

**CITY AND BOROUGH OF SITKA
Planning Commission
Minutes of Meeting
December 1, 2015**

Present: Chris Spivey (Chair), Darrell Windsor (Vice-Chair), Tamie Parker Song—via phone (Member), Debra Pohlman (Member), Randy Hughey (Member), Maegan Bosak (PCDD), Michael Scarcelli (Senior Planner), Samantha Pierson (Planner I)

Absent: None

Members of the Public: Kevin Knox, Stan Eliason (Harbormaster), Forrest Dodson (via phone), Mary Holzman (via phone), Michael Tisher, Kelly Pellett, Cliff Richter, Jay Stelzenmeller

Chair Spivey called the meeting to order at 7:01 p.m.

Roll Call:

PRESENT: 5 – Spivey, Windsor, Parker Song (via phone), Pohlman, Hughey

Consideration of the Minutes from the November 3, 2015 meeting:

MOTION: M/S POHLMAN/WINDSOR moved to approve the meeting minutes for November 3, 2015.

ACTION: Motion **PASSED unanimously 5-0** on a voice vote.

The evening business:

**ZONING TEXT CHANGE
SHORT TERM RENTALS AND BED AND BREAKFAST OPERATIONS IN PUBLIC ZONE
TIM FULTON**

Public hearing and consideration of a zoning text change request filed by Tim Fulton. The proposed zoning text change would permit B&B's and Short-Term Rentals on boats in municipal harbors, in the Public Zone. The request is filed by Tim Fulton.

STAFF REPORT: Scarcelli reviewed the request, which would permit B&B's and short-term rentals in all properties zoned Public Lands District. Scarcelli stated that the Port and Harbors Commission had some positive and some negative thoughts about the request. Scarcelli stated concerns for sewage dumping and safety. Scarcelli noted that the applicant was currently at another board where he serves as chair, but can answer questions via phone if commissioners wished. Scarcelli read a letter submitted by the applicant.

COMMISSIONER DELIBERATION: Commissioners did not have questions for the applicant. Windsor asked for clarification on Public zoning. Scarcelli clarified that if the zoning text change was enacted, bed and breakfast operations and short-term rentals would be permitted or

conditional in all lands zoned Public Lands, beyond the harbors. Hughey asked about infrastructure and sewage concerns.

PUBLIC COMMENT: Port and Harbors Commission Chair Kevin Knox and Harbormaster Stan Eliason expressed concerns for sanitation, safety, traffic, and increased workload of harbor staff. Knox acknowledged that the request is interesting, and short-term rentals are permitted in harbors in other states. Eliason stated that boats must currently be taken to a dump station, since sewage pipes are not run to all boats.

MOTION: M/S HUGHEY/WINDSOR moved to approve the staff findings that 1) the proposal negatively impacts the public's health, safety, and welfare due to the anticipated impact to public infrastructure, the impacts resulting from sewage, the anticipated cost of enforcement and oversight; 2) is inconsistent with the comprehensive plan as discussed in the staff report; and 3) involves the broad impacts that a zoning text change would have on lands zoned Public.

ACTION: Motion **PASSED 5-0** on a voice vote.

MOTION: M/S HUGHEY/WINDSOR moved to recommend denial of a zoning text change request filed by Tim Fulton for a zoning text change to permit short-term rentals and Bed and Breakfast operations in the Public Zone as a permitted or conditional use.

ACTION: Motion **PASSED 5-0** on a voice vote.

7:25—Parker Song stated that she was having a hard time hearing discussion via phone. Commissioners agreed that since a quorum could be met without her, Parker Song could leave the meeting.

VARIANCE REQUEST

**263 KATLIAN AVENUE, LOT 14, BLOCK 5, SITKA INDIAN VILLAGE, U.S. SURVEY 2542
FORREST DODSON AND MARY HOLZMAN**

Public hearing and consideration of a variance request filed by Forrest Dodson and Mary Holzman for 263 Katlian Avenue and the adjacent tidelands. The variance request is for a reduction in lot size from 6,000 square feet to 4,428 square feet. The property is also known as Lot 14, Block 5, Sitka Indian Village, U.S. Survey 2542. The request is filed by Forrest Dodson and Mary Holzman. The owners of record are Forrest Dodson and Mary Holzman.

STAFF REPORT: Scarcelli reviewed the request. The variance would permit the creation of an undersized lot. The current lot is undersized, and the proposal would approximately double the lot size. This proposal would move the lot toward compliance. Scarcelli stated that the Historic Preservation reviewed the project and made a motion to approve, which failed.

APPLICANT: Forrest Dodson and Mary Holzman joined via phone, and stated that there was no new information.

COMMISSIONER DELIBERATION: Hughey asked staff why the Historic Preservation Commission denied approval for the project. Scarcelli stated that the HPC wanted to seek input from the Tribe and was concerned that moving the structure would make it ineligible for historic status. Bosak reminded the Commissioners that the HPC is a recommendation board, and the HPC's recommendations cannot prevent a project.

PUBLIC COMMENT: No public comment.

MOTION: M/S POHLMAN/HUGHEY moved to approve the required findings for variances involving major structures or expansions:

Required Findings for Variances Involving Major Structures or Expansions. Before any variance is granted, it shall be shown:

- a) That there are special circumstances to the intended use that do not apply generally to the other properties, *specifically the small lot size*;
- b) The variance is necessary for the preservation and enjoyment of a substantial property right of use possessed by other properties but are denied to this parcel;
- c) That the granting of such a variance will not be materially detrimental to the public welfare or injurious to the property, nearby parcels, or public infrastructure;
- d) That the granting of such a variance will not adversely affect the Comprehensive Plan, *specifically, it is in line with Comprehensive Plan 2.4.1, which states, "To guide the orderly and efficient use of private and public land in a manner that maintains a small-town atmosphere, encourages a rural lifestyle, recognizes the natural environment, and enhances the quality of life for present and future generations without infringing on the rights of private landowners," and conditions of approval mitigate any harm and the proposal enhances the quality of access for current and future homeowners.*

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

MOTION: M/S POHLMAN/HUGHEY moved to approve the variance request filed by Forrest Dodson and Mary Holzman for 263 Katlian Avenue and the adjacent tidelands. The variance request is for a reduction in lot size from 6,000 square feet to 4,428 square feet. The property is also known as Lot 14, Block 5, Sitka Indian Village, U.S. Survey 2542. The request is filed by Forrest Dodson and Mary Holzman. The owners of record are Forrest Dodson and Mary Holzman.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

**MINOR SUBDIVISION
263 KATLIAN AVENUE, LOT 14, BLOCK 5, SITKA INDIAN VILLAGE, U.S. SURVEY 2542
FORREST DODSON AND MARY HOLZMAN**

Public hearing and consideration of a minor subdivision request filed by Forrest Dodson and Mary Holzman for 263 Katlian Avenue and the adjacent tidelands. The property is also known as Lot 14, Block 5, Sitka Indian Village, U.S. Survey 2542. The request is filed by Forrest Dodson and Mary Holzman. The owners of record are Forrest Dodson and Mary Holzman.

STAFF REPORT: Scarcelli reviewed the request. While the proposal would create an undersized lot, the proposal would move the lot toward code compliance. The proposal would mitigate traffic and parking concerns. Scarcelli proposed standards conditions that followed current code.

APPLICANT: Forrest Dodson and Mary Holzman joined via phone, and stated that there was no new information.

COMMISSIONER DELIBERATION: Hughey asked staff why the Historic Preservation Commission denied approval for the project. Scarcelli stated that the HPC wanted to seek input from the Tribe and was concerned that moving the structure would make it ineligible for historic status. Bosak reminded the Commissioners that the HPC is a recommendation board, and the HPC's recommendations cannot prevent a project.

PUBLIC COMMENT: No public comment.

MOTION: M/S WINDSOR/HUGHEY moved to approve the staff findings that 1) the proposal positively impacts the public's health, safety, and welfare due to the anticipated impact to the proposed increase of space between the house and the front property line, newly created parking, and preservation of a historic structure; and 2) is consistent with the comprehensive plan as discussed in the staff report.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

MOTION: M/S WINDSOR/HUGHEY moved to approve with staff's four conditions the final plat for a minor subdivision filed by Forrest Dodson and Mary Holzman for 263 Katlian Avenue and the adjacent tidelands. The property is also known as Lot 14, Block 5, Sitka Indian Village, U.S. Survey 2542. The request is filed by Forrest Dodson and Mary Holzman. The owners of record are Forrest Dodson and Mary Holzman.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

**MINOR SUBDIVISION
213 PRICE STREET, LOT 1 OF MICK'S SUBDIVISION, U.S. SURVEY 3695
MICHAEL TISHER**

Public hearing and consideration of a final plat for a minor subdivision at 213 Price Street. The subdivision would create two lots. The property is also known as Lot 1 of Mick's Subdivision, U.S. Survey 3695. The request is filed by Michael Tisher. The owner of record is Michael Tisher.

Chair Spivey stated that he has a professional relationship with the applicant, with no financial gain from this proposal. Commissioners allowed him to continue participating in the proceedings.

STAFF REPORT: Scarcelli reviewed the request and the property's history. The minor subdivision would create two lots, both zoned Industrial. Both proposed lots will be in excess of minimum dimension requirements. Bosak stated that Industrial property is in high demand in Sitka.

APPLICANT: Michael Tisher stated that he had no additional information to share.

COMMISSIONER DELIBERATION: Hughey stated that the request was very straightforward.

PUBLIC COMMENT: No public comment.

MOTION: M/S HUGHEY/WINDSOR moved approve the staff findings that 1) the proposal positively impacts the public's health, safety, and welfare by providing space in the Industrial Zone; and 2) is consistent with the comprehensive plan as discussed in the staff report.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

MOTION: M/S HUGHEY/WINDSOR moved to approve the final plat for a minor subdivision at 213 Price Street. The subdivision would create two lots. The property is also known as Lot 1 of Mick's Subdivision, U.S. Survey 3695. The request is filed by Michael Tisher. The owner of record is Michael Tisher.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

**VARIANCE REQUEST
121 MOLLY LANE, LOT 6 OF MOUNTAINVIEW PHASE II SUBDIVISION
PELLETT ENTERPRISES**

Public hearing and consideration of a variance request filed by Pellett Enterprises for 121 Molly Lane. The variance request is for a reduction in the front setback from 20 to 10 feet for the construction of a home. The property is also known as Lot 6 of Mountainview Phase II Subdivision. The request is filed by Pellett Enterprises. The owner of record is Mountain View Estates, LLC.

Chair Spivey stated that he had professional relationships with the applicant and the property owner. Hughey stated that he had a professional relationship with the applicant. Commissioners agreed to allow full participation by Spivey and Hughey.

STAFF REPORT: Scarcelli reviewed the request, highlighting the steep topography. Scarcelli stated that a 10 foot front setback was granted for the property directly across the cul-de-sac. Scarcelli stated that the Fire Department did not have concerns for the undersized cul-de-sac. Scarcelli stated that without a variance, additional excavation would be required to create an

acceptable building site. Scarcelli recommended a condition that the variance be measured as 10 feet from the property line to the drip line of eaves and no further.

APPLICANT: Kelly Pellett stated that the rear of the property has large rocks. The proposal would result in an elevation change of 12 feet from cul-de-sac to the lot level. Pellett stated that he also planned a rock wall to strengthen the lot.

COMMISSIONER DELIBERATION: No deliberation.

PUBLIC COMMENT: No public comment.

MOTION: M/S POHLMAN/HUGHEY moved to approve the required findings for variances involving major structures or expansions:

Required Findings for Variances Involving Major Structures or Expansions. Before any variance is granted, it shall be shown:

- e) That there are special circumstances to the intended use that do not apply generally to the other properties, *specifically, the steep lot topography;*
- f) The variance is necessary for the preservation and enjoyment of a substantial property right of use possessed by other properties but are denied to this parcel, *specifically, the ability to develop the property without extensive excavation;*
- g) That the granting of such a variance will not be materially detrimental to the public welfare or injurious to the property, nearby parcels, or public infrastructure, *specifically, that emergency vehicles will be able to properly access the cul-de-sac and that the front setback will not impact any adjacent property owners;*
- h) That the granting of such a variance will not adversely affect the Comprehensive Plan, *specifically, it is in line with Comprehensive Plan 2.4.1, which states, "To guide the orderly and efficient use of private and public land in a manner that maintains a small-town atmosphere, encourages a rural lifestyle, recognizes the natural environment, and enhances the quality of life for present and future generations without infringing on the rights of private landowners," and conditions of approval mitigate any harm and the proposal enhances the quality of access for current and future homeowners.*

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

MOTION: M/S POHLMAN/HUGHEY moved to approve the variance request filed by Pellett Enterprises for 121 Molly Lane, subject to the condition that the variance only be 10 feet as measured from property to drip-line of eaves and no further. The variance request is for a reduction in the front setback from 20 to 10 feet for the construction of a home. The property is also known as Lot 6 of Mountainview Phase II Subdivision. The

request is filed by Pellett Enterprises. The owner of record is Mountain View Estates, LLC.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

Chair Spivey stated that he had a business relationship with the applicant. Commissioners agreed to allow him to continue full participation.

**MAJOR AMENDMENT TO PLANNED UNIT DEVELOPMENT
100 INDIAN RIVER ROAD, LOT 3AA, INDIAN RIVER SUBDIVISION NO. 2
BARANOF ISLAND HOUSING AUTHORITY**

Public hearing and consideration of a major amendment to a planned unit development subdivision permit requested by the Baranof Island Housing Authority (BIHA) at 100 Indian River Road. The property is also known as Lot 3AA, Indian River Subdivision No. 2. The owner of record is the Baranof Island Housing Authority.

STAFF REPORT: Scarcelli reviewed the request and the previously approved Planned Unit Development. This major amendment would change the proposed location and orientation of the buildings, and join them by a fire wall across a property lot line. Parking requirements remain the same. The proposed amendment will result in the same number of dwelling units as the original plan, but a reduced number of bedrooms.

APPLICANT: Cliff Richter explained that a professional estimate showed that the project was a million dollars over budget. This proposed amendment is one piece of BIHA cutting back the project expenditures. Richter stated that BIHA has a waiting list for one-bedroom apartments, and this property will help alleviate the demand. Richter stated that the Section 184 loan requires no more than 4 units per lot, which makes the two-lot design necessary. Richter thanked the planning staff for being helpful throughout the process.

COMMISSIONER DELIBERATION: Pohlman stated that the proposal was straightforward.

PUBLIC COMMENT: No public comment.

MOTION: M/S WINDSOR/POHLMAN moved to approve the staff findings that 1) the proposed amendment complies with the comprehensive plan by providing for the enhancement of the quality of life in Sitka through the development of affordable housing options; 2) the major amendment, though creative and unique, is in line with the prior approved Planned Unit Development Subdivision; and 3) the major amendment would not be injurious to the public's health, safety, and welfare.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

MOTION: M/S WINDSOR/POHLMAN moved to approve the plat for a major amendment to a planned unit development subdivision permit requested by the Baranof Island Housing Authority (BIHA) at 100 Indian River Road. This approval is subject to the access and utility easements being slightly modified to incorporate the parking and utilities that cross

lots 3AA-1 into lots 3AA-2 and 3AA-3; and a binding plat note stating no lot may be sold independently of the other lots. The property is also known as Lot 3AA, Indian River Subdivision No. 2. The request is to allow a multiplex residential structure across lot lines. The owner of record is the Baranof Island Housing Authority.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

8:15—Commissioners took a 5 minute break.

ZONING TEXT CHANGE

LICENSED MARIJUANA ACTIVITY AS PERMITTED USE IN CBD, WD, I, C-1, C-2, GP ZONES CBS MARIJUANA ADVISORY COMMITTEE

Public hearing and consideration of a zoning text change request filed by the City and Borough of Sitka Marijuana Advisory Committee. The request would allow licensed marijuana activity as a permitted use in the Central Business District, Waterfront District, Industrial Zone, Commercial C-1 and C-2 zones, and the Gary Paxton Special Zone.

STAFF REPORT: Scarcelli reviewed the request and summarized marijuana regulation in Alaska. Scarcelli stated that state regulations are still evolving, and the state now allows cafes for consumption. Scarcelli stated that the application is broad, but state regulation addresses several specific categories of legal activity. Scarcelli cautioned the commissioners from moving too quickly, and encouraged the crafting of careful and thoughtful legislation. Bosak recommended that commissioners just start the discussion at this point.

COMMISSIONER DELIBERATION: Hughey asked if locations for marijuana would be more restrictive than alcohol. Bosak stated that marijuana would be more restrictive than alcohol, and referred to Drug Safe Schools. Bosak encouraged a joint meeting between the Planning Commission and Marijuana Advisory Committee. Bosak stated her preference for deliberating on the location of each category of marijuana use. Hughey stated that commissioners should be clear on the different legal activity categories before making an educated decision. Windsor stated that extensive public notice is required before opening a facility. Spivey stated that marijuana businesses cannot have business bank accounts since marijuana is federally illegal. Scarcelli stated that he has spoken to professionals from other localities who wish they would have rolled out local legislation more carefully. Windsor stated that the state will begin issuing licenses in May. Hughey expressed concern that if fees are too expensive, some individuals will still find illegal marijuana trade to be more profitable.

PUBLIC COMMENT: Jay Stelzenmeller, a member of the Marijuana Advisory Committee, stated that he primarily came to the meeting to hear the thoughts of Planning Commissioners. Stelzenmeller stated that he seeks to see marijuana move from the illegal realm to the legal realm. Stelzenmeller stated that marijuana businesses are not eligible for business tax benefits.

MOTION: M/S WINDSOR/POHLMAN moved to continue public hearing and discussion at the next scheduled Planning Commission meeting to allow for further study of negative impacts and the development of a zoning text change that would comply with newly

modified state regulations. The zoning text change request is filed by the City and Borough of Sitka Marijuana Advisory Committee. The request would allow licensed marijuana activities as a permitted use in the Central Business District, Waterfront District, Industrial Zone, Commercial C-1 and C-2 zones, and the Gary Paxton Special Zone.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

**ZONING TEXT CHANGE
LICENSED MARIJUANA ACTIVITY AS CONDITIONAL USE IN LI AND GI ZONES
CBS MARIJUANA ADVISORY COMMITTEE**

Public hearing and consideration of a zoning text change request filed by the City and Borough of Sitka Marijuana Advisory Committee. The request would allow licensed marijuana activity as a conditional use in the Large Island and General Island zones.

STAFF REPORT: Scarcelli reviewed the request and summarized marijuana regulation in Alaska. Scarcelli stated that state regulations are still evolving, and the state now allows cafes for consumption. Scarcelli stated that the application is broad, but state regulation addresses several specific categories of legal activity. Scarcelli cautioned the commissioners from moving too quickly, and encouraged the crafting of careful and thoughtful legislation. Bosak recommended that commissioners just start the discussion at this point.

COMMISSIONER DELIBERATION: Hughey asked if locations for marijuana would be more restrictive than alcohol. Bosak stated that marijuana would be more restrictive than alcohol, and referred to Drug Safe Schools. Bosak encouraged a joint meeting between the Planning Commission and Marijuana Advisory Committee. Bosak stated her preference for deliberating on the location of each category of marijuana use. Hughey stated that commissioners should be clear on the different legal activity categories before making an educated decision. Windsor stated that extensive public notice is required before opening a facility. Spivey stated that marijuana businesses cannot have business bank accounts since marijuana is federally illegal. Scarcelli stated that he has spoken to professionals from other localities who wish they would have rolled out local legislation more carefully. Windsor stated that the state will begin issuing licenses in May. Hughey expressed concern that if fees are too expensive, some individuals will still find illegal marijuana trade to be more profitable.

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MOTION: M/S POHLMAN/HUGHEY moved to continue public hearing and discussion at the next scheduled Planning Commission meeting to allow for further study of negative impacts and the development of a zoning text change that would comply with newly modified state regulations. The zoning text change request is filed by the City and Borough of Sitka Marijuana Advisory Committee. The request would allow licensed marijuana activities as a conditional use in the Large Island and General Island zones.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

DIRECTORS REPORT: Scarcelli reported that he and Bosak had attended the Alaska Planning Association meeting. Scarcelli noted that the next Commission agenda would include marijuana discussion, a Comprehensive Plan presentation by staff, and two variances.

COMMISSIONER DISCUSSION: Spivey asked about public attendance at Marijuana Advisory Committee meetings. Windsor stated that the Committee has not had much public attendance, and is considering holding a Town Hall meeting. Pohlman stated that there are potential benefits to legal marijuana activity that are not being discussed, such as marijuana cultivators using leftover planting pots that would otherwise be sent to the landfill.

MOTION: M/S WINDSOR/POHLMAN moved to adjourn at 8:53 pm.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

Chris Spivey, Chair

Samantha Pierson, Secretary