for a total lease duration of ten (10) years. This option is effective only if (a) Lessee makes a written request to exercise such an option not more than one year or less than six months from the end of the immediately preceding term; (b) Lessee is in compliance with all applicable laws; and (c) Lessee is not in default under this Lease. Successive terms are dependent on remaining quarry capacity, safe production limits, and approval by CBS and at CBS' discretion and may be denied without cause. When requesting the renewal term, Lessee shall update the Mining Plan and provide site drawings with current extraction limits and projected extraction limits within the additional term. Site boundaries and lease and royalty rates may be adjusted upon agreement of both parties. Any successive terms shall be incorporated via amendment signed by Lessee and CBS. The option to renew must be approved by Lessor Assembly.

Section 1.4 Expiration/Termination and Suspension of Lease.

(a) This Lease may be terminated by CBS if the Site is not being utilized for its intended purpose, i.e., material excavation and sale. If the Lease is terminated under this condition, Lessee shall be responsible to vacate the site in accordance with expiration/termination terms of the Lease.

(b) It is not the intent of CBS to allow indeterminate holding of the Site without development. Lessee must begin active mining within three (3) months of execution of this Lease. If active mining ceases for more than six (6) months, the Lease will revert to CBS.

(c) This Lease may be terminated by CBS if Lessee breaches the Lease and fails to correct the breach within thirty (30) days after written notice is served upon Lessee.

(d) Failure of Lessee to take immediate action to correct unwarranted damage to natural resources may be corrected by CBS to prevent additional damage. Any cost incurred by CBS shall be paid by Lessee.

(e) This Lease may be terminated by mutual agreement of both parties on terms and conditions agreed upon in writing by both parties.

(f) At the expiration/termination of the Lease, Lessee shall restore the Site to vacant, pre-Lease conditions at the existing grade and without structures, equipment, materials, stockpiles or other items present. Any improvements or personal property not removed after thirty (30) days have passed after expiration/termination of this Lease shall be deemed abandoned, and at Lessor's option, shall become the property of Lessor. Lessee shall repay to Lessor any costs of removing, disposing of, storing, and any other costs of such improvements or personal property from the Subject Property if Lessor does not exercise such option. Subject to Lessor's obligations under Subsections 3.1 below, Lessee agrees to leave Subject Property in a neat and clean condition, subject to the approval of CBS, at the end of the Lease.

(g) At the expiration/termination of this Lease, Lessee shall notify the Public Works Director, or his or her written designee, so an inspection of the Site can be scheduled. This inspection shall include general clean-up, removal of all Lessee's equipment and any other item CBS determines, in its sole discretion, a responsible element of the final inspection.

(h) All responsibilities and liabilities of Lessee shall remain in effect until this Lease expires/terminates, and all its conditions are met, including cleanup of the Site.

(i) Lessee agrees to submit an itemized transaction summary and payment for material removed or sold within forty-five (45) days of the expiration date or completion, whichever occurs earlier.

(j) If Lessee is forced to end, restrict or curtail its operations due to State or Federal law or regulations or for any other cause over which CBS has no control, CBS shall have no liability, whatsoever for resulting damages and losses by Lessee for such an event(s).

Section 1.5 Covenants to Perform.

This Lease is made upon the above and the following terms and conditions, each of which the Party bound by such covenants and conditions agrees to perform, irrespective of whether the particular provision is in the form of a covenant, an agreement, a condition, a direction, or otherwise, and each Party agrees to provide the other Party with documents or further assurances as may be required to carry out the expressed intentions.

ARTICLE II RENT

Section 2.1 Calculation and Method of Payment of Rent and Royalty During the Initial Five-Year Term of the Lease.

(a) The first year of the Lease begins on the commencement date of this Lease set out in Article I. Each successive year of the Lease begins on the corresponding anniversary commencement date of the Lease. Notwithstanding any other provision of this Lease, on the term start date set out in Article I, Lessee shall pay Rent each month in advance on the first day of each and every month at a rate of One Thousand Eight Hundred Seventy-Five and 00/100 Dollars (\$1,875.00) per calendar month.

(b) Lessee shall pay royalty fees to CBS on a monthly basis. The royalty rate shall be Three and 55/100 Dollars (\$3.55) per cubic yard of material removed.

The royalty fee for material removed for the Site shall be paid using one of the following methods:

1. Prior to each shot based on in place calculated blast yield quantities. These quantities shall be verified for each 100,000 cubic yards removed from the quarry by field survey cross sections certified by a registered engineer/surveyor; or
2. Monthly based on submitted shot records and verified by field survey cross sections certified by a registered engineer/surveyor for each 100,000 yards of material removed. This method of payment will be guaranteed by a payment bond. The shot records are due with the royalty payment check on the first day of the month for the previous month's work. Failure to submit the payment by the 15th of the month shall result in a penalty of one hundred dollars (\$100) and the option to terminate the lease per Section 1.4(c).

This method shall be verified by field survey cross sections for each 100,000 yards certified by a registered engineer/surveyor, unless the quarry has produced no rock for the preceding quarter. However, the initial quarry cross section, yearly anniversary quarry cross section, and the final quarry cross sections, are also required; or

3. Monthly based on quantities measured by certified scale. The scale tickets will be used to determine the weight of material removed from the quarry. If a certified scale method of measurement is used, quarterly quantity based on cross section of the quarry is not required. However, the initial quarry cross section, yearly anniversary quarry cross sections, and the final quarry cross sections are required. This method of payments shall be guaranteed by payment bond. The certified scale records are due with the royalty payment check on the first of the month for the previous month's work. Failure to submit the payment by the 15th of the month shall result in a penalty of one hundred dollars (\$100) and the option to terminate the lease per Section 1.4 (c).

In addition, Lessee will collect Sales Tax on all transactions at the Site and remit said tax along with CBS Payment. Lessee shall provide a quarterly report of volumes removed from the Site.

Lessee shall reimburse CBS on a monthly basis for all material removed and for topsoil sold or removed (if applicable) from the Site according to the following formula:

Payment to CBS = Rent + (monthly extracted volume of rock in CY X \$3.55) + (quarterly exported volume of topsoil in CY X 10% of sale price) + Sales Tax

All final royalty payments will be adjusted based on survey cross sections quantities.

(c) Lessee shall be required to pay minimum royalty payments for material removed of \$5,000 per year during the term of this Lease. The minimum royalty payment shall be made on a monthly basis. The Lessee shall make a minimum monthly payment of \$416.67.

(d) Lease payments will be made in monthly installments in advance in cash or by check, bank draft or money order made available to the City and Borough of Sitka. Installments to be delivered or mailed to 100 Lincoln Street, Sitka, Alaska 99835, by or on the first day of each calendar month with the option to pay in advance either monthly, yearly, or for the full term of the lease.

(e) Lease payments shall become delinquent if not paid within ten (10) days after the due date. Delinquent payments are subject to a late charge of \$25 and interest accrued from the due date at 12% per annum.

(f) The charges and fees paid by Lessee to Lessor must be separated according to Lessor's accounting standards.

(g) Lessor will only invoice if Lease payments are delinquent. Lessor will only invoice if failure to make Lease payment within thirty (30) days of due date. Lessor, at its option, can terminate the Lease for Lessee's failure to make payment, in accordance with this Lease.

Section 2.2 Adjustment to Lease Rate Upon Exercise of Lease Renewal.

If the option to renew is exercised and approved by Lessor Assembly, monthly Rent and Royalty as set in Section 2.1 shall be adjusted during the second (2nd) and all subsequent years of the lease or extension period, based on the Consumer Price Index, at a time when any adjustment would be made effective July 1st of the year applied. The adjustment shall be based on the previous year's annual percent change for Anchorage, Alaska (also referred to as Urban Alaska) for All Urban Consumers (CPI-U) as published by the U.S. Department of Labor, Bureau of Labor Statistics. The first adjustment date shall be July 1, 2027.

Section 2.3 Property Tax Responsibility.

Beginning with the Term of this Lease and each calendar year after, Lessee will be responsible to pay Lessor property taxes for its possessory interest in the land to the extent taxable as determined by the Municipal Assessor.

Section 2.4 Record Keeping Responsibility.

Lessee is responsible for record keeping including but not limited to:

- (a) Maintaining records of material leaving the Site by certified scale and/or shot records.
- (b) Preparing and submitting quarterly reports to CBS, as defined below.
- (c) Lessee shall provide a quarterly report to CBS summarizing activities, permit compliance or violations, shot summary, topsoil transactions (if applicable), and payment summary.
- (d) Cross sections of the Site shall be surveyed annually on the Lease anniversary date, and at the beginning and end of the term of the Lease, by a professional land surveyor registered to practice in the State of Alaska. Cross sections shall be stamped by the surveyor and provided to CBS. Cross sections shall be provided to CBS in a pdf format, to be printable in a 11"x17" format and an electronic AutoCad file. Surveyed volume will be compared to royalty yardage paid as a method of accounting control.
- (e) Alternatively, the Lessee may have the material taken from the quarry measured by either the following methods:
 - 1. Certified scale. The scale tickets will be used to determine the weight of material removed from the quarry and must be submitted to CBS. If certified scale method of measurement is used, quantity cross sections of the quarry are not required. However, the initial quarry cross sections, yearly anniversary quarry cross sections, and the final quarry cross sections are required; or
 - 2. Shot records. The shot records will be used to determine the volume of material removed from the quarry and must be submitted to CBS. If shot records are used, quantity cross sections are required every 100,000 cubic yards. In addition to the intermediate cross sections, initial quarry cross sections, yearly anniversary quarry cross sections, and the final quarry cross sections are required.

All final royalty payments will be adjusted based on survey cross section quantities.

ARTICLE III RESTRICTIONS UPON USE OF SUBJECT PROPERTY

Section 3.1 Lessee's Obligations as to Construction, Maintenance, Repair and Safety.

(a) Mining Plan – Lessee shall conduct all operations in accordance with industry standards and regulations, and a CBS approved Mining Plan. This plan shall be prepared by Lessee and approved by CBS before work begins on the Site. Subjects to be addressed in the plan include but are not limited to:

1. Mining operations within the Site shall not compromise or otherwise impact areas outside the Site or the Shared Access Road or Staging Area. Limits and boundaries shall be clearly illustrated;
2. Lessee shall provide an estimated rate of disturbance and an estimated life expectancy for the Site; and
3. Reclamation and continuation plan applicable to termination of Lease or closure of the Site.
4. Adherence to Mine Safety and Health Administration (MSHA) Part 46 requirements and regulations including but not limited to obtaining and maintaining a MSHA ID#, an approved training plan (to be included in Mining Plan), commencement notices, and MSHA quarterly reports.
5. Operations shall also be in accordance with the following:
 - i. Warning signs shall be placed every 50 feet along the top of all rock cuts over 20 feet in height. The metal signs shall be 12" x 12" in size with the legend "Warning, Steep Embankment" clearly displayed. They shall be installed on metal sign posts. Signs shall be painted safety orange in color;
 - ii. Slopes of back walls of rock cuts and benching shall be as determined by MSHA requirements;
 - iii. Upon completion of a rock cut the back wall shall be scaled back of all loose rock rubble; and
 - iv. Storage and handling of explosives shall be performed under the direction of persons holding proper certifications for such work.

(b) Lessee shall monitor and maintain the existing overburden waste disposal area. Efforts include but are not limited to:

1. This area shall be included in Lessee's Storm Water Pollution Prevention Plan (SWPPP) for the Site. Lessee shall maintain the Site in compliance with the approved SWPPP at all times.
2. Slope failures shall be repaired by Lessee at no cost to CBS.
3. Lessee is responsible for providing material for berm construction as well as any required cover material at no cost to CBS.
4. Lessee is responsible for controlling run-on water and surface ponding to minimize infiltration into the waste area mass.
5. Lessee is responsible for maintaining all ditches and drainages within the landfill perimeter, including drainages around the toe of the waste area, to preclude turbid water

from exiting the Site. This work may include the construction and maintenance of sedimentation ponds, silt fences, etc.

6. Lessee's maintenance and monitoring methods shall be directed towards containment of saturated soils, reduction of soil moisture content through drainage, and long-term consolidations with associated gains in soil strength and stability.
7. Lessee shall utilize stumps and logs to reinforce the down slope face of the landfill. Log and stump berms shall be constructed in advance of waste disposal to contain saturated materials.

(c) Lessee may produce and stockpile topsoil from the wasted overburden from the existing overburden waste disposal area provided stability of the area is not compromised. Production and sale of topsoil shall be requested in writing by Lessee for review and approval by CBS prior to beginning production and sale of topsoil. Lessee shall submit engineering plans depicting slope stabilization measures to CBS for review and approval with the request. The plans shall be sealed and signed by a registered engineer, properly licensed to practice in the State of Alaska. The request shall include proposed rate of sale per cubic yard. Lessee agrees to pay royalty fees of 10% per cubic yard rate agreed to and shall maintain records of all material leaving the Site for inclusion in quarterly reporting. Any agreement for production and sale of topsoil shall be incorporated via amendment signed by Lessee and CBS and shall be fully permitted prior to execution. Lessee shall obtain and maintain all necessary permits, including applications, payment, inspection, and reporting.

(d) The intent is for this Site to be developed as a service to the public, and no one will be turned away from the Site without concurrence by CBS.

(e) Lessee shall sell the extracted material, and topsoil if produced, at a uniform cost to all purchasers.

(f) Sound engineering practices and procedures shall be adhered to at all times during removal operations. Engineering plans for roads, drainage, and other components of the project shall be submitted for review. The plans shall be sealed and signed by a registered engineer, properly licensed to practice in the State of Alaska.

(g) Lessee shall obtain and maintain all necessary permits, including applications, payment, inspection, and reporting.

(h) Lessee shall also use the Subject Property and any improvements placed on the Subject Property only for lawful uses and as specified in the Lease and only for permitted and approved conditional uses subject to the Sitka General Code, Title 22 and the Conditional Use Permit 01-16, attached as Attachment A.

(i) Operations shall be performed in a manner designed to leave the Site in a condition conducive to additional mining after termination of this Lease.

(j) Boundary Lines and Survey Monuments – Prior to the commencing operations, Lessee shall have the Site surveyed and control monuments placed by a registered land surveyor to fully

identify the property boundaries, easements, Shared Access Road, existing contours, and existing improvements (attached as Exhibit 1 revision). Boundaries established shall match approximate boundaries provided in attached Exhibits. Lessee to consult with CBS as needed to confirm boundary details. All operations of the Site shall be contained within the boundaries as set forth in the Boundary Survey. A copy of the survey shall be provided to CBS in a pdf format, to be printable in a 11"x17" format and an electronic AutoCad file.

No boundary mark of the Site or any survey lines or witness tree to any survey corner or monument, shall be severed or removed, nor shall any survey corner or monument be damaged or destroyed. Any violation of this subsection will require Lessee to pay for reestablishing the lines, corners, or monuments by a registered land surveyor.

(k) Lessee shall confine its equipment, storage and operation to the Subject Property and shall be responsible for the accurate location of operations under this Lease, including any survey that may be necessary for such location unless otherwise specified in this Lease. Storage of materials or equipment not associated with operation/maintenance of the Subject Property shall not be allowed.

(l) Lessee may use the Subject Property for the processing and storage of materials for operations and for the temporary location and operation of rock extraction and processing, scales, crushers, and other such equipment necessary to produce marketable materials products. Other material incidental to the production of rock may be stored on the Site, as needed. A temporary small one bay equipment maintenance shop may also be allowed specifically for equipment used at the Site.

Granite Creek is, in fact, a long term source of gravel and other mineral products. As such, it is not the Contractor's storage yard area. Permanent or long term improvements such as garages and shops or other type buildings and uses shall NOT be allowed. Further, storage of materials or equipment not associated with operation/maintenance of the Site shall NOT be allowed.

(m) Erosion Control and Protection of Waters – Operations in connection with this Site shall be conducted to avoid damage to streams, lakes or other water areas and lands adjacent thereto. Vegetation and materials shall NOT be deposited into any stream or other lease area. Locations and/or improvements such as road crossings over streams shall be approved, in advance, by CBS.

All roads or other areas to be abandoned or an area to cease being an active portion of the Lessee's operation shall be treated with such measures to prevent erosion. Any damages resulting from any failure to perform to these requirements shall be repaired by the Lessee to the satisfaction of CBS. This includes, but is not limited, to waters defined in Title 5 – Fish and Game Title 6 – Protection to Anadromous Fish; State of Alaska

Should CBS determine that the operations cause silting or pollution of Granite Creek to a degree unacceptable to the Alaska Department of Environmental Conservation and/or the U.S. Fish and Wildlife Service after all reasonable attempts have been made to have Lessee correct the problems, this Lease shall be void upon notification to Lessee by CBS. Lessee shall indemnify and hold CBS harmless from any litigation whatsoever which may result from this action.

Siltation of Granite Creek and associated tributaries is to be minimized. Therefore, no earthmoving will be allowed during significant rains as defined by the National Weather Service, and Lessee will, at its own expense, provide all proper drainage and routine settlement ponds for permanent uses.

Construction equipment, stockpiles, etc., shall be stored no closer than 25 feet, or as dictated by the approved SWPPP, to Granite Creek, whichever is greater.

Lessee shall maintain the existing stream side vegetated buffers along Granite Creek. No earth disturbing activities including clearing and grubbing shall be done within 25 feet of Granite Creek.

(n) All surfaces will be graded to drain. Ponding of water on the surface will not be acceptable. Lessee shall grade completed sections of the Site in a manner acceptable to CBS.

(o) All operations shall be performed in accordance with an approved SWPPP and adhere to the Granite Creek Total Maximum Daily Load (TMDL). This plan shall be prepared by Lessee and approved by CBS and the State of Alaska Department of Environmental Conservation (ADEC) before work begins on the Site. The SWPPP may require the installation and maintenance of siltation control structures at the Lessee's expense.

(p) Lessee shall adhere to all State, local regulations, and permitting regarding the storage and handling of explosives.

(q) No earth disturbing activities including clearing, and grubbing shall be done outside the approved Mining Plan or without prior written approval from CBS.

(r) Trees, stumps, overburden, and any other debris shall be disposed of by burning (subject to ADEC approval), burying in an authorized location and in a manner considered suitable by CBS, or at the overburden disposal site in Granite Creek Industrial Area.

(s) In working the land to the effect the removal of the Lessee's entitlement under this Lease, Lessee agrees to so manage that upon completion of the removal, a reasonable degree of level land is maintained, per the Mining Plan, from which material has been taken, and no holes-of-water are formed.

(t) Site Supervision – Lessee shall maintain adequate supervision at all times when operations, including blasting and existing overburden site maintenance, are in progress to ensure that the terms and conditions of this Lease and all applicable Federal, State and local laws, rules and regulations governing such operations are enforced. At all times, when operations are in progress, Lessee or a person authorized by Lessee to assume the responsibilities imposed by this Lease, shall be present on the Site. Lessee shall have a representative readily available at the Site, who shall be authorized to receive on behalf of Lessee, any notices and instructions given by authorized CBS personnel in regard to the performance under this Lease, and to take such action as is required by the terms of this Lease.

(u) Lessee acknowledges that Lessor has made no representation or warranty with respect to Lessee's ability to obtain any permit, license, or approval. Site operation shall not commence until all Permits are in place and CBS provides written Notice to Proceed.

Lessee shall obtain and maintain all necessary permits, including applications, payment, inspection, compliance, and reporting. Lessee shall copy CBS on all permit or regulatory correspondence, including reporting, with respect to the Site. The CBS point of contact shall be:

Public Works Director
907-747-1804
publicworks@cityofsitka.org

(v) Fire Protection – Lessee shall take all necessary precautions for the prevention of wild fires and shall be responsible for the suppression and bear the suppression costs of any and all destructive or uncontrolled fires occurring within or without the Site, resulting from any and all operations involved under the provisions of this Lease. Lessee shall comply with all laws, regulations and rules promulgated by the agency responsible for fire protection in the area

(w) Roads – Before constructing any haul road, secondary or spur roads across CBS property, Lessee shall obtain written approval of the location and construction standards of such roads from CBS.

Maintenance of access, including the Shared Access Road, drainage ditches, culverts and other such improvements shall be maintained by Lessee at no expense to CBS. The responsibility for maintenance of the Shared Access Road shall be solely the Lessee's up and until the adjacent quarry area(s) is leased and a Shared Maintenance Agreement has been signed by all Lessees and approved by CBS roads within the Site as well as ponding and drainage to limit leachates, sediment load and turbidity entering Granite Creek shall be maintained by the Lessee at no expense to CBS.

Access over any route not under CBS control is the sole responsibility of Lessee. Lessee agrees that any permanent route, access or right of way obtained over privately owned property shall include a permanent easement to CBS.

Access through the Site to adjacent quarry site(s), scales and/or Phase 2 Staging Area shall be maintained and not restricted without prior written approval from CBS.

(x) Lessee may erect outdoor signage at its expense with the written permission of Lessor Building Official and the Public Works Director, or his or her written designee. The style, size and physical placement location of the sign will be approved on a case-by-case basis.

(y) All operations, whether construction, maintenance, repair or safety related, shall be developed in coordination with a registered engineer, properly licensed to practice in the State of Alaska, to ensure proper and safe site development. At the termination of the Lease, Lessee is responsible for providing CBS a final Site inspection report from a registered engineer verifying that the Site was developed pursuant to approved plans and is stable and safe, while denoting any safety concerns

and remediation measures needed. Lessee will be responsible for any remediation measures needed as identified by the registered engineer at no cost to CBS.

Section 3.2 Lessor's Approval of Certain Alterations or Improvements.

Any improvements to transportation facilities including crushers, mixing plants, buildings, bridges, roads, or any other constructed by Lessee in connection with this Lease and within the Site area shall be in accordance with plans approved by CBS. In requesting consent, Lessee shall comply with all applicable laws and ordinances, and shall submit to the Lessors Public Works Director, or his or her written designee, detailed plans and specifications of proposed work, an explanation of the needs and reasons for the work, and a plan of full payment of the costs of the work. Lessor shall notify Lessee of its approval or objections no later than thirty (30) days after receiving the information described in the previous sentence. In approving or objecting, Lessor shall be acting in its proprietary function and not its regulatory function, any such approval in this proprietary function does not relieve Lessee of any obligation to obey the law. Nothing in this Section shall be interpreted to prevent Lessee from removing at the expiration/termination of this Lease any improvements or personal property as described in Section 1.4. Improvement and facility safety (both design and operation) shall be the responsibility of Lessee, and not the responsibility of CBS. Lessee agrees to follow all applicable safety and building codes, regulations, and permits.

Section 3.3 Rights of Access to Property.

(a) Lessor reserves for itself and its officials, employees, and authorized representatives, and any public utility company the right to access the Subject Property at all reasonable times in a reasonable manner for the purposes of opening, inspecting, repairing, replacing, reconstructing, maintaining, or servicing the public utilities, if any, located on the Subject Property, as well as for the purposes of constructing or installing new public utilities. Lessor also reserves for itself and the Alaska Department of Environmental Conservation, the U.S. Fish and Wildlife Service, and/or any other pertinent regulatory agencies the right to access the Subject Property at all reasonable times in a reasonable manner for the purposes of regulation and enforcement of this Lease. Lessor also reserves for itself the right to access the Subject Property at all reasonable times in a reasonable manner. Lessee shall not charge for any of the access allowed in the situations described in this subsection.

(b) Lessee shall not construct any permanent improvements over or within the boundary lines of any easement for public utilities without receiving the written prior consent of Lessor and any applicable utility company.

Section 3.4 Additional Conditions of Lease.

Lessee recognizes and shall cause all beneficiaries of Lessee and all permitted successors in interest in or to any part of the Subject Property to recognize that:

(a) Except for those portions of the operation which are associated with low sound levels, 70 dba or lower as defined by OSHA, such as maintenance of equipment, the Lessees operations shall be confined to the hours of 7:00 A.M. to 7:00 P.M. daily without prior written approval by CBS. CBS reserves the right to restrict operations on weekends and holidays

(b) Lessee shall coordinate its activities insofar as possible with other lessees who now or in the future may hold lease agreements with the Granite Creek Industrial Area. Before interrupting access to any other operations, Lessee shall make arrangements satisfactory to the affected parties for coordinating operations. The affected parties cannot unreasonably withhold such approval if proper alternate arrangements have been made. In the case where the affected parties cannot reach agreement, CBS shall be the sole arbitrator to reach a satisfactory result.

(c) The terms and conditions of this Lease shall apply with equal force upon any agent, employee, representative or sublessee designated by Lessee to perform any or all of the operations of production and sale of rock under this Lease, and Lessee shall be liable for non-compliance caused by any such agent, employee representative or sublessee.

(d) Lessee covenants and agrees that as it relates to use of the Subject Property, it will not, on the grounds of race, color or national origin, age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood, discriminate or permit discrimination against any person or group of person in any manner prohibited by Federal, State or local laws or regulations promulgated under such laws, and Lessee further grants Lessor the right to take such action to enforce such covenant as it deems necessary or as it is directed pursuant to any Federal, State or local laws or regulations.

Lessee shall state, in all solicitations or advertisements for employees to work on jobs relating to this Lease, that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age disability, sex, marital status, changes in marital status, pregnancy, or parenthood.

Lessee shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Lease. Lessee shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by Lessee to carry out these requirements is a material breach of this Lease which may result in the termination of this Lease or other legally available remedies

(e) Lessee shall be responsible for taking any measures that Lessee deems necessary to provide security for the Site and their personal property on the Site. Lessor is not responsible for theft or vandalism.

(f) Lessee shall timely pay all other Lessor billings (i.e., electricity, business taxes, etc.).

(g) Failure of Lessee to file and pay such Lessor taxes, and pay utilities, assessment payments, and all other Lessor billings, may subject this Lease to be terminated.

Section 3.5 Reservations.

(a) CBS reserves the right to enter into other agreements regarding other sites in the Granite Creek Industrial Area to other parties during the term of this Lease.

(b) CBS reserves the right to permit other compatible users, including storage areas, on the lands near the Site provided CBS determines that such uses will not unduly impair Lessee's operations under this Lease.

(c) CBS reserves the right to permit other compatible users, including material extraction sites, on the lands near the Site provided CBS determines that such uses will not unduly impair Lessee's operations under this Lease.

ARTICLE IV UTILITY SERVICES AND RATES

Section 4.1 Provision of Utility Services.

Lessee will pay for utilities, if available.

Section 4.2 Rates for Utility Services Provided by Lessor.

Utility rates charged by Lessor for utility services shall be those set forth in Sitka's Customer Service Policies and/or Sitka General Code. Lessee acknowledges the requirements of Section 9.4 as to utility lines. The Sitka Assembly may change utility rates from time to time by amending the Customer Service Policies and/or Sitka General Code.

Section 4.3 Lessee to Pay for Utility Services.

Lessee will pay, or cause to be paid, all proper charges for any of the following, if available: electricity and solid waste; sewer and water; and for all other public or private utility services, which shall be used by or supplied to the Subject Property at any time during the Term of this Lease. In the event that any charge, cost, or expense for any of the above-mentioned utility services or for any of the other above-mentioned services shall not be paid when due and payable, Lessor shall have the right, but shall not be obligated, to pay it, with the understanding that amounts paid by Lessor shall constitute additional Rent due and payable under this Lease, and shall be repaid to Lessor by Lessee immediately on rendition of a bill by Lessor. Interest at the highest rate allowable by law shall be added as a charge for unpaid utility bills paid by Lessor on behalf of Lessee. Lessor reserves the right to suspend utility services if Lessee does not pay for utility services. Failure to timely pay utility services may also result in Lessor terminating this Lease.

Section 4.4 Lessor Not Liable for Failure of Utilities or Building.

Except to the extent that any such failure, injury, or other casualty is due to Lessor's negligence or breach of any obligation under this Lease, Lessor shall not be liable for any failure of water supply, sewer, or electric current, or for any injury or damages to person or property caused by or resulting from any natural disaster, natural condition, gasoline, oil, steam, gas, electricity, or hurricane, tornado, flood, wind or similar storms or disturbances, or water, rain, or snows which may leak or flow from the street, sewer, or from any part of the building or the Subject Property, or leakage of gasoline or gas from pipes, appliances, sewer, or plumbing works or from any other place. Lessor shall not be held responsible or liable for any claim or action due to or arising from any suspension of operation, breakage, unavoidable accident or injury of any kind occurring to, or caused by the sewer mains by an act of God or Nature, beyond Lessor's control, or caused by the elements, strikes, riots, or a terrorist or terrorists.

Section 4.5. [RESERVED]

ARTICLE V LIABILITY

Section 5.1 Limits on Lessor Liability.

Lessee agrees to indemnify, defend, and hold harmless Lessor and its officials, employees, and authorized representatives or its successors against and from any and all claims by or on behalf of any person, firm, or entity arising, other than due to acts or omissions of Lessor, arising out of or connected with the exercise, conduct or management of the Lessee's privileges granted and duties required by this Lease, or arising out of any incident whatsoever which may occur on the Site or commonly used facility. This includes but is not limited to damage to power lines, poles and facilities, telephone lines and poles, survey monuments, roads, bridges and culverts, pollution and/or damage to water systems, or personal injury. Lessee also agrees to indemnify, defend, and save Lessor harmless against and from any and all claims and damages arising, other than due to acts or omissions of Lessor, during the term of this Lease from: (a) any condition of the Subject Property, improvements placed on it, or equipment and materials on it; (b) any breach or default on the part of Lessee regarding any act or duty to be performed by Lessee pursuant to the terms of this Lease; and (c) any act or negligence of Lessee or any of its agents, contractors, servants, employees or licensees. Lessee agrees to indemnify, defend, and hold harmless Lessor from and against all costs, counsel and legal fees, expenses, and liabilities incurred, other than due to acts or omissions of Lessor, in any claim or action or proceeding brought asserting claims of or asserting damages for any alleged act, negligence, omission, conduct, management, work, thing, breach, default, accident, injury, or damage described in the previous three sentences. The above agreements of indemnity are in addition to and not by way of limitation of any other covenants in this Lease to indemnify or compensate Lessor. The agreements of indemnity by Lessee do not apply to any claims of damage arising out of the failure of Lessor to perform acts or render services in its municipal capacity.

Section 5.2 Limits on Lessee Liability.

Except to the extent of liabilities arising from Lessee's acts or omissions, Lessor indemnifies, defends, and holds Lessee harmless for liabilities to the extent that they were incurred by reason of conditions existing on the Site as of the date of execution of this Lease or by reasons of Lessor's acts or omissions. Lessor also agrees to indemnify, defend, and save Lessee harmless against and from any and all claims and damages arising, other than due to acts or omissions of Lessee, during the term of this Lease from (a) any condition of the Subject Property existing on the Site as of the date of execution of this lease, improvements placed on it by Lessor, or equipment and materials placed on it by Lessor; (b) any breach or default on the part of Lessor regarding any act or duty to be performed by Lessor pursuant to the terms of the Lease; and (c) any act or negligence of Lessor or any of its agents, contractors, servants, employees, or licensees. Lessor agrees to indemnify, defend, and save harmless Lessee from and against all costs, counsel and legal fees, expenses, and liabilities incurred, other than due to acts or omissions of Lessee, in any claim or action or proceeding brought asserting claims of or asserting damages for any alleged act, negligence, omission, conduct, management, work, thing, breach, default, accident, injury, or damage described in the previous two sentences. The above agreements are in addition to and not by way of limitation of any other covenants in this Lease to indemnify or compensate Lessee.

Section 5.3 Reimbursement of Costs of Obtaining Possession.

Each Party agrees to pay and to indemnify the other Party prevailing in any dispute under this Lease against, all costs and charges, including but not limited to, full reasonable counsel and legal fees lawfully and reasonably incurred in enforcing any provision of this Lease including obtaining possession of the Subject Property and establishing Lessor's title free and clear of this Lease upon expiration or earlier termination of this Lease.

GENERAL PROVISIONS

ARTICLE VI DEFINITIONS

Section 6.1 Defined Terms.

For the purposes of this Lease, the following words shall have the meanings attributed to them in this Section:

- (a) "Event of Default" means the occurrence of any action specified in Section 14.1.
- (b) "Imposition" means all of the taxes, assessments, fees, utility rates or charges, levies and other governmental charges, levied or assessed against the Subject Property; any part of the Subject Property, or any right or interest or any rent, taxes and income received, including sales taxes on rent.
- (c) "Improvements" or "improvements" means all buildings, structures, Lessor approved physical modifications (such as material extraction and site disturbing activities), and improvements of any nature now or in the future located upon the Subject Property, as well as all apparatus and equipment necessary for the complete and comfortable use, occupancy, enjoyment and operation of the Subject Property, excepting only in each case articles of personal property appurtenances and fixtures (including trade fixtures) owned by Lessee, sublessees, or others, which can be removed without defacing or materially injuring the improvements remaining on the Subject Property, with the portion of the Subject Property from which such items are removed being returned to a condition at least as good as that existing on the date of this Lease.
- (d) "Party" means either or both Lessor and Lessee.
- (e) "Personal Property" means tangible personal property owned or leased and used by Lessee or any sublessee of Lessee, in connection with and located upon the Subject Property.
- (f) "Premises" means the "Subject Property."
- (g) "Rent" means the lease rate, which is the amount Lessee periodically owes and is obligated to pay Lessor as lease payments under this Lease for the use of the Subject Property.
- (h) "Site" means the "Subject Property."
- (i) "Subject Property" is the area leased as shown on Exhibits 1, 2 and 3.

(j) "Sublessee" means any sublessee, concessionaire, licensee, or occupant of space in or on the Subject Property holding by or through Lessee; the term "lease" shall mean any lease, license, concession or other agreement for the use and occupancy of any part of the Subject Property made by any Person holding by or through Lessee, which has been approved by Lessor Assembly.

(k) "Term" means the period of time Lessee rents or leases the Subject Property from Lessor.

(l) "Quarry" means the "Subject Property."

ARTICLE VII INSURANCE

Section 7.1 Insurance and Bonding.

(a) Lessee shall have and maintain property damage and comprehensive general liability insurance in the amount of Two Million Dollars (\$2,000,000), occurrence and aggregate limits. This policy shall in no way limit or exclude significant exclusions of coverage shall be shown on the certificate of insurance.

(b) Lessee shall have the statutory amount of any Worker's Compensation. This policy shall also include coverage of Employers' Liability limits of no less than Five Hundred Thousand Dollars (\$500,000), or the minimum required by State law, whichever is greater. A sole proprietor without employees is not required to carry this insurance; however, they must provide documentation supporting the exception.

(c) Lessee shall carry Business Automobile insurance with limits of One Million Dollars (\$1,000,000). This shall cover all owned, non-owned and hired automobiles that are used in the operations related to this Lease.

(d) Lessee shall carry Excess or Umbrella Liability insurance with limits of no less than Five Million Dollars (\$5,000,000). This insurance shall be in excess to the Commercial General Liability, Business Automobile and Employers' Liability. This insurance requirement is based on current activity. If the activity changes to include higher risk activities the insurance limits may be adjusted upward by CBS to address the higher risk activity.

Lessee shall provide a Certificate of Insurance that evidences the above. This Certificate shall also allow for a 30 day notice of cancellation or material change of coverage.

(e) All insurance policies shall name CBS as an Additional Insured. CBS shall also be granted a full waiver of any rights of subrogation by endorsement under all required policies. These requirements extend to all subcontractors and sublessees.

(f) Two types of bonds will be required during the Term of this Lease: payment and reclamation.

Payment Bond

A Payment Bond in the amount of \$100,000.00 is required. On the yearly anniversary date of the commencement date Lease, CBS shall release in writing the prior year's bond, and accept a new

bond for the next year of operation. The purpose of the bond shall be to pay for unpaid rent or royalties, or other costs owed to CBS, such as anniversary surveys.

Reclamation Bond

A Reclamation Bond in the amount of \$100,000 is required. On the yearly anniversary date of the commencement date Lease, and after the pit cross sections are accomplished and Lessee is inspected for adherence to a continuation plan, CBS shall release in writing the prior year's bond, and accept a new bond for the next year of operation.

The purpose of the bond shall be to correct non-conforming conditions created by Lessee. An example might be to do necessary continuation work left undone or otherwise correct site problems, such as drainage control. The bond may also be used to pay for unpaid royalties or other costs owed to CBS, such as anniversary surveys.

Section 7.2 Notification of Claim, Loss, or Adjustment.

Lessee shall advise Lessor of any claim, loss, adjustment, or negotiations and settlements involving any loss on the Subject Property under all policies of the character described in Section 7.1.

Section 7.3 Waiver of Subrogation.

The Party insured (or so required) releases the other Party from any liability the other Party may have on account of loss, cost, damage or expense to the extent of any amount recoverable by reason of insurance and waives any right of subrogation which might otherwise exist in or accrue to any person on account of the following circumstances: (i) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the Parties to this Lease, or anyone claiming under it in connection with the Subject Property or improvements; and (ii) the Party is then covered in whole or in part by insurance with respect to loss, cost, damage or expense or is required under this Lease to be insured. The release of liability and waiver of the right of subrogation shall not be operative in any case where the effect is to invalidate the insurance coverage or increase its cost. In the case of increased cost, the other Party shall have the right, within thirty (30) days following written notice, to pay the increased cost keeping the release and waiver in full force and effect.

ARTICLE VIII RESTRICTIONS REGARDING ASSIGNMENT, LEASES, AND TRANSFERS OF SUBJECT PROPERTY

Section 8.1 Lessee Without Power to Assign, Lease, or Encumber Subject Property.

Lessee has no power without Lessor prior written approval under this Lease to assign the Lease. Lessee has no power under this Lease to transfer the Subject Property. Lessee has no power to encumber Subject Property or pledge its interest in Subject Property as collateral for a loan or mortgage or allow any liens to be filed against the Subject Property without Lessor prior written approval. Any such actions under this section may cause termination of the Lease.

Section 8.2 Limitations on Subleases.

Lessee shall not sublease the Subject Property or any portion of it without the prior written approval of Lessor. All subleases entered into demising all or any part of the Improvements or the Subject Property shall be expressly subject and subordinate to this Lease. Lessor's consent to a

sublease of the Subject Property shall not release Lessee from its obligations under the Lease. Lessor's consent to a sublease shall not be deemed to give any consent to any subsequent subletting.

Lessee shall request any sublease of the site in writing. Prior to the approval of any such assignment, CBS shall be provided with all the terms of the proposed assignment or agreement. This shall include time of assignment and potential use. If such terms are deemed inflationary or of such a type to be considered an abandonment of further interest in the Site by the original party, the assignment may be denied. Any agreement for subleasing shall be incorporated via amendment signed by Lessee and CBS and shall be fully permitted prior to execution. Lessee shall pay CBS 10% of any rent paid to the Lessee by sublessee.

ARTICLE IX USE AND PROTECTION OF THE SUBJECT PROPERTY

Section 9.1 Property As Is - Repairs.

Lessee acknowledges that it has examined the Subject Property and the present improvements including any public improvements presently located there, and knows the condition of them, and accepts them in their present condition without any representations or warranties of any kind or nature whatsoever by Lessor as to their condition or as to the use or occupancy which may be made of them. Lessee assumes the sole responsibility for the condition of and the improvements located on the Subject Property. The foregoing shall not be deemed to relieve Lessor of its general municipal obligations, or of its obligations under Section 3.1 above.

Section 9.2 Compliance with Laws.

Lessee shall throughout any term of this Lease, at Lessee's sole expense, promptly comply with all the laws and ordinances and the orders, rules, regulations, and requirements of all federal, state, and municipal governments and appropriate departments, commissions, boards, and officers and all other legal requirements that may be applicable to the Subject Property and its use. Nothing in the foregoing sentence shall be deemed to relieve Lessee of its general obligations to Lessor in its municipal capacity.

Section 9.3 Notification of Lessor's Public Works Director of Discovery of Contamination.

Lessee shall promptly notify Lessor's Public Works Director, or his or her written designee, within 24 hours if any contaminated soils or other contaminated materials that require special handling are encountered during construction or other activities.

Section 9.4 Use of Utility Lines.

Lessee shall connect or otherwise discharge to such utility lines as approved by Lessor's Public Works Director and/or Electric Department Director, and shall obtain any permits and comply with any conditions specified by Lessor's Public Works Department Director and/or Electric Department Director for such connections.

Section 9.5 Permits and Approvals for Activities.

Lessee shall be responsible for obtaining all necessary permits and approvals for its activities unless otherwise specifically allowed by Lessor. Not less than ten (10) days in advance of applying for permits to any public entity other than Lessor, Lessee shall provide copies of all permit applications and associated plans and specifications to Lessor's Public Works Department

Director, or his or her written designee, to facilitate review by departments of Lessor. Lessor is not obligated to comment on the permit applications and plans, and the result of any review by Lessor does not affect Lessee's obligation to comply with any applicable laws.

Lessee shall prepare and submit a new Storm Water Pollution Prevention Plan (SWPPP). The plan shall be approved by CBS and the ADEC before work begins on the Site. If the Lease Term is renewed, the current SWPPP will be reviewed to determine if modifications are required.

Failure to comply with environmental or permitting requirements and failure to perform corrective actions associated with issues of non-compliance as identified by regulatory agencies or CBS within 30 days of Lessee notification will result in Liquidated Damages of \$2,000/month.

All operations shall be in accordance with the City and Borough of Sitka Conditional Use Permit 01-16, as it now exists or as modified in the future.

Lessee shall obtain and pay for any other permits required as needed to operate at the Site.

ARTICLE X LESSOR'S RIGHT TO PERFORM LESSEE'S COVENANTS; REIMBURSEMENT OF LESSOR FOR AMOUNTS SO EXPENDED

Section 10.1 Performance of Lessee's Covenants To Pay Money.

Lessee covenants that if it shall at any time default resulting in the Lease being in a condition of default as described in Article XIV or shall fail to timely make any other payment (other than Rent), and the failure shall continue for ten (10) days after written notice to Lessee, then Lessor may, but shall not be obligated so to do, and without further notice to or demand upon Lessee and without releasing Lessee from any obligations of Lessee under this Lease, make any other payment in a manner and extent that Lessor may deem desirable.

Section 10.2 Lessor's Right To Cure Lessee's Default.

If there is a default involving the failure of Lessee to keep the Subject Property in good condition and repair in accordance with the provisions of this Lease, to make any necessary renewals or replacements or to remove any dangerous condition in accordance with the requirements of this Lease or to take any other action required by the terms of this Lease, then Lessor shall have the right, but shall not be required, to make good any default of Lessee. Lessor shall not in any event be liable for inconvenience, annoyance, disturbance, loss of business, or other damage of or to Lessee by reason of bringing materials, supplies and equipment onto the Site during the course of the work required to be done to make good such default. The obligations of Lessee under this Lease shall remain unaffected by such work, provided that Lessor uses reasonable care under the circumstances prevailing to avoid unnecessary inconvenience, annoyance, disturbance, loss of business, or other damage to Lessee.

Section 10.3 Reimbursement of Lessor and Lessee.

All sums advanced by Lessor pursuant to this Article and all necessary and incidental costs, expenses and attorney's fees in connection with the performance of any acts, together with interest at the highest rate of interest allowed by law from the date of the making of advancements, shall be promptly payable to Lessor by Lessee in the respective amounts so advanced. This

reimbursement shall be made on demand, or at the option of Lessor, may be added to any Rent then due or becoming due under this Lease. Lessee covenants to pay the sum or sums with interest. Lessor shall have, in addition to any other right or remedies, the same rights and remedies in the event of the nonpayment by Lessee as in the case of default by Lessee in the payment of any installment of Rent.

Conversely, Lessee shall be entitled to receive from Lessor prompt payment or reimbursement on any sums due and owing from Lessor to Lessee, together with interest at the highest rate allowed by law. However, nothing contained in this Lease shall entitle Lessee to withhold any Rent due to Lessor or to offset or credit any sums against rent, except with respect to unpaid Rent due from Lessor to Lessee under any sublease of the Subject Property.

ARTICLE XI [RESERVED]

ARTICLE XII MECHANIC'S LIENS

Section 12.1 Discharge of Mechanics' Liens.

Lessee shall neither suffer nor permit any mechanics' liens to be filed against the title to the Subject Property, nor against Lessee's interest in the Subject Property, nor against the improvements by reason of work, labor, services or materials supplied or claimed to have been supplied to Lessee or anyone having a right to possession of the Subject Property or Improvements as a result of an agreement with or the assent of Lessee. If any mechanics' lien shall be filed against the Subject Property, including the Improvements, Lessee shall cause it to be discharged of record within thirty (30) days after the date that Lessee has knowledge of its filing. Failure to comply may subject the Lease to be terminated.

ARTICLE XIII LIEN FOR RENT AND OTHER CHARGES

Section 13.1 Lien for Rent.

The whole amount of the Rent and each and every installment, and the amount of all taxes, assessments, utility payments, insurance premiums and other charges, fees and impositions paid by Lessor under the provisions of this Lease, and all costs, attorney's fees and other expenses which may be incurred by Lessor in enforcing the provisions of this Lease or on account of any delinquency of Lessee in carrying out any of the provisions of this Lease, shall be and they are declared to constitute a valid and prior lien against property of Lessee, except the Subject Property, and may be enforced by law and equitable remedies, including the appointment of a receiver.

ARTICLE XIV DEFAULT PROVISIONS

Section 14.1 Events of Default.

Each of the following events is defined as an "Event of Default":

(a) Failure of Lessee to pay any installment of Rent, or any other payments or deposits of money, or furnish receipts for deposits as required, when due and the continuance of the failure for a period of ten (10) days after notice in writing from Lessor to Lessee.

(b) Failure of Lessee to perform any of the other covenants, conditions and agreements under this Lease, including filing tax forms and/or payment of taxes, fees, utilities, and the continuance of failure for a period of thirty (30) days after Lessor's notice in writing. The notice shall specify the respects in which Lessor contends that Lessee has failed to perform any of the covenants, conditions and agreements. With respect to any default which cannot be cured within thirty (30) days, Lessee, or any person holding by, through or under Lessee, in good faith, promptly after receipt of written notice, shall have commenced and shall continue diligently and reasonably to prosecute all action necessary to cure the default within an additional sixty (60) days.

(c) The filing of an application by Lessee (the term, for this purpose, to include any approved transferee other than a sublessee of Lessee's interest in this Lease): (i) for a consent to the appointment of a receiver, trustee or liquidator of itself or all its assets; (ii) of a voluntary petition in bankruptcy or the filing of a pleading in any court of record admitting in writing of its inability to pay its debts as they come due; (iii) of a general assignment for the benefit of creditors; or (iv) of an answer admitting the material allegations of, or its consenting to, or defaulting in answering, a petition filed against it in any bankruptcy proceeding.

(d) The entry of an order, judgment or decree by any court of competent jurisdiction, adjudicating Lessee a bankrupt, or appointing a receiver, trustee or liquidator of it or of its assets, and this order, judgment or decree continuing unstayed and in effect for any period of sixty (60) consecutive days, or if this Lease is taken under a writ of execution.

Section 14.2 Force Majeure.

Any failure to perform by either party due to force majeure shall not be deemed a violation or breach hereof. As used in this Lease, force majeure is an act or event of substantial magnitude, beyond the control of the delayed party, which delays the completion of this Lease, including without limitation:

(a) Any interruption, suspension, or interference resulting solely from the act of Sitka or neglect of Sitka not otherwise governed by the terms of this Lease.

(b) Strikes or work stoppages.

(c) Any interruption, suspension, or interference with the project caused by acts of God, or acts of a public enemy, wars, blockades, insurrections, pandemics, riots, arrests or restraints of governments and people, civil disturbances or similar occurrences.

(d) Order of court, administrative agencies or governmental officers other than Sitka.

Section 14.3 Assumption or Assignment of Lease to Bankruptcy Trustee.

In the event that this Lease is assumed by or assigned to a trustee pursuant to the provisions of the Bankruptcy Reform Act of 1978 (referred to as "Bankruptcy Code") (11 U.S.C. § 101 et seq.), and the trustee shall cure any default under this Lease and shall provide adequate assurances of future performance of this Lease as are required by the Bankruptcy Code (including but not limited to, the requirement of Code § 365(b)(1)) (referred to as "Adequate Assurances"), and if the trustee does not cure such defaults and provide such adequate assurances under the Bankruptcy Code

within the applicable time periods provided by the Bankruptcy Code, then this Lease shall be deemed rejected automatically and Lessor shall have the right immediately to possession of the Subject Property immediately and shall be entitled to all remedies provided by the Bankruptcy Code for damages for breach or termination of this Lease.

Section 14.4 Remedies in Event of Default.

Lessor may treat any one or more of the Events of Default as a breach of this Lease. At its option, by serving written notice on Lessee and each Secured Party and Leasehold Mortgagee of whom Lessor has notice (such notice not to be effective unless served on each such person) of the Event of Default, Lessor shall have, in addition to other remedies provided by law, one or more of the following remedies:

(a) Lessor may terminate this Lease. In such an event, Lessor may repossess the entire Subject Property and Improvements, and be entitled also to recover as damages a sum of money equal to the value as of the date of termination of this Lease, of the Rent due from Lessee for the balance of the stated term of this Lease, and any other sum of money and damages due under the terms of this Lease to Lessor. Any personal property not removed after such termination shall be addressed as provided for in Section 1.4 above.

(b) Lessor may terminate Lessee's right of possession and may repossess the entire Subject Property and Improvements by forcible entry and detainer suit or otherwise, without demand or notice of any kind to Lessee (except as above expressly provided for) and without terminating this Lease. In such event, Lessor may, but shall be under no obligation to do so, relet all or any part of the Subject Property for rent and upon terms as shall be satisfactory in the judgment reasonably exercised by Lessor (including the right to relet the Subject Property for a term greater or lesser than that remaining under the stated term of this Lease). For the purpose of reletting, Lessor may make any repairs, changes, alterations or additions in or to the Subject Property and Improvements that may be reasonably necessary or convenient in Lessor's judgment reasonably exercised. If Lessor shall be unable, after a reasonable effort to do so, to relet the Subject Property, or if the Subject Property is relet and a sufficient sum shall not be realized from reletting after paying all of the costs and expenses of repairs, change, alterations and additions and the expense of reletting and the collection of the Rent accruing from it, to satisfy the Rent above provided to be paid, then Lessee shall pay to Lessor as damages a sum equal to the amount of the Rent reserved in this Lease for the period or periods as and when payable pursuant to this Lease. If the Subject Property or any part of it has been relet, Lessee shall satisfy and pay any deficiency upon demand from time to time. Lessee acknowledges that Lessor may file suit to recover any sums falling due under the terms of this section from time to time, and that any suit or recovery of any portion due Lessee shall be no defense to any subsequent action brought for any amount not reduced to judgment in favor of Lessor. Any personal property not removed after such termination shall be addressed as provided for in Section 1.4 above.

(c) In the event of any breach or threatened breach by Lessee of any of the terms, covenants, agreements, provisions or conditions in this Lease, Lessor shall have the right to invoke any right and remedy allowed at law or in equity or by statute or otherwise as through reentry, summary proceedings, and other remedies not specifically provided for in this Lease.

(d) Upon the termination of this Lease, or upon the termination of Lessee's right of possession, whether by lapse of time or at the option of Lessor, Lessee will at once surrender possession of the Subject Property and dispose of personal property and Improvements as described in Section 1.4. If possession is not immediately surrendered, Lessor may reenter the Subject Property and Improvements and repossess itself of it as of its former estate and remove all persons and their personal property, without being deemed guilty of any manner of trespass or forcible entry or detainer. Lessor may at its option seek expedited consideration to obtain possession if Lessor determines that the Lease has terminated as described in the first sentence of this paragraph, and Lessee agrees not to oppose such expedited consideration.

(e) In the event that Lessee shall fail to make any payment required to be made provided for in this Lease or defaults in the performance of any other covenant or agreement which Lessee is required to perform under this Lease during the period when work provided for in this Lease shall be in process or shall be required by the terms of this Lease to commence, Lessor may treat the default as a breach of this Lease and, in addition to the rights and remedies provided in this Article, but subject to the requirements of service of notice pursuant to this Lease, Lessor shall have the right to carry out or complete the work on behalf of Lessee without terminating this Lease.

Section 14.5 Waivers and Surrenders To Be In Writing.

No covenant or condition of this Lease shall be deemed to have been waived by Lessor unless the waiver be in writing, signed by Lessor, or Lessor's agent duly authorized in writing and shall apply only with respect to the particular act or matter to which the consent is given. It shall not relieve Lessee from the obligation, wherever required under this Lease, to obtain the consent of Lessor to any other act or matter.

ARTICLE XV LESSOR'S TITLE AND LIEN

Section 15.1 Lessor's Title and Lien Paramount.

Lessor will hold title to the Subject Property.

Section 15.2 Lessee Not To Encumber Lessor's Interest.

Lessee shall have no right or power to and shall not in any way encumber the title of Lessor regarding the Subject Property. The fee-simple estate of Lessor in the Subject Property shall not be in any way subject to any claim by way of lien or otherwise, whether claimed by operation of law or by virtue of any express or implied lease or contract or other instrument made by Lessee. Lessee's interest in the Improvements shall in all respects be subject to the paramount rights of Lessor in the Subject Property.

ARTICLE XVI REMEDIES CUMULATIVE

Section 16.1 Remedies Cumulative.

No remedy conferred upon or reserved to Lessor shall be considered exclusive of any other remedy, but shall be cumulative and shall be in addition to every other remedy given under this Lease or existing at law or in equity or by statute. Every power and remedy given by this Lease to Lessor may be exercised from time to time and as often as occasion may arise or as may be deemed expedient by Lessor. No delay or omission of Lessor to exercise any right or power arising

from any default shall impair any right or power, nor shall it be construed to be a waiver of any default or any acquiescence in it.

Section 16.2 Waiver of Remedies Not To Be Inferred.

No waiver of any breach of any of the covenants or conditions of this Lease shall be construed to be a waiver of any other breach or to be a waiver of, acquiescence in, or consent to any further or succeeding breach of it or similar covenant or condition.

Section 16.3 Right to Terminate Not Waived.

Neither the rights given to receive, sue for or distrain from any Rent, moneys or other payments, or to enforce any of the terms of this Lease, or to prevent the breach or nonobservance of it, nor the exercise of any right or of any other right or remedy shall in any way impair or toll the right or power of Lessor to declare ended the term granted and to terminate this Lease because of any event of default.

ARTICLE XVII SURRENDER AND HOLDING OVER

Section 17.1 Surrender at End of Term.

On the last day of the last Lease year of the original Term, or on the earlier termination of the Term, Lessee shall peaceably and quietly leave, surrender and deliver the entire Subject Property to Lessor, subject to the provisions of Section 1.4, in good repair, order, and condition, reasonable use, wear and tear excepted, free and clear of any and all mortgages, liens, encumbrances, and claims. At the time of the surrender, Lessee shall also surrender any and all security deposits and rent advances of sublessees to the extent of any amounts owing from Lessee to Lessor. If the Subject Property is not so surrendered, Lessee shall repay Lessor for all expenses which Lessor shall incur by reason of it, and in addition, Lessee shall indemnify, defend and hold harmless Lessor from and against all claims made by any succeeding Lessee against Lessor, founded upon delay occasioned by the failure of Lessee to surrender the Subject Property.

Section 17.2 Rights Upon Holding Over.

At the termination of this Lease, by lapse of time or otherwise, Lessee shall yield up immediately possession of the Subject Property to Lessor and failing to do so agrees at the option of Lessor, to pay to Lessor for the whole time such possession is withheld, a sum per day equal to one hundred and seventy-five percent (175%) times 1/30th of the aggregate of the Rent paid or payable to Lessor during the last month of the term of the Lease. The provisions of this Article shall not be held to be a waiver by Lessor of any right or reentry as set forth in this Lease, nor shall the receipt of a sum, or any other act in apparent affirmance of the tenancy, operate as a waiver of the right to terminate this Lease and the Term granted for the period still unexpired for any breach of Lessee under this Lease.

ARTICLE XVIII MODIFICATION

Section 18.1 Modification.

None of the covenants, terms or conditions of this Lease to be kept and performed by either Party to this Lease shall in any manner be waived, modified, changed or abandoned except by a written instrument duly signed, acknowledged, and delivered by both Lessor and Lessee.

ARTICLE XIX INVALIDITY OF PARTICULAR PROVISIONS

Section 19.1 Invalidity of Provisions.

If any provision of this Lease or the application of it to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstance other than those as to which it is invalid or unenforceable, shall not be affected, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

ARTICLE XX APPLICABLE LAW AND VENUE

Section 20.1 Applicable Law.

This Lease shall be construed and enforced in accordance with the laws of the State of Alaska. The forum and venue for any action seeking to interpret, construe, or enforce this Lease shall be only in the Superior Court for the State of Alaska at Sitka, Alaska.

ARTICLE XXI NOTICES

Section 21.1 Manner of Mailing Notices.

In every case where under any of the provisions of this Lease or otherwise it shall or may become necessary or desirable to make or give any declaration or notice of any kind to Lessor or Lessee, it shall be sufficient if a copy of any declaration or notice is sent by United States Postal Service, certified, registered, or express mail, postage prepaid, return receipt requested, addressed: If to Lessor at: Municipal Administrator, City and Borough of Sitka, Alaska, of 100 Lincoln Street, Sitka, Alaska 99835, with a copy to: Municipal Clerk at address listed above; and if to Lessee, at: the address set out in the Preamble. Each party from time to time may change its address for purposes of receiving declarations or notices by giving written notice of the changed address, to become effective seven (7) days following the giving of notice.

Section 21.2 Notice to Leasehold Mortgagee and Secured Parties.

Lessor shall provide each Leasehold Mortgagee and Secured Party, who has so requested, copies of all notices from Lessor to Lessee relating to existing or potential default under, or other noncompliance with the terms of this Lease. All notices, demands or requests which may be required to be given by Lessor or Lessee to any Leasehold Mortgagee and Secured Parties shall be sent in writing, by United States Postal Service, registered or certified mail or express mail, postage prepaid, addressed to the Leasehold Mortgagee at a place as the Leasehold Mortgagee may from time to time designate in a written notice to Lessor and Lessee.

Section 21.3 Sufficiency of Service.

Service of any demand or notice as in this Article provided shall be sufficient for all purposes.

Section 21.4 When Notice Deemed Given or Received.

Whenever a notice is required by this Lease to be given by any Party to the other Party or by any Party to a Leasehold Mortgagee, the notice shall be considered as having been given when a registered or certified notice is placed in the United States Post Office mail as provided by this

Article. It shall be deemed received on the third business day thereafter. For all purposes under this Lease of starting any time period after notice, the time period shall be conclusively deemed to have commenced three (3) business days after the giving of notice, whether or not it is provided that a time period commences after notice is given or after notice is received.

ARTICLE XXII MISCELLANEOUS PROVISIONS

Section 22.1 Captions.

The captions of this Lease and the index preceding it are for convenience and reference only and in no way define, limit or describe the scope or intent of this Lease, nor in any way affect this Lease.

Section 22.2 Conditions and Covenants.

All the provisions of this Lease shall be deemed and construed to be "conditions" as well as "covenants," as though the words specifically expressing or importing covenants and conditions were used in each separate provision.

Section 22.3 Entire Agreement.

This Lease contains the entire agreement between the Parties and shall not be modified in any manner except by an instrument in writing executed by the Parties or their respective successors or assigns in interest.

Section 22.4 Time of Essence as to Covenants of Lease.

Time is of the essence as to the covenants in this Lease.

ARTICLE XXIII COVENANTS TO BIND AND BENEFIT RESPECTIVE PARTIES AND TO RUN WITH THE SUBJECT PROPERTY

Section 23.1 Covenants to Run with the Subject Property.

All covenants, agreements, conditions and undertakings in this Lease shall extend and inure to the benefit of and be binding upon the successors and assigns of each of the Parties, the same as if they were in every case named and expressed, and they shall be construed as covenants running with the Subject Property. Wherever in this Lease reference is made to any of the Parties, it shall be held to include and apply to, wherever applicable, also the officers, directors, successors and assigns of each Party, the same as if in each and every case so expressed.

ARTICLE XXIV ADDITIONAL GENERAL PROVISIONS

Section 24.1 Absence of Personal Liability.

No member, official, or employee of Lessor shall be personally liable to Lessee, its successors and assigns, or anyone claiming by, through or under Lessee or any successor in interest to the Subject Property, in the event of any default or breach by Lessor or for any amount which may become due to Lessee, its successors and assigns, or any successor in interest to the Subject Property, or on any obligation under the terms of this Lease. No member, official, or employee of Lessee shall be personally liable to Lessor, its successors and assigns, or anyone claiming by, through or under Lessor or any successor in interest to the Subject Property, in the event of any default or breach by

Lessee or for any amount which become due to Lessor, its successors and assigns, or any successor in interest to the Subject Property, or on any obligation under the terms of this Lease.

Section 24.2 Lease Only Effective As Against Lessor Upon Assembly Approval.

This Lease is effective as against Lessor only upon the approval of such Lease by the Sitka Assembly.

Section 24.3 Binding Effects and Attorney's Fees.

This Lease shall be binding up and inure to the benefit of the respective successors and assigns of the Parties hereto. In the event of litigation over this Lease, the Parties agree that the prevailing party shall receive full reasonable attorney's fees.

Section 24.4 Duplicate Originals.

This Lease may be executed in any number of copies, each of which shall constitute an original of this Lease. The warranties, representations, agreements and undertakings shall not be deemed to have been made for the benefit of any person or entity, other than the Parties.

In the event there is any difference between an attachment to the original of this Lease on file with CBS Clerk and any attachment to a duplicate original of the Lease, the attachments to the original filed with CBS shall control.

Section 24.5 Declaration of Termination.

With respect to Lessor's rights to obtain possession of the Subject Property or to revest title in itself with respect to the leasehold estate of Lessee in the Subject Property, Lessor shall have the right to institute such actions or proceedings as it may deem desirable to effectuate its rights including, without limitation, the right to execute and record or file with the Recorder of the Sitka Recording District, a written declaration of the termination of all rights and title of Lessee in the Subject Property, and the revesting of any title in Lessor as specifically provided in this Lease.

Section 24.6 Authority.

Lessor and Lessee represent to each other that each has, and has exercised, the required power and authority and has complied with all applicable legal requirements necessary to adopt, execute and deliver this Lease and perform its obligations. Both parties also represent that this Lease has been duly executed and delivered by each and constitutes a valid and binding obligation of each enforceable in accordance with its terms, conditions, and provisions.

Section 24.7 Recordation.

The parties agree that the Lease will be not be recorded. At the request of either party, the parties shall execute a memorandum of the Lease for recording purposes in lieu of recording this Lease in such form as many be satisfactory to the parties or their respective attorneys. Each party shall bear their own related expenses, including attorney fees. Lessor shall pay for all recording fees.

CITY AND BOROUGH OF SITKA, ALASKA

Date

By: John Leach
Its: Municipal Administrator

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2022, by John Leach, Municipal Administrator of the CITY AND BOROUGH OF SITKA, ALASKA, an Alaska home rule municipality, on behalf of the municipality.

Notary Public in and for the State of Alaska
My commission expires: _____

MCG CONSTRUCTORS, INC.

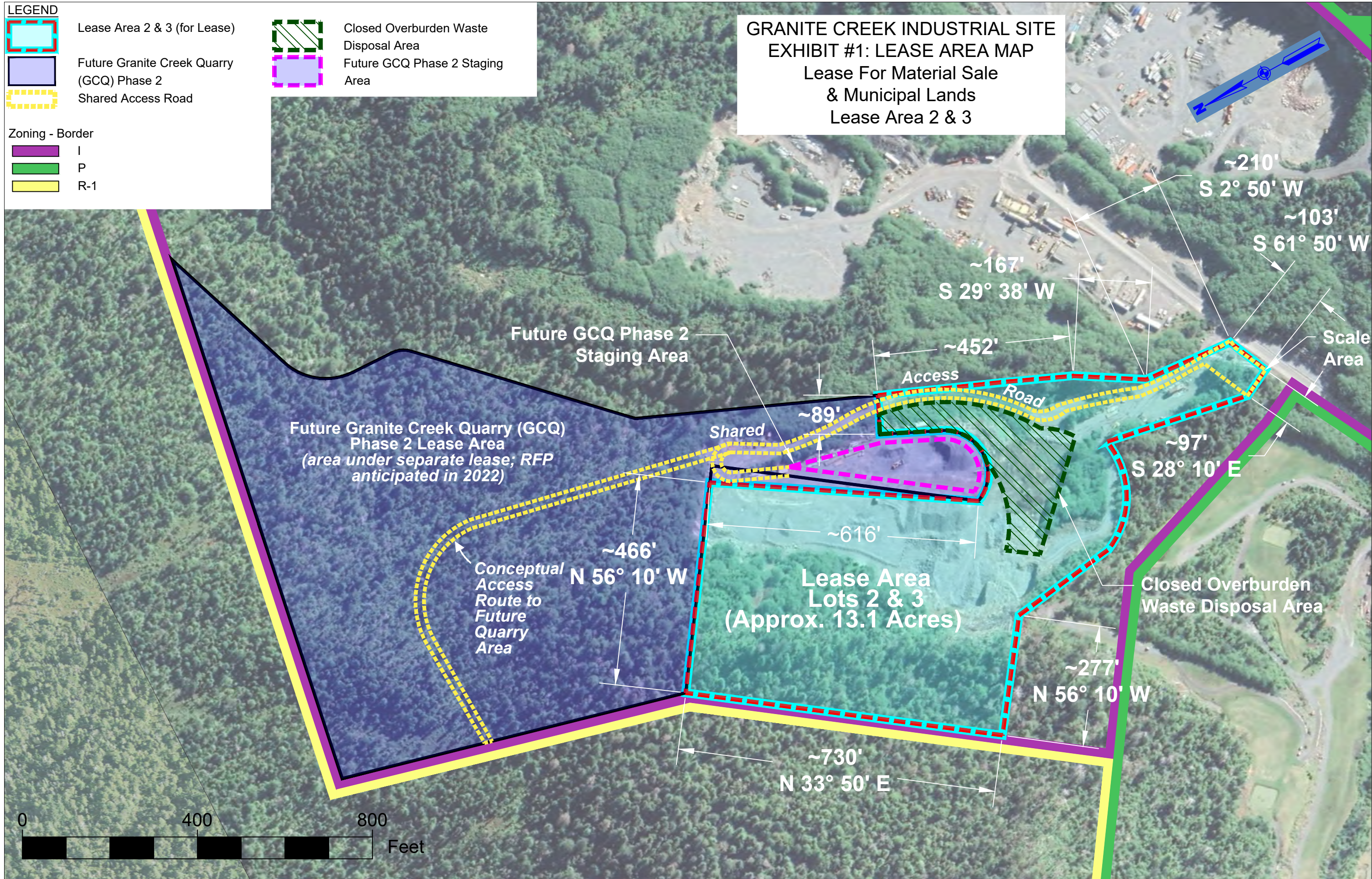
Date

By: Christopher McGraw
Its: Director, Treasurer

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2022, by Christopher McGraw, Director, Treasurer for McG Constructors, Inc. an Alaska corporation, on behalf of the corporation.

Notary Public in and for the State of Alaska
My commission expires: _____






City and Borough of Sitka

100 LINCOLN STREET • SITKA, ALASKA 99835

Memorandum

TO: Gary L. Paxton, Municipal Administrator
Mayor Nelson and Members of the Assembly

FROM: Wells Williams, Planning Director 

SUBJECT: Granite Creek Natural Resource Extraction Conditional Use Permit Request
for Lease Tracts 2-3

DATE: August 8, 2001

The Sitka Planning Commission is unanimously recommending approval of a conditional use permit for natural resource extraction at the end of Granite Creek Road in the vicinity of the area that is being worked by McGraw. The board's recommendation was made on July 16th, 2001. Assembly approval is required.

The City and Borough of Sitka filed the conditional use permit for natural resource extraction to allow for a rebidding and expansion of the quarry area that is currently being worked by Dormand McGraw. The quarry is at the end of Granite Creek Road on the left hand side behind the truck scales.

As some Assembly members may recall, there was a request to purchase the property a couple of years ago when Brad Dennison was Public Works Director. The requested sale was poorly received since the Assembly felt that there should be a full master plan of the area before any sales in Granite Creek occurred. The Long Range Planning Commission started that process. Unfortunately, the board has had a number of resignations and has not been able to complete the task.

The strategy for the current request is to simplify the lease tract configurations by combining five tracts into one lease parcel. The large lease parcel and quarry contract will then be rebid in August.

This process is a natural expansion of the Granite Creek area development that allows for the use of this important rock source.

Following the detailed presentation by Hugh Bevan at the Planning Commission meeting, the discussion shifted to concerns about blasting that were raised by Harvey Brandt. He was

Granite Creek Quarry
August 8, 2001
Page 2

present at the meeting and provided the enclosed written comments. Mr. Brandt owns a house near on the town side of Granite Creek along HPR. His primary concerns were the timing of the blasts, their magnitude, and the lack of notice to nearby property owners. The Public Works Director volunteered to send a letter to Granite Creek leaseholders raising the issue. His letter dated July 17th, 2001 is attached. There were not any other comments received on this issue.

RECOMMENDED ACTION:

Hear a presentation from the Public Works Director, consider any comments, and approve the request.

While the Planning Office and the Planning Commission are not suggesting any specific conditions, Assembly members may have some conditions that they consider appropriate.

and marine storage rates. Dapcevich asked what the current need and the potential use of the dock is? Krebs said we have some interest now. These are questions they hope to answer with this plan. At this point they are not sure if the dock can be utilized. Dapcevich wondered if there is enough interest right now to justify the expense? Loiselle pointed out that it is more of a issue of dealing with the dock. It needs to be dealt with whether we have customers or not. He relayed that the board tries very hard not to spend money foolishly and looks out for the best return for Sitka. Dapcevich doesn't see a return on this investment.

Motion CARRIED by a 4-1 roll call vote with Dapcevich voting against.

Item S
Transfer Funding

M/S Pearson/Bailey: moved to approve transferring \$155,359 from the following: \$55,359 from the Hospital Medical Waste Project; \$50,000 Solid Waste Disposal Plan; \$50,000 Granite Creek access road project all to the transfer station project.

Mayor Nelson asked about the dollar amount regarding the contingency. Bevan didn't have that figure available. Dapcevich wondered if it would cost a lot more to put the walls up later. Bevan said he has concerns with high winds.

Motion CARRIED by a 4-1 roll call vote with Nelson voting against.

Board of Adjustment

M/S Bailey/Perkins: moved to convene as the Board of Adjustment.

Motion CARRIED by unanimous consent.

Item T
CUP - CBS

M/S Bailey/Perkins: moved to approve a conditional use permit for natural resource extraction filed by the City and Borough of Sitka for a portion of Lot 1 of US 3670 at the north end of Granite Creek Road. And to include a determination that a site inspection completed by staff on the Planning Commission's behalf on July 11, 2001 found that the proposed use would be in conformance with the comprehensive plan.

Motion CARRIED by a 5-0 roll call vote.

Reconvene

M/S Bailey/Pearson: moved to reconvene as the Assembly in regular session.

Motion CARRIED by unanimous consent.

Item U
Lot 39 Gavan

M/S Pearson/Perkins: moved to authorize the sale of Lot 39 of Gavan Subdivision to Ken Helem and Jeff Helem for the cost of the LIDs (\$40,365.90).

Motion CARRIED by a 5-0 roll call vote.

Convene as BOE

M/S Bailey/Perkins: moved to convene as the Board of Equalization

Motion CARRIED by unanimous consent.

Zoning: I Industrial
Request: Conditional use permit for natural resource extraction

Lease Tract 2-3 Quarry Conditional Use Permit
July 16th, 2001

The City and Borough of Sitka has filed a conditional use permit for natural resource extraction that would allow for a rebidding and expansion of the quarry area that is currently being worked by Dormand McGraw. The quarry is at the end of Granite Creek Road on the left hand side behind the truck scales.

As some of you may recall, there was a request to purchase the property a couple of years ago when Brad Dennison was Public Works Director. The requested sale was poorly received since the Assembly felt that there should be a full master plan of the area before any sales in Granite Creek occurred. The Long Range Planning Commission started that process. Unfortunately, the board has had a number of resignations and has not been able to complete the task.

The strategy for the current request is to simplify the lease tract configurations by combining five tracts into one lease parcel. The large lease parcel and quarry contract will then be rebid in August.

This process is a natural expansion of the Granite Creek area development that allows for the use of this important rock source.

The board is encouraged to pass a motion recommending approval of the request with the determination that a site inspection completed by staff on the Planning Commission's behalf on July 11, 2001 found that the proposed use would be in conformance with the comprehensive plan and will not be injurious to public health, safety, or welfare, or detrimental to other uses or properties in the vicinity. Comprehensive plan policy 2.4.6 applies that encourages adequate land for commercial, industrial, and residential growth. 2.6.2 also applies.

CITY AND BOROUGH OF SITKA
PLANNING AND ZONING COMMISSION
Excerpts of July 16, 2001 Minutes

PRESENT: Ed Lahmeyer, Bob Goss, Pat Hughes; Assembly Liaison Doris Bailey, Planning Director Wells Williams, Public Works Director Hugh Bevan, Secretary Carol Price Spurling

ABSENT: Mike Reif (E), Kevin Creek (E)

PUBLIC: Tom and Danine Williamson, Harvey Brandt, Dawn Young, Matt Christner, Myron Oen, Nancy Wladyka, Gary Winnop, Sentinel Reporter Jones

Conditional Use Permit Rock Quarry Lease Tract 2-3 Granite Creek Road City & Borough of Sitka	The City & Borough of Sitka has filed for a conditional use permit for natural resource extraction. The quarry is currently worked by Dormand McGraw and is located at the end of Granite Creek Road on the left hand side.
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Staff briefly explained the area's history, noting that four or five years ago the City realized that better plans were needed for the area. The current request is a C.U.P. which would allow for an enlargement of the quarry area. It combines five smaller lease tracts into one large one, which will be rebid.

Hugh Bevan explained recent improvements to Granite Creek area, noting that the city wants there to be a clean open area when they are done taking out rock. A new lot configuration and access in one area has allowed for two old collapsing culverts to be removed and replaced with a new bridge across the creek, which makes the Department of Fish and Game happy. They have several objectives behind this request, which are 1) resource development, 2) orderly development with end result in mind, 3) getting Granite Creek off the impaired water body list, and 4) to standardize lease requirements in the area.

Staff noted that there had been no comments or objections.

Harvey Brandt of 3704 Halibut Point Road noted that they have lived there since 1969. They have been subjected to house shaking blasting from the quarry. He said it was similar to the recent earthquake and believed that over time it may prove detrimental to his property. He wondered if the city was liable to legal action for damage that may occur. Brandt noted that he is not against economic development or the operation itself, but wished that the blasting could be regulated so that it wouldn't be so earth shaking. He would also like to be notified when blasting is to occur. He submitted a letter about his concerns.

Goss asked if blasting is part of their normal operations. Staff said that he and Hugh could get together some information on the issue before it is addressed at the Assembly meeting August 14.

Bevan explained the three elements of blasting, vibration, concussion, and flyrock, and asked Brandt if the problem was house shaking (vibration through the earth) or windows rattling (concussion through the air). Brandt said it was house shaking. Bevan said that he would write a letter to the three main operators in the pit and explain the problem. He would explain that they are actively seeking solutions to the problem and asked the pit operators for their ideas. He feels that the pit operators can solve the problem themselves if given the chance.

MOTION by Lahmeyer to recommend approval of a conditional use permit for natural resource extraction filed by the City and Borough of Sitka for a portion of Lot 1 of USS 3670 at the north end of Granite Creek Road, with the determination that a site inspection completed by staff on the Planning Commission's behalf on July 11, 2000 found that the proposed use would be in conformance with the comprehensive plan and will not be injurious to public health, safety, or welfare, or detrimental to other uses or properties in the vicinity. Comprehensive plan policy 2.4.6 applies that encourages adequate land for commercial, industrial, and residential growth. 2.6.2 also applies.



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 22-06 Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 3/15/2022 In control: City and Borough Assembly

On agenda: 3/22/2022 Final action:

Title: Amending Title 2 "Administration" of the Sitka General Code by updating Chapter 2.40 "Elections" (1st reading)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2022-06](#)
[Memo and Ord 2022-06](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve Ordinance 2022-06 on first reading amending Title 2 “Administration” of the Sitka General Code by updating Chapter 2.40 “Elections”.




CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator 

From: Sara Peterson, Municipal Clerk

Date: March 14, 2022

Subject: Approve amendments to Sitka General Code 2.40 Elections

Background

This ordinance has been drafted by the Municipal Clerk's Office with consultation from the Legal Department to address two areas needing improvement and/or clarification in Sitka General Code (SGC) Chapter 2.40, Elections.

The first topic addressed by this ordinance is SGC 2.40.095 which requires candidates running for elected office to provide the Municipal Clerk with biographical information, a recent photo, and advocacy statement for publication on the municipal website. Currently, this information is due no later than ten working days after submittal of a completed candidate packet.

The second topic this ordinance addresses is SGC 2.40.250 which outlines the process and qualifications for those wishing to serve as election officials for CBS. Alaska law (AS 15.10.108) allows qualified high school students who are at least 16 years old to serve as an election official through the Youth Vote Ambassador Program (YVAP). The YVAP is designed to capture young people's interest in the political process and in their rights and responsibilities as citizens.

To serve as a Youth Vote Ambassador, an individual must:

- Be a high school student at least 16 years of age or older enrolled in a public or private high school program in Alaska, or be educated in the student's home by a parent or legal guardian.
- Have written permission from a parent or legal guardian
- Agree to attend training as determined by the Municipal Clerk

Currently, SGC 2.40.250(D) does not allow those under the age of 18 to serve as election officials. Election officials serving at a precinct polling place must be a qualified voter.

Analysis

Regarding candidate information, it is most efficient for the Municipal Clerk's Office to have a concrete deadline date for all submittals as opposed to tracking ten working days for each candidate. The proposed code language aligns with the deadline for the withdrawal of a candidate nomination – no later than 5:00 p.m. on the forty-sixth day before the election.

Regarding election officials, the Municipal Clerk's Office has experienced some difficulties in recruiting election officials in recent years. During that time, we were approached by a high school student who had served as an election official for the State of Alaska through the YVAP. The Municipal Clerk's Office would like to extend this opportunity to interested students who meet the criteria. Students would be required to complete an application and attending training. Our office anticipates one or two students being appointed who will work under the supervision of the Municipal Clerk or the precinct chairperson.

Fiscal Note

No fiscal impacts are expected as a result of aligning the deadline for candidate biographical information with the withdrawal of a candidate nomination deadline.

A Youth Vote Ambassador would be compensated at the same rate as our regular election officials (which is currently \$12 per hour) unless they choose to volunteer their time as allowed under AS.15.10.108. The necessary funds are budgeted; this code change allows CBS to expand the pool of election officials to include YVAP eligible applicants.

Recommendation

Approve this ordinance 1) amending the deadline for submittal of candidate biographical information and 2) allowing the election supervisor to appoint one or more students to serve as election officials if they meet the requirements of the Youth Vote Ambassador Program outlined in AS.15.10.108.

Encl: AS 15.10.108
Sample application
Ord. 2022-06

Sec. 15.10.108. Youth vote ambassador program.

(a) The youth vote ambassador program is established in the division of elections.

(b) In order to serve as a member of the youth vote ambassador program, an individual must

(1) be a student age 16 or older

(A) enrolled in a public or private high school program in this state; or

(B) being educated in the student's home by a parent or legal guardian in this state under AS 14.30.010(b)(12);

(2) volunteer to serve in the youth vote ambassador program and be appointed to the youth vote ambassador program by the director of elections; and

(3) if appointed, agree to complete a program of training as determined by the director of elections.

(c) An election supervisor may appoint a member of the youth vote ambassador program to serve on a precinct election board appointed under AS 15.10.120. A program member who is appointed to serve on an election board under this subsection serves under the supervision of the chairperson for that board.

(d) A member of the program who is appointed under (c) of this section is compensated as provided in AS 15.15.380 only for service on the election board of the precinct.

(e) A member of the program may provide unpaid volunteer services related to education and outreach on state elections as directed by, and under the supervision of, the director of elections.

(f) In this section, "program" means the youth vote ambassador program.

State of Alaska
Division of Elections
YOUTH VOTE AMBASSADOR PROGRAM
Application



sample application - to be
modified for City and
Borough of Sitka

I am interested in serving in the Youth Vote Ambassador Program. I understand that serving in this program will enable me to be appointed to a precinct election board during elections. If appointed to a precinct election board, I agree to attend training as determined by the Division of Elections.

Printed Name: _____
Residence Address: _____
Mailing Address: _____

Date of Birth: _____ Telephone Number: _____

Email: _____

Are you at least 16 years old? ☐ YES ☐ NO

Are you enrolled in public or private high school, or being
educated in your home by a parent or legal guardian? ☐ YES ☐ NO

If you are enrolled in a public or private high school, please indicate the name of
the school here: _____

I attest to the fact that the information provided above is accurate and true to the
best of my knowledge.

Youth Signature: _____

Parent/Guardian Signature: _____

Complete this application and send it to the
Regional Elections Office nearest you.

The Division of Elections will contact you if you are selected
to participate in the Youth Vote Ambassador Program.

Region I Elections Office
PO Box 110018
Juneau, AK 99811-0018
(907) 465-3021 Voice
(907) 465-2289 Fax

Region II Elections Office
Anchorage Office
2525 Gambell Street, Suite 100
Anchorage, AK 99503-2838
(907) 522-8683 Voice
(907) 522-2341 Fax
Matanuska-Susitna Satellite Office
North Fork Professional Building
1700 E. Bogard Road, Suite B102
Wasilla, AK 99654-6565
(907) 373-8952 Voice
(907) 373-8953 Fax

Region III Elections Office
675 7th Avenue, H3
Fairbanks, AK 99701-4594
(907) 451-2835 Voice
(907) 451-2832 FAX

Region IV Elections Office
PO Box 577
Nome, AK 99762-0577
(907) 443-5285 Voice
(907) 443-2973 FAX

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2022-06

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 2
“ADMINISTRATION” OF THE SITKA GENERAL CODE BY UPDATING CHAPTER 2.40
“ELECTIONS”**

1. CLASSIFICATION. This ordinance is of a permanent nature and is 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 align the deadline for submittal of candidate biographical information with the withdrawal of candidate nomination deadline. In addition, this ordinance would allow the election supervisor to appoint one or more students to serve as election officials if they meet the requirements of the Youth Vote Ambassador Program outlined in AS.15.10.108.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 2, entitled “Administration”, Chapter 2.40, entitled “Elections”, at Section 2.04.095, entitled “Candidate biographical information” and Section 2.04.250, entitled “Election officials”, be amended to read as follows (deleted language stricken, new language underlined):

**Title 2
ADMINISTRATION**

Chapters:

2.40 Elections

* * *

* * *

**Chapter 2.40
ELECTIONS**

Sections:

* * *

2.04.095 Candidate biographical information.

* * *

2.04.250 Election officials.

* * *

2.40.095 Candidate biographical information.

A candidate for elected office shall provide the municipal clerk with biographical information of not more than one hundred fifty words, a recent photo of the candidate, and a candidate’s

advocacy statement of not more than two hundred fifty words for publication on the municipal website. All information must be received by the municipal clerk no later than five p.m. on the forty-sixth day before the election. ~~no later than ten working days after submittal of a completed candidate packet.~~ A candidate may not make a change to the candidate's biographical information or advocacy statement after the deadline. A candidate's biographical information and advocacy statement must be submitted typewritten or, preferably, transmitted electronically. An article (i.e., a, and, the) will be counted as one word. Any words included in the candidate's biographical information or advocacy statement beyond the allowed word counts will not be published. The municipal clerk can provide the candidate with acceptable topics for the biographical information and advocacy statement. The municipal clerk may reject any portion of a candidate's biographical information or advocacy statement containing obscene, libelous, profane, slanderous or defamatory material.

* * *

2.40.250 Election officials.

A. Election Supervisor. The municipal clerk shall be the election supervisor. The election supervisor shall conduct the election and have authority to take such actions as are necessary to carry out the intent of this chapter.

B. Judges. Prior to each election, the election supervisor shall appoint three judges for each polling place and at least three judges for the receiving board and data processing board. Up to three alternate judges may be designated for each polling place or board. One judge shall be designated chairman and shall be primarily responsible for administering the election in that precinct. If a judge is not able or refuses to serve on election day, an alternate shall serve in their place. Should additional need arise, the election supervisor may appoint a replacement. The assembly reserves the right to reject or disapprove election judges.

C. Clerks. The election supervisor may appoint up to three election clerks and up to three alternate clerks at any polling place where they are needed to conduct an orderly election and to relieve the election judges. Alternates may be appointed to the receiving and data processing boards.

D. Qualifications. Each election official serving at a precinct polling place must be a qualified voter and where practicable should reside within the precinct for which appointed. The election supervisor may appoint one or more students age 16 or older as additional election officials if they substantially meet the requirements to serve in the Youth Vote Ambassador Program under AS.15.10.108. Any person so appointed shall be supervised by the election supervisor or the precinct chairperson.

E. Oath. The election officials shall take or subscribe to the following oath:

I "State your name" will honestly, faithfully, and promptly perform the duties of election board member according to law; and I will make every effort to prevent the violation of any provision of law in conducting the election.

F. Training Session. All election judges and clerks and alternates must attend a training session unless excused therefrom by the election supervisor. Any appointed official who fails to attend a training session without being excused will be subject to dismissal by the election supervisor, who shall notify the municipal administrator of the dismissal. The election supervisor

is authorized to make an appointment to fill the vacancy caused by such dismissal from the alternate judges or clerks.

G. Compensation. Judges and clerks of election shall be paid such compensation for their services as is approved by the assembly,.

H. No candidate for that election may serve as an election official.

I. Certain familial relationships should not exist between candidates and election officials in any municipal election. Those familial relationships are:

1. Mother, mother-in-law, stepmother;
2. Father, father-in-law, stepfather;
3. Sister, sister-in-law, stepsister;
4. Brother, brother-in-law, stepbrother;
5. Spouse; or
6. Person sharing the same living quarters.

If the election supervisor knows or learns that any of these relationships exist, the election official shall be notified and replaced.

* * *

5. EFFECTIVE DATE. This ordinance shall become effective the date after the day of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, this 12th day of April, 2022.

Steven Eisenbeisz, Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st reading: 3/22/2022

2nd and final reading: 4/12/2022

Sponsor: Administrator