



Alaska Educational Options

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**TO: Keith Brady
Mayor Gary Paxton
Assembly of CBS**

FROM: John Holst

**RE: Economic Development
Action Plans**

Date: January 28, 2019

This cover memo is a summary of work I have done at the request of Mayor Paxton.

On November 17, 2018, I facilitated a Planning Session with you. One of the two identified priorities was Economic Development. After it became obvious that the Assembly as a body determined that Economic Development was indeed very important, I was asked to work with Garry White, Executive Director of SEDA, to develop Action Plans that might focus on important topics that would have a positive impact on Economic Development, have an immediate impact, and be doable..

The three Action Plans before you are: 1. To make the CBS more business friendly, 2. To determine the highest/best use of the Cold Storage, and 3. To pursue options regarding "tiny homes" and/or smaller dwellings.

Each Action Plan has a systematic set of steps, each being small enough to be done in a short period of time, and together laying out a path to the Specific Result. Note that each step is assigned to a specific named person(s) who are responsible for that step, with a beginning date and estimated completion date, making it possible for the Assembly and Administrator to monitor progress. Each Plan also has a person (name in the rectangular box at the end of each Action Plan) who is responsible for monitoring the day-to-day progress, and periodically reporting to the Assembly regarding progress.

The assignment of responsible individuals, starting and completion dates, are placeholders that I have identified with my very limited knowledge of CBS operations. I would expect that Administrator Brady will be recommending modifications in both the "who" and "when" of each Action Plan.

These Action Plans are intended to be the Assembly's Plans. It is completely within your purview to adjust and amend as you see fit. You will note that each is a Final Draft until you are satisfied with the direction and the intended Specific Result, and only then adopt each of the Action Plans.

Since Economic Development has many more important topics not addressed by these three Action Plans, it is assumed that when you have gotten close to the Specific Results of these Plans, new ones would be formulated. If the timelines are followed, these three Plans should be completed by the end of July. If you are satisfied with the achievements, it would make sense to start this process over in early summer by identifying the next set of issues you want to tackle, and producing Action Plans for each of them.

This is the completion of my contracted work on your behalf. I am available to assist in whatever capacity you desire or deem necessary in the future.

Thank you for the opportunity to assist you. Having been on the Assembly more than a decade ago, I can appreciate how difficult it is to "steer the ship" that is the CBS. But that is your role and responsibility to the citizens of Sitka. Good luck.

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Action Plan

Strategy No. B

Plan 1

Date: 2/19/2019

Strategy: We will identify and pursue Economic Development Opportunities.

Specific Result: To make the City and Borough of Sitka more business friendly.

#	ACTION STEP (Number each one)	Assigned To:	Start Date:	Due Date:	Completed Date:
1	CBS will take a confidential survey of all employees to solicit ideas for maximizing CBS's role in supporting economic development (See Appendix 1).	Maegan Bosak	3/1/19	3/20/19	
2	Using the Survey questions in Appendix 1 as an example, develop an online survey to be used to gather information from each employee.	Maegan Bosak	3/5	3/7	
3	Survey results will be provided to the Assembly and Senior Staff as a means of identifying opportunities for the CBS to be more business friendly and, in the process, improve the climate for Economic Development.	Maegan Bosak	3/19	3/19	
4	SEDA will do a confidential survey of local business owners and ask them what could be done to make their interactions with the CBS more stimulative of economic development and business expansion. Survey will also be used to determine the economic health of each business.	Garry White	2/19	3/19	
5	SEDA Board President and Executive Director will provide a written and oral report to the both the Assembly and CBS Senior Staff regarding the results of the SEDA survey including the health of the business climate and what the CBS can do to improve their level of support for economic development.	SEDA President & Garry White	3/19	3/19	
6	Using both survey results, develop Guidelines for the CBS activities that interface with business and/or industrial enterprises.	Keith Brady	3.19	4/16	
7	Guidelines will contain the following: a. Mission Statement identifying that the highest priority will be given to working supportively	Keith Brady	3/19	4/16	

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	<p>with private industry/business and business non-profits (eg NSRAA, SPC, Sitka Fine Arts Camp, Sitka Sound Science Center, Sitka Summer Music Festival), to bring positive revenue, and job retention/creation.</p> <p>b. Create a list of maximum turnaround timelines for various requests that are tied to Economic Development (eg Building Permits, Land Development Proposals, Requests for Public Private Partnerships, Legal Reviews of Documents related to Economic Development);</p> <p>c. All Departments of the Municipality, including Enterprise Fund Departments, shall be part of these Guidelines;</p> <p>d. Municipal Attorney will be covered by these Guidelines, but accountable to the Assembly.</p> <p>e. Assembly will review, critique, revise, and approve these Guidelines;</p> <p>f. Training will be provided to all Senior Staff to assist with the implementation of these Guidelines;</p> <p>g. All evaluations of Senior Staff will include their effectiveness in implementing these Guidelines.</p>	<p>Mayor & Assembly</p> <p>Keith Brady</p> <p>Keith Brady</p>	<p>4/16</p> <p>5/14</p> <p>5/27/19</p>	<p>5/14</p> <p>5/27</p> <p>5/27/20 & ongoing</p>	
8	<p>**CBS will investigate “best practices” regarding licensing, permitting and regulations:</p> <p>a. Reduce administrative arrangements that are unnecessarily costly, time-consuming or burdensome—simplifying processes and forms and reducing processing times;</p> <p>b. Assess the cost and benefit of regulation on the business sector and the economy as a whole before it is introduced so that the relative merits of new regulation can be objectively determined;</p> <p>c. Review the current stock of regulations to determine if these are still necessary and how they may be updated or otherwise improved;</p> <p>d. Consider streamlining city approval and permitting processes.**</p>	<p>Keith Brady</p>	<p>3/19</p>	<p>4/16</p>	
9	<p>Consider deleting one current guideline, code, or requirement affecting Economic Development for each new one proposed</p>	<p>Keith Brady & Assembly</p>	<p>5/14</p>	<p>Ongoing</p>	

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10	Assembly will include ratings of the effectiveness in implementation of these Guidelines in the evaluations of the Municipal Administrator and Municipal Attorney.	Mayor Paxton & Assembly	5/27/19	5/27/20 & Ongoing	
11	<p>CBS will proactively engage the various industry sectors in the community:</p> <p>a. The Administrator will meet quarterly with representatives of the fishing, visitor, health care, construction, and retail sectors. SEDA will coordinate these meetings. Various industry sectors should be added dependent on circumstances and issues. Their meetings should become routine calendared events (eg, second Thursday of quarterly months).</p> <p>b. The Assembly may hold periodic work sessions with representatives of the fishing, visitor, health care, and retail sectors if the Assembly deems it necessary to keep Economic Development in the forefront of all CBS activities.</p> <p>**Quoted from the website: https://simonwhite.com.au/2018/02/26/creating-better-local-business-environment-part-3-options-reform/</p>	<p>Keith Brady & Garry White</p> <p>Mayor Paxton & Assembly</p>	<p>3/1/19</p> <p>Not known</p>	<p>Ongoing Quarterly</p> <p>Ongoing as needed</p>	
<div>Responsible: Keith Brady</div>					

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Appendix 1 Action Plan B1

(Survey Document for use in Employee Survey)

Rating 1 – 5, 1 being the lowest and 5 being the highest rating

In your opinion, is the CBS “business friendly”? That is, in the interactions between Business Clients and the CBS, are CBS Employees helpful to business owners?

1 2 3 4 5

Comments:

In general, when there are interactions between CBS Employees and the Business Clients, and things seem to go wrong, in your opinion, is it the fault of the CBS employee or the Business Client?

_____ % fault of Business Client

_____ % fault of the CBS Employee

Comments:

The Assembly has identified Economic Development as one of its highest priorities. What do you believe can be done by CBS Management, CBS Employees, the Assembly, and the Business Community to improve the prospects of actually growing our economy?

Comments:

Is Economic Growth and Development important to you? 1-not important, 5 very important

1 2 3 4 5

Comments:

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Appendix 2 Action Plan B1

The CBS will consider what can be done to leverage each of the following CBS assets for

Economic Development:

- a. Harbors and Docks
- b. Airport
- c. Centennial Building
- d. Library
- e. Baseball Field
- f. Performing Arts Center
- g. Gary Paxton Industrial Park

The CBS will ask the following non-profits what can be done to help them to grow and prosper, and contribute to Economic Development;

- a. Fine Arts Camp
- b. Sitka Summer Music Festival
- c. Sitka Science Center
- d. NSRAA
- e. Sitka Tribe of Alaska
- f. National Park

The CBS will ask the following business enterprises what can be done to help them to grow and prosper, and contribute to Economic Development;

- a. Sea Mart
- b. AC Lakeside
- c. Allen Marine
- d. Tribal Enterprises
- e. Shee Atika Inc
- f. Fish Processing Plants (Silver Bay, Sitka Sound, SPC)
- g. Lincoln Street Businesses
- h. Charter Industry
- i. Visitors Industry
- j. AML & Linden Transfer
- k. Sampson Tug & Barge
- l. True Value Hardware
- m. Spenard Building Supply
- n. Building Construction Industry
- o. Heavy Construction Industry
- p. Schmolck Mechanical
- q. Sitka Electric

And many others.

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Action Plan

Strategy No. B

Plan No. 2

Date: 2/19/2019

Strategy: We will identify and pursue Economic Development Opportunities.

Specific Result: To pursue options regarding “tiny homes” and/or smaller dwellings (TH/SD’s).

#	ACTION STEP (Number each one)	Assigned To:	Start Date:	Due Date:	Completed Date:
1	Assembly will hold a work session to sort through the many housing options and provide direction for the Planning Commission and additional steps to be added to this Action Plan. This is the kickoff of this Action Plan.	Assembly Kevin Knox	2/12	2/12	
2	Planning Commission will review the following current zoning codes with consideration for which codes could/would be changed to enable TH/SD’s to be a potential affordable housing option. a. Zoning code residential lot sizes (in works per Sitka Comprehensive Plan 2030; b. Adoption of IRC 2018 Building Codes, specifically TH/SD specifications appendix; c. Chapter 6 Mobile and Manufactured homes to allow TH/SD placement on semi/permanent foundation within mobile/manufactured home parks.	Scott Brylinsky	2/19	3/6	
3	Commission will develop definitions to be used within the zoning codes and regulations that designate what is a Tiny Home and what is a Small Dwelling (transitional size between Tiny Homes and full-size residential homes.	Scott Brylinsky	3/6	4/3	
4	Commission will forward their work in report form to the Assembly, including any recommendations they may have.	Scott Brylinsky	4/3	4/17	
5	Assembly will hold a public hearing(s) regarding code changes to accommodate TH/SD’s, and act upon changes they deem appropriate.	Mayor Paxton & Assembly	4/23	5/14	

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6	Building Inspection Department will work with local builders of TH/SD's to set guidelines for the construction of TH/SD's that will allow for a Certificate of Occupancy to be issued upon completion. The builders will include Building Trade classes at Sitka High School and UAS-Sitka Campus, and private businesses that contemplate construction of TH/SD's for sale in Sitka as well as other locations in Southeast Alaska.	Pat Sweeden	2/19	4/23 & Ongoing	
7	CBS will make known to residents and potential developers that TH/SD's are allowed by the current building codes, and that additional code modifications regarding TH/SD's may be considered in the near future.	Maegan Bosak	2/19	3/1 & Ongoing	
8	CBS will invite developers and/or owners of land parcels to a public meeting to discuss the potential opportunities regarding land development focusing on TH/SD's as well as building codes governing them.	Bosak & Brylinsky	3/1	4/1	
9	CBS shall work with individuals, non-profits, and/or public-private partnerships that could expand the options available, including but not limited to assisting with land designation and/or acquisition of privately owned or CBS owned land.	Brylinsky & Bosak	3/1	Ongoing	
10	This work by the CBS would include zoning designations that would allow and encourage development of both privately owned lots and lots available as rentals to site TH/SD's.	Brylinsky, Sweeden & Bosak	2/19	5/1	
		Responsible: Scott Brylinsky			

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Action Plan

Strategy B

Plan No. 3

Date: 2/19/2019

Strategy: We will identify and pursue Economic Development Opportunities.

Specific Result: To determine the highest/best use of the Cold Storage.

#	ACTION STEP (Number each one)	Assigned To:	Start Date:	Due Date:	Completed Date:
1	Do or review the engineering study of the condition of the seawall and Cold Storage.	Harmon	2/19	3/1	
2	Use the study to determine the cost of repairs if done by the CBS.	Harmon	3/1	3/15	
3	Use the study to estimate the potential cost of repairs if done by a private party or parties.	Harmon	3/1	3/15	
4	Meet with interested user individuals, groups or companies to discuss options and accept recommendations from the interested parties.	Brady & White	3/15	3/29	
5	Hold public hearings regarding whether the CBS should continue to own the Cold Storage or sell it.	Paxton & Assembly	3/26	3/26	
6	Make the decision about who should own the Cold Storage based upon a cost/benefit analysis of each option, and considering what is in the best interest of the fishing industry and impact on future Economic Development.	Paxton & Assembly	3/26	4/9	
7	If the decision is to keep the property in CBS ownership, begin the process of identifying funding sources.	Brady & Assembly	4/9	Ongoing until \$\$ located for repairs	
8	If the decision is the sell the property, develop an RFP to put the property in private ownership.	B Hanson & SEDA	4/9	4/23	
9	Within the RFP, include stipulations such as: a. Necessary repairs shall be made to stabilize the seawall in front of the Cold Storage. b. Property will continue to be operated as a Cold Storage unless agreed to by the Assembly. c. Guaranteed access to the public as follows:	B Hanson & SEDA	4/9	4/23	

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	<p>First Priority to local fishermen with less than \$500,000 in gross receipts; Second Priority to local fishermen with more than \$500,000 but less than \$1,000,000 in gross receipts; and Third Priority to the owner of the property to determine access to the Cold Storage.</p> <p>d. Fee schedule of First and Second Priority will be governed by the SEDA Board in the same manner as any public utility.</p> <p>e. 10 yr reversion clause, at the discretion of the Municipality, if any of the stipulations are violated.</p>				
10	RFP released to the public.	SEDA	4/23	5/10	
11	Responses to the RFP will be reviewed by a committee of 2 Freezer Boat Captains, 2 CBS staff and SEDA Board President, appointed by the Mayor.	Paxton & Brady	5/10	5/17	
12	Recommendations will be made to the Assembly regarding the Responses to the RFP.	Brady & Committee	5/21	5/21	
13	Assembly will select the most responsive proposal, considering price, operating plan and history of operating in the best interest of the CBS and direct Garry White to complete the purchase agreement that will go to the Assembly for their approval.	Paxton and Assembly	6/11	6/25	
		White & B. Hanson	6/25	7/16	
14	Assembly approves the purchase agreement. :	Assembly	7/16	7/16	
Responsible:		Keith Brady			