



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
1332 Seward Ave.
Room 229
Sitka, AK
(907)747-1811

Minutes - Final City and Borough Assembly

*Mayor Mim McConnell
Deputy Mayor Matt Hunter
Vice-Deputy Mayor Benjamin Miyasato
Aaron Swanson, Steven Eisenbeisz
Tristan Guevin, and Bob Potrzuski*

*Municipal Administrator: Mark Gorman
Municipal Attorney: Robin L. Koutchak
Municipal Clerk: Sara Peterson, CMC*

Tuesday, November 24, 2015

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Guevin

Absent: 1 - Potrzuski

IV. CORRESPONDENCE/AGENDA CHANGES

[15-228](#)

Reminders, Calendars and General Correspondence

Mayor McConnell read a letter from Brigadier General Hummel of the Alaska Army National Guard thanking Sitkans for a wonderful Alaska Day Festival experience.

V. CEREMONIAL MATTERS

None.

VI. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Sitka Community Hospital, Municipal Departments, School District, Students and Guests (time limits apply)

Utility Director, Bryan Bertacchi, explained the critical transformer repairs needed at the Marine Street substation. Bertacchi stated the substation served approximately 80% of Sitka customers.

VII. PERSONS TO BE HEARD

Travis Vaughn, owner of Baranof Realty, thanked City and Borough of Sitka staff for

their participation in events leading up to the successful closings of Aspen Hotel and Sitka Hotel properties.

VIII. REPORTS

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

Mayor - McConnell shared she was a member of the Lt. Governor's Transboundary Advisory Committee and reported on the recent meeting. She noted there were concerns among Committee members as to the lack of action taken by the state in making a referral to the International Joint Commission (IJC). McConnell attended the Annual Municipal League Conference and reported on topics of discussion in particular the state of Alaska's economy. She added a letter was being sent by Alaska Mayors to the legislature urging them to create a sustainable budget for the next fiscal year and in years to come and announced she had been re-elected to the AML Board of Directors. McConnell attended the Alaska Marine Highway System public meeting held November 24.

Administrator - Gorman encouraged citizens to take a look at the financial update included in the correspondence section of the Assembly packet, announced the opening of the William Stortz Gallery would be held December 2 at 5pm at City Hall, met with Bill Hutton on the details of the future pool at Mt. Edgecumbe High School and offered it may be time for the community to have the discussion of having only one pool, attended AML meetings in Anchorage, and attended the November 24 Alaska Marine Highway System update and felt the concerns of Sitkans had been heard.

Attorney - Koutchak attended AML Conference in Anchorage.

Liaisons - Hunter reported on the recent Port and Harbors Commission meeting, Eisenbeisz on the Marijuana Advisory Committee, Guevin on the recent Citizens' Taskforce meeting and encouraged citizens interested in serving on the Tree and Landscape Committee to apply.

IX. CONSENT AGENDA

- A [15-226](#) Approve the minutes of the November 5, 10, and 11 Assembly meetings

This Item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- B [15-227](#) Appoint one member to the Marijuana Advisory Committee - applicants are: 1) Debra Militello, 2) Royce Rath, and 3) Jay Stelzenmuller

Jay Stelzenmuller expressed his interest in serving on the Committee. Eisenbeisz noted Stelzenmuller had attended all of the recent meetings.

A motion was made by Hunter to nominate Debra Militello, Royce Rath, and Jay Stelzenmuller to serve on the Marijuana Advisory Committee.

A vote of the Assembly was taken. The top vote getter was Jay Stelzenmuller.

XI. UNFINISHED BUSINESS:

- C** [ORD 15-56](#) Authorizing the transfer/sale of a portion of City and Borough of Sitka's "Old City Shops" property located at 1306 Halibut Point Road for an affordable housing project that is not subject to competitive bid and is available to all regardless of ethnicity to the Sitka Community Development Corporation (SCDC)

Mayor McConnell recused herself stating she was the Executive Director of the Sitka Community Development Corporation (SCDC).

Speaking as Executive Director of SCDC, McConnell offered to answer any questions the Assembly might have.

Michelle Putz spoke in support of the ordinance. Joe D'Arienzo suggested the City and Borough of Sitka (CBS) have first right of refusal.

McConnell clarified that SCDC would go through a subdivision process and each home would be on its own lot.

A motion was made by Eisenbeisz to POSTPONE this Item until December 8 in order to conduct research on ways to protect public lands. The motion FAILED by the following vote.

Yes: 1 - Eisenbeisz

No: 4 - Hunter, Swanson, Miyasato, and Guevin

Absent: 1 - Potrzuski

Recused: 1 - McConnell

McConnell spoke against postponing second reading of the Ordinance. She stated there were sections of the ground lease and articles of incorporation that addressed what would happen to the land if SCDC were to cease to exist. She added the ground lease was used nationwide, a recommended document used in community land trusts (CLT) around the country and customized to meet the needs of each community. McConnell felt confident these documents protected the buyer, seller, bank, CLT, and CBS.

Michelle Putz spoke in opposition to postponement and felt there were safeguards in place.

Eisenbeisz stated this was a worthy project, however, the CBS was disposing of public land and he wanted to make sure there were safeguards in place. In particular, what if SCDC were unable to come through with funding and nothing was built.

Guevin, while in support of the project, agreed there needed to be additional safeguards in regards to 1) SCDC's ability to complete the project, and, 2) if for some unforeseen reason the Corporation dissolved what would happen to the land. Guevin wished to see the City have the right of first refusal. He stated the Assembly needed to do their due diligence to ensure the land was permanently set aside for affordable housing.

Attorney Robin Koutchak stated reversionary clauses were frowned upon because

they acted as a cloud on the title. Koutchak mentioned another alternative was right of first refusal, however, because of the way SCDC's articles of incorporation were written, the home owner would have right of first refusal. Koutchak added another option would be to add plat notes during the subdivision process.

Miyasato spoke against postponing the Ordinance. While he appreciated the issues raised, he stated there was an opportunity to do something with the property and generate revenue.

Randy Hughey, President of SCDC, stated SCDC was applying for a tier 2 Rasmuson grant. The deadline was the end of February. If they missed the February deadline, their next opportunity to apply for the grant would be November 2016. He urged the Assembly to move forward. In response to a question by Guevin, Hughey noted it was unlikely the SCDC would ever transfer the land to a private entity.

Mark Gorman, Municipal Administrator, stated staff had confidence in the Ordinance and SCDC. Koutchak agreed.

Hunter noted there was risk, however, he had faith in those leading the organization and their dedication to the community.

Eisenbeisz shared his concern of SCDC not having funding for the project, concern over the shared public space, and potential sale for profit. He wished SCDC well and hoped their project would be a model used by other communities.

Miyasato thanked SCDC for their work and noted this was a worthy project.

Guevin wished SCDC success and believed they were committed to maintaining the property for affordable housing and in the public domain.

A motion was made by Miyasato that this Ordinance be APPROVED on second and final reading. The motion PASSED by the following vote.

Yes: 5 - Hunter, Swanson, Miyasato, Eisenbeisz, and Guevin

Absent: 1 - Potrzuski

Recused: 1 - McConnell

D [ORD 15-57](#)

Amending Title 7 of the Sitka General Code by creating a new chapter 7.20, entitled "Marijuana Advisory Committee" that would establish the Marijuana Advisory Committee to serve as a Local Regulatory Authority with staff support from the Office of Planning and Community Development starting immediately and ending February 24, 2016 or until a permanent body is designated

Levi Albertson, Chair of the Marijuana Advisory Committee, provided an update to the Assembly and spoke in support of the Ordinance.

A motion was made by Swanson that this Ordinance be APPROVED on second and final reading. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Guevin

Absent: 1 - Potrzuski

XII. NEW BUSINESS:

- E** [15-229](#) Approve the Mayor's participation on a panel discussion hosted by the Island Institute about Alaska's fiscal future
- Administrator, Mark Gorman, noted Assessor Wendy Lawrence would be a panel participant and was supportive of the Mayor's participation.
- Eisenbeisz and Guevin thanked staff for bringing the item forward.
- Mayor McConnell provided a brief summary of the event to be held on December 3rd from noon to 2pm at the Sheet'ka Kwaan Naa Kahidi Community House.
- A motion was made by Swanson that this Item be APPROVED. The motion PASSED by the following vote.**
- Yes:** 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Guevin
- Absent:** 1 - Potrzuski

XIII. PERSONS TO BE HEARD:

Jay Sweeney, Chief Finance and Administrative Officer, noted the December 3rd fiscal dialogue presentation by Pat Pitney could be viewed at gov.alaska.gov.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Miyasato to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:32pm.

ATTEST: _____
Sara Peterson, CMC
Municipal Clerk