

AGENDA

A. CALL TO ORDER

B. ROLL CALL

C. PLEDGE OF ALLEGIANCE

D. APPROVAL OF AGENDA

- 1. Approval of Minutes of Previous Meetings
 - a. August 28, 2018, Regular Meeting Page 3

E. COMMUNICATIONS AND APPEARANCE REQUESTS

- 1. Presentation from George Collum Regarding the Palmer Golf Course..... Page 7

F. REPORTS

- 1. City Manager’s Report Page 9
- 2. City Clerk’s Report Page 15
- 3. Mayor’s Report Page 17
- 4. City Attorney’s Report

G. AUDIENCE PARTICIPATION

H. PUBLIC HEARING

- 1. **Ordinance No. 18-006:** Amending Palmer Municipal Code Title 17 by Repealing Chapter 17.88 and Section 17.08.038 Bed and Breakfast and Enacting Chapter 17.89 Short Term Rentals Page 27

I. RECORD OF ITEMS PLACED ON THE TABLE

J. AUDIENCE PARTICIPATION

K. COUNCIL MEMBER COMMENTS

L. ADJOURNMENT

Tentative 2018 Palmer City Council Meetings

Meeting Date	Meeting Type	Time	Notes
Oct 8	Special	6 pm	Election Certification
Oct 9	Regular	7 pm	
Oct 16	Special	6 pm	1 st Budget Public Hearing
Oct 23	Special	6 pm	Budget
Oct 30	Special	6 pm	Budget
Nov 6	Special	6 pm	Budget
Nov 13	Regular	7 pm	
Nov 20	Special	6 pm	Budget
Nov 27	Special	6 pm	Budget
Nov 27	Regular	7 pm	
Dec 4	Special	6 pm	Budget
Dec 11	Special	6 pm	Budget
Dec 11	Regular	7 pm	Budget Adoption (2 nd Public Hearing)

A. CALL TO ORDER

A regular meeting of the Palmer City Council was held on August 28, 2018, at 7:00 p.m. in the Council Chambers, Palmer, Alaska. Mayor DeVries called the meeting to order at 7:00 p.m.

B. ROLL CALL

Comprising a quorum of the Council, the following were present:

Edna DeVries, Mayor
Steve Carrington
Sabrena Combs
Pete LaFrance

Richard W. Best, Deputy Mayor
Linda Combs
David Fuller

Staff in attendance were the following:

Nathan Wallace, City Manager
Michael Gatti, City Attorney

Norma I. Alley, MMC, City Clerk
Angie Anderson, Deputy City Clerk

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

D. APPROVAL OF AGENDA

1. Approval of Consent Agenda
 - a. **Action Memorandum No. 18-072:** Authorizing the City Manager to Negotiate and Enter into a Contract with Bering Marine Corporation for the Purchase and Delivery of 100 Tons of Road Salt in the Amount of \$16,830.00
 - b. **Action Memorandum No. 18-073:** Authorizing the City Manager to Enter into a Sole Source Procurement and Execute a Contract with National Meter & Automation for Badger Water Meters and Supplies in the Amount of \$25,464.00
 - c. **Action Memorandum No. 18-074:** Authorizing the City Manager to Negotiate and Execute a New Lease Agreement with Stephen J. and Heidi R. Hastings for a Lease on Block 3, Lease Lot 21, Palmer Municipal Airport for the Purpose of Establishing a Business Use Aircraft Hangar

Main Motion: To Approve Agenda and Consent Agenda

Moved by:	L. Combs
Seconded by:	Fuller
In favor:	Best, Carrington, L. Combs, S. Combs, DeVries, Fuller, LaFrance
Opposed:	None
Action:	Motion Carried

E. REPORTS

1. City Manager's Report

City Manager Wallace highlighted his written report and added:

- The Glenn Highway Project was well under way;
- The state repaired the intersection of the Glenn Highway and Palmer Wasilla Highway;

- FAA Airport Grant was approved and details would be brought to the next City Council meeting for Council's review;
- The grounds crew's season was coming to an end;
- Ice was being laid in the MTA Event Center and would be open for the winter season in a week;
- City offices were to be closed for Labor Day; and
- City Manager Wallace handed out a Hidden Ranch Subdivision parcel map showing three parcels for potential purchase and discussion ensued on what type of park would be the best fit.

Main Motion: For the City Manager to Start Negotiations for the Purchase of a Triangular Piece of Hidden Ranch Phase 4, Lot 19

Moved by:	S. Combs
Seconded by:	Fuller
Action:	Motion Carried
In favor:	Best, Carrington, L. Combs, S. Combs, DeVries, Fuller, LaFrance
Opposed:	None

2. City Clerk's Report

City Clerk Alley highlighted her written report.

3. Mayor's Report

Mayor DeVries highlighted her written report and announced the Mat-Su College was celebrating their 60th Anniversary on October 4, at 6:00 p.m.

4. City Attorney's Report

None.

F. AUDIENCE PARTICIPATION

None.

G. PUBLIC HEARING

1. **Ordinance No. 18-005:** Amending Palmer Municipal Code Title 14 Pertaining to Signs .

Mayor DeVries opened the public hearing on Ordinance No. 18-005. Seeing no one come forward to speak and hearing no objection from the Council, the public hearing was closed.

Main Motion: To Adopt Ordinance No. 18-005

Moved by:	S. Combs
Seconded by:	Carrington
Action:	Motion Carried
In favor:	Best, Carrington, L. Combs, S. Combs, DeVries, Fuller, LaFrance
Opposed:	None

H. ACTION MEMORANDA

None.

I. RECORD OF ITEMS PLACED ON THE TABLE

City Clerk Alley reported the "Work Hard and Be Nice" mini poster from the Mayor's report and map from City Manager Wallace's report were Items Placed on the Table.

J. AUDIENCE PARTICIPATION

None.

K. COUNCIL MEMBER COMMENTS

Council Member L. Combs:

- Thanked Council Member S. Combs for the invitation to sit in the grandstands for the Alaska State Fair Parade;
- Reminded everyone the sister city school program was kicking off and encouraged all to welcome the Japanese delegates;
- Announced she was attending the signing of SB/69 regarding behavioral health on August 29,;
- Stated she would be traveling to Nome Alaska for the Alaska Commission on Aging; and
- Encouraged all to enjoy the Alaska State Fair.

Council Member Fuller stated he was excited about approving signage regulations, was looking forward to them being enforced, and requested land owners be notified for non-compliance.

Council Member S. Combs expressed thanks to Mr. John Prevost, Ailis Vann, Tracie Maes, City Manager Wallace and his family, and all others who helped with the parade.

Deputy Mayor Best thanked the Council for support of land purchase for a city park.

L. EXECUTIVE SESSION

1. Matter which by Law, Municipal Charter, or Ordinances are Required to be Confidential – Pending Litigation Attorney Client Communication: William Pedersen et al vs. City of Palmer Case No. 3PA-17-01409CI (Note: action may be taken following the executive session)

Council Member L. Combs recused herself from the meeting due to her service as a Board of Director on the Senior Center. Hearing no objections from the Council, Council Member L. Combs left the meeting at 7:53 p.m.

Mayor DeVries called a recess from 7:53 p.m. to 8:00 p.m.

Main Motion: To Enter into Executive Session to Discuss Matter which by Law, Municipal Charter, or Ordinances are Required to be Confidential – Pending Litigation Attorney Client Communication: William Pedersen et al vs. City of Palmer Case No. 3PA-17-01409CI

Moved by:	S. Combs
Seconded by:	Fuller
Action:	Motion Carried
In favor:	Best, Carrington, S. Combs, DeVries, Fuller, LaFrance
Opposed:	None
Recuse:	L. Combs

The Council entered into Executive Session at 8:00 p.m. and reconvened the regular meeting at 8:29 p.m.

Council Member L. Combs returned to the dais at 8:29 p.m.

2. Subjects That Tend to Prejudice the Reputation and Character of Any Person – City Manager’s Evaluation (Note: action may be taken following the executive session)

Main Motion: To Enter into Executive Session to Discuss Subjects that Tend to Prejudice the Reputation and Character of Any Person – City Manager

Moved by:	S. Combs
Seconded by:	Fuller
Action:	Motion Carried
In favor:	Best, Carrington, L. Combs, S. Combs, DeVries, Fuller, LaFrance
Opposed:	None

The Council entered into Executive Session at 8:34 p.m. The regular meeting reconvened at 9:15 p.m.

Upon exiting the Executive Session, the following motions were made:

Main Motion: To Approve a Three-year Contract with the City Manager and Change Sections 4.a. and 12.b. to Have a Date of August 28, 2018, as amended.

Moved by:	L. Combs
Seconded by:	S. Combs
Action:	Motion carried
In favor:	Best, Carrington, L. Combs, S. Combs, DeVries, Fuller, LaFrance
Opposed:	None

Primary Amendment #1: To Add a Longevity Bonus of \$10,000.00 For Each Year at Contract Renewal

Moved by:	LaFrance
Seconded by:	S. Combs
Action:	Motion Carried
In favor:	Best, Carrington, L. Combs, S. Combs, DeVries, Fuller, LaFrance
Opposed:	None

M. ADJOURNMENT

With no further business before the Council, the meeting adjourned at 9:17 p.m.

Approved this _____ day of _____, 2018.

Norma I. Alley, MMC, City Clerk

Edna B. DeVries, Mayor

2018 PALMER GOLF COURSE FALL REPORT

SUMMARY:

WE OPENED 12 HOLES BY APRIL 18TH, FIVE DAYS BEHIND LAST YEAR. WE WENT TO 18 HOLES BY APRIL 19TH. POWER CARTS AND DRIVING RANGE STARTED ON APRIL 25TH. THE WEATHER REMAINED COLD AND WINDY UNTIL LATE MAY. WE TURNED ON THE IRRIGATION PUMP ON MAY 2ND AND BEGAN TESTING THE SYSTEM. MOST OF THE COURSE HAD IRRIGATION BY THE BEGINNING OF JUNE. WE EXPERIENCED SOME ICE DAMAGE ON THREE OF OUR GREENS, BUT WERE ABLE TO GET THEM SHAPED UP QUICKLY. ALTHOUGH THINGS STARTED SLOW, WE SURPASSED LAST SEASON'S NUMBERS BY THE END OF JUNE. WE WERE HONORED TO HOST THE U.S. OPEN QUALIFIER, THE ALASKA STATE SENIOR, AND THE U.S.G.A. MID-AM QUALIFIER. CUSTOMER SATISFACTION WITH OUR FACILITY WAS AT AN ALL TIME HIGH. THIS IS THE BEST CONDITIONED COURSE I'VE SEEN IN ALASKA IN MY 38 YEARS WORKING IN THE INDUSTRY.

2018 ACCOMPLISHMENTS:

- MAXIMIZED REVENUES AND CONTROLLED EXPENSES
- ACQUIRED A GREENS ROLLER
- CONTINUED TO REPLACE OLD PVC PIPE WITH HDPE
- 100% OF IRRIGATION SYSTEM WAS ONLINE BY JUNE
- ACQUIRED A USED FAIRWAY MOWER
- FAIRWAY RESTORATION PROJECT CONTINUES
- CONTINUED TO REPAIR OUR AGING MAINTENANCE EQUIPMENT AND CART FLEET
- ADDED 3 CLUB CAR UTILITY CARTS FOR MAINTENANCE
- ACQUIRED POND LINERS FOR OUR LAKES ON HOLES #16 & 17
- PURCHASED NEW FLAGS, CUPS AND FLAGSTICKS
- USED SOCIAL MEDIA TO PROMOTE THE GOLF COURSE AND EVENTS
- GREW THE GAME OF GOLF THROUGH OUR HOOK A KID ON GOLF CLINIC, JUNIOR GOLF PROGRAM AND FREE KID'S DAY CLINIC

GOALS AND PROJECTS FOR 2018:

- MAXIMIZE REVENUES WHILE CONTROLLING EXPENSES
- INCREASE ROUNDS PLAYED AND ATTRACT NEW TOURNAMENTS
- REPLACE THE CLUBHOUSE DECK AND ADD GUTTERS
- REPAIR POWER CARTS AND MAINTAIN EQUIPMENT
- ADD 4 GOLF BOARDS TO OUR RENTALS
- CONTINUE TO REPLACE OLD PVC IRRIGATION PIPE WITH HDPE
- ACQUIRE A LARGE ROTARY DECK ROUGH MOWER AND GREENS ROLLER
- LINE THE PONDS TO KEEP THEM FULL OF WATER
- USE SOCIAL MEDIA TO PROMOTE OUR COURSE
- UPDATE OUR WEBSITE
- ACQUIRE GOLF CARTS TO FRESHEN UP OUR FLEET
- CONTINUE TO OFFER OUR "FLY-IN GOLF" SPECIAL
- GROW THE GAME THROUGH OUR JUNIOR PROGRAMS AND CLINICS



Staff Update and analysis (August 2018):

Police Department:

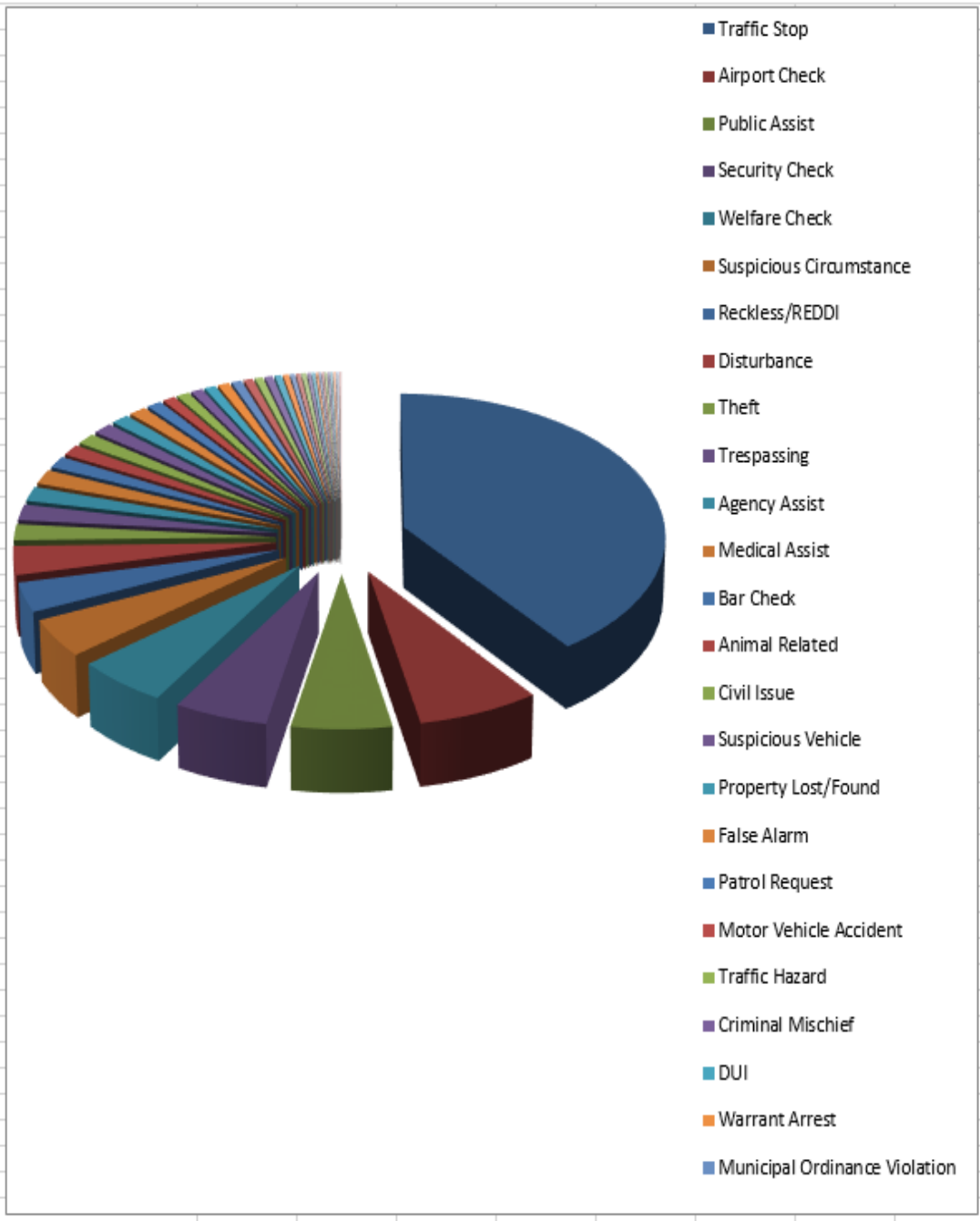
Total calls: 1,327 up from 941 in July (State Fair)

Call breakdown - 49%(July -38%) traffic/vehicle related, 19%(July - 19%) checks (welfare/property), 14%(July - 17%) citizen assistance, 19%(June -26%) other.

**Patrol Calls
 August, 2018**

CAD REPOF

Traffic Stop	528
Airport Check	94
Public Assist	77
Security Check	72
Welfare Check	71
Suspicious Circumstance	57
Reckless/REDDI	44
Disturbance	43
Theft	24
Trespassing	24
Agency Assist	22
Medical Assist	22
Bar Check	18
Animal Related	17
Civil Issue	17
Suspicious Vehicle	17
Property Lost/Found	16
False Alarm	15
Patrol Request	13
Motor Vehicle Accident	11
Traffic Hazard	11
Criminal Mischief	10
DUI	10
Warrant Arrest	10
Municipal Ordinance Violation	9
Assault	8
Attempt to Locate	7
Traffic Offense	7
Motorist Assist	6
Drug Information	5
Harassment	4
Parking Complaint	4
Public Appearance	4
Stolen Vehicle	3
Traffic Control	3
Domestic Violence Service	2
Driving While License Suspended	2
Eluding	2
Flight	2
Fraud	2
Leaving the Scene	2
Minor Consuming Alcohol	2
Misconduct Involving Controlled Substance	2
Minor in Need	2
Protective Custody	2
Provide Transportation	2
Shoplifting	2





Fire Department: Calls: 63(67 – July) in August 2018, down by 7% from last month, up by 7% from last year
 Fire: 8(17 - July), Rescue: 25(20 - July), Hazard: 4(1 - July), Good intents: 12(14 – July), False alarm: 8(11 – July),
 Special Incident: 0(0 - July), Service call: 6(4 - July), Overpressure/explosion/overheat: 0(0 – July).

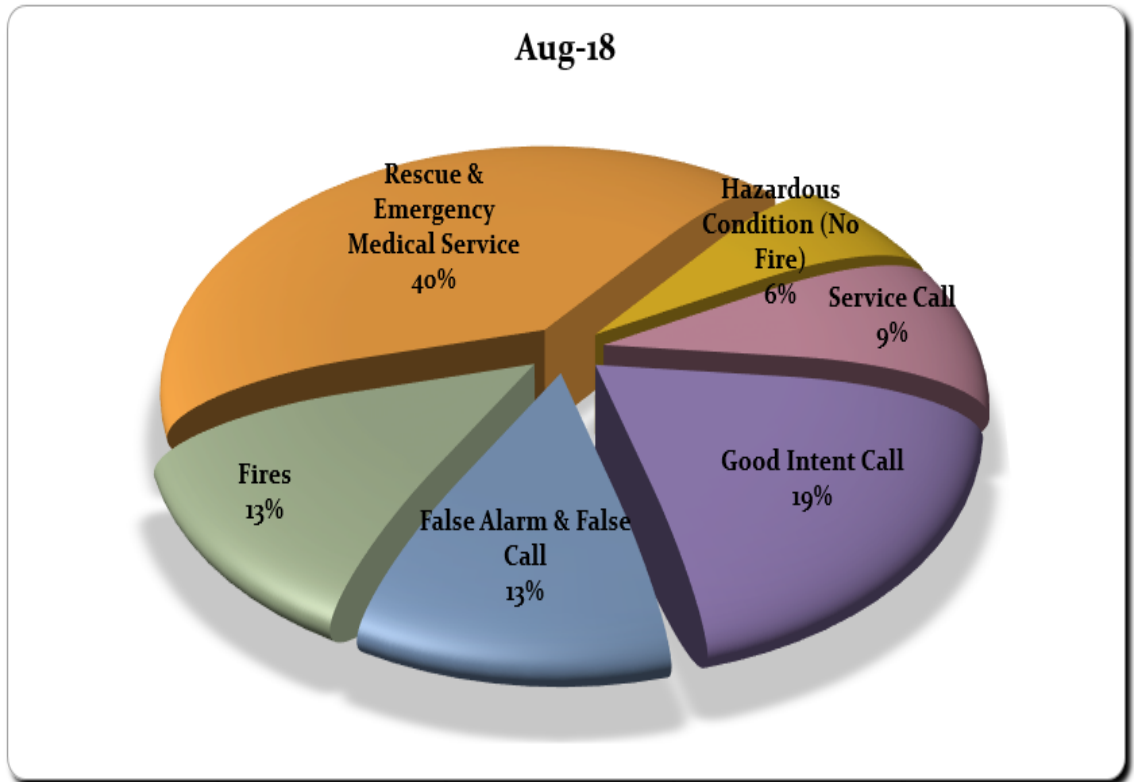
Palmer Fire & Rescue

Report made on 9/10/2018



Major Incident Type	# Incidents
Fires	8
Rescue & Emergency Medical Service	25
Hazardous Condition (No Fire)	4
Service Call	6
Good Intent Call	12
False Alarm & False Call	8

TOTAL 63





Report to Council
 City Manager Nathan Wallace
 September 25, 2018

Community Development:

Library:

Patrons: **July** **August**

Total Registered Patrons *13,993* *14,054*

Total Mat-Su Borough Resident Patrons 10,801 10,853
 Total City of Palmer Resident Patrons 3,192 3,201
 New Library Users **75** **61**

Usage: **July** **August**
 Patron Visits/Count 11,982 7,909
 Reference Questions 1,658 1,516
 Library Computer Sessions 2,424 1,989
 WIFI Sessions 1,522 1,540
 Circulation (PPL items) 10,908 10,681
 Magazine circulation 545 600
 Take Home Paperbacks 481 347

Programs:

Children's Programs	56 Events	3,162 Participants	0 Events	0 Participants
Class Visits	5 Events	64 Participants	0 Events	0 Participants
Young Adult Programs	37 Events	142 Participants	2 Events	6 Participants
Adult Programs	9 Events	54 Participants	6 Events	33 Participants
Total Library Programs	107 Events	3,422 Participants	8 Events	39 Participants

Community Events	111 Events	160 Participants	15 Events	120 Participants
Total Events	218 Events	3,582 Participants	23 Events	159 Participants

Building and Compliance:

Compliance Letters dispatched: 5(1 - July) (unsightly premise), 0(1 - July) (clean up follow up), and 5(14 - July) (permit follow ups), other: 2(23 - July)



Building Department Report
AUGUST 2018

Permit Type	Count	Total Valuation	Permit Fees Collected	Plan Review Fees Collected
Building Permit	13	\$1,302,117.00	\$12,027.50	\$5,002.50
Sign Permit	6	\$33,501.00	\$1,084.00	
Fence Permit	2	\$17,000.00	\$52.00	
Totals	21	\$1,352,618.00	\$13,163.50	\$5,002.50

TYPE OF PERMITS:

Applicant	Valuation	Type of Work	Permit Fee	Plan Review Fee
Schwartz, Jonathan W.	\$3,000.00	RES Alteration	\$92.50	
Berberich, Julie	\$0.00	Temporary Sign	\$0.00	
Matanuska Electric Assoc.	\$153,660.00	COM Alteration	\$1,443.50	\$938.25
Kolivosky, Melinda	\$10,000.00	Fence	\$26.00	
Swart, Renier & Shannon	\$2,000.00	Storage Shed	\$77.00	
Stand for Alaska/Vote No. on 1	\$0.00	Temporary Sign	\$0.00	
Shiloh Baptist Church of Palmer	\$15,000.00	COM Alteration	\$279.50	\$181.50
Best, Richard W.	\$0.00	Temporary Sign	\$0.00	
McDonald's Corporation	\$254,750.00	COM Alteration	\$2,072.25	\$1,346.75
McDonald's Corporation	\$21,500.00	Sign	\$806.00	
Lucky Wishbone, Inc.	\$10,000.00	COM Alteration	\$201.50	-----
HNK Leasing LLC	\$1,500.00	COM Alteration	\$60.00	\$36.00
Earns, Clint	\$15,000.00	COM Alteration	\$279.50	\$181.50
Hanson, Michael	\$229,507.00	RES Single Family	\$1,917.75	
Johnson, Jeff	\$140,000.00	COM Alteration	\$1,356.25	\$881.50
Giannulis, Gregg	\$0.00	Temporary Sign	\$0.00	
U-Haul Co. of Alaska	\$200,000.00	COM Alteration	\$1,730.75	\$1,124.75
Selway Corporation	\$248,900.00	RES Single Family	\$2,036.50	
Doney & Doney Corp.	\$7,000.00	Fence	\$26.00	
Passport LLC	\$12,001.00	Sign	\$278.00	
Passport LLC	\$28,800.00	COM Alteration	\$480.50	\$312.25



Building Department Report
AUGUST 2018

YEAR TO DATE COMPARISON:

Year	Building Permits	Sign Permits	Fence Permits	Year to Date Valuation	Year to Date Permit Fees	Year to Date Plan Review Fees
2009	67	13	27	\$13,665,411.00	\$79,696.50	
2010	74	31	13	\$18,878,147.00	\$102,152.50	
2011	86	21	20	\$6,753,408.00	\$54,885.00	
2012	71	24	9	\$17,928,752.00	\$109,447.50	
2013	55	17	14	\$10,565,944.00	\$73,244.50	
2014	73	27	9	\$13,692,121.00	\$94,858.25	
2015	78	18	12	\$9,122,698.00	\$77,309.75	
2016	65	30	14	\$34,054,062.00	\$174,599.50	\$25,111.00
2017	65	15	15	\$4,494,100.00	\$42,541.60	\$14,706.00
2018						

Golf Course:

	July	August
Operational Days:	31	31
Number of Rounds:	3,525.00	2,295.00
Green Fees:	65,431.00	33,010.50
Cart Rental:	26,520.00	15,580.00
Club Rental:	1,490.00	1,180.00
Driving Range:	7,026.75	3,722.00
Merchandise Sales:	34,457.55	23,113.40
Snack Bar:	18,482.75	10,109.00
Beer & Wine:	13,417.25	7,955.75



Norma I. Alley, MMC
City Clerk

Phone: (907) 745-3271
Direct: (907) 761-1321
Fax: (907) 761-1340

231 W. Evergreen Ave.
Palmer, Alaska 99645-6952
www.cityofpalmer.org

TO: Palmer City Council
FROM: Norma I. Alley, MMC *Norma I. Alley*
SUBJECT: City Clerk's Report for the September 25, 2018, Council Meeting

1. October 2, 2018, Regular Election Update

Do you know someone that is not able to make it to the polls due to age, illness, or disability? They have the option of voting by personal representative. For more information, please contact my office at 761-1301.

21 Absentee Ballots were mailed on September 12 and some ballots have already been returned.

Important Election Dates:

- **Early Voting:** September 17 - October 1
 - MSB: M-F from 8:00 a.m. – 5:00 p.m.
 - DOE:
 - September 17 – September 29
 - M-F from 9:00 a.m. – 7:00 p.m.
 - Sat. from 10:00 a.m. – 3:00 p.m.
 - October 1:
 - 9:00 a.m. – 5:00 p.m.
- **Last Day to Request an Absentee Ballot:** September 25
- **Canvass Board:** October 5 at 2:00 p.m. in City Hall Council Chambers
- **Certification of Election:** October 8 at 6:00 p.m. at City Hall

2. PZC & PRCRAB Recruitment

Advertising has begun to fill the vacant PZC & PRCRAB seats with the following:

- The Frontiersman (will be in the paper twice)
- Website's Home and Boards & Commissions pages
- Bulletin board/window at City Hall (see attached)
- Facebook
- Chamber's Weekly E-blast

Applications will be accepted until 4:30 p.m. on Friday, September 28, with the intention of having the appointment on the October 23rd Agenda. If you know anyone interested in serving, please feel free to send them to the website (www.cityofpalmer.org) to download a fillable application, ask them to stop by City Hall, or contact my office.

3. Upcoming Events

Below is a list of upcoming events on the City Clerk’s Office radar. Please let us know if you are aware of any other events and if you are or are not planning on attending one of the events below:

Name of Event	Date	Time	Location
MatSu Rebuild Public Meeting	9/18	6:30 P	Palmer Library
Head Start Open House	9/20	4:45-7 P	Wasilla
MastSu College 60th Anniversary Celebration Open House	10/4	6 P	Glenn Massay Theater

4. Tentative Upcoming Meetings

Tentative Future Meeting Schedule			
Meeting Date	Meeting Type	Time	Notes
Oct 8	Special	6 pm	Election Certification
Oct 9	Regular	7 pm	
Oct 16	Special	6 pm	1 st Budget Public Hearing
Oct 23	Special	6 pm	Budget
Oct 23	Regular	7 pm	
Oct 30	Special	6 pm	Budget
Nov 6	Special	6 pm	Budget

Mayor's Memo

Council Meeting report -Sept 25, 2018

UP COMING EVENTS

- ❖ **Agenda Setting Meeting – Sept 27**
- ❖ **Radio – Mayor – September 21**
- ❖ **Job Corp Workforce luncheon – October 25**
- ❖ **October 4 – Mat Su College Anniversary**
- ❖ **Community Luncheon – Sept. 27**
- ❖ **Potato Bowl – September 28**
- ❖ **City of Palmer Election October 2 – BE SURE TO VOTE**
- ❖ **Greater Palmer Chamber Fund Raiser – October 13**
- ❖ **Railroad Task force Mtg – Anchorage – Sept. 20**
- ❖ **Stand for Salmon – answers to questions from AML**

We have several upcoming vacancies in our boards and commission. Complete application online at CityOfPalmer.org or call City Clerk at 761-1301 or stop by her office to pick up an application. Some positions require City of Palmer residency.

Get involved. We want and value your input and participation.

Edna DeVries Mayor

Norma Alley

From: Nils Andreassen <nils@akml.org>
Sent: Wednesday, September 05, 2018 9:41 AM
To: Branson, Pat; Karl Kassel
Cc: 'District 3 - Tim Navarre'; jhill@haines.ak.us
Subject: Ballot Measure One impact
Attachments: BM1 - potential responses.pdf; AK Municipal League BM1 Impact Analysis.pdf; AML Response 9-4-2018 with Attach.pdf

Dear ACoM members, and AML board members,

One of the requests from our Summer Meeting was for more information about Ballot Measure One. Attached please find:

- Overview and policy brief – this is a quick review of the Ballot Measure with a number of links to further information
- Response to AML questions from DEC – thank you to Commissioner Hartig’s staff for coordinating answers to AML questions
- Potential AML and/or ACoM responses – I’ve drafted these just so you can see the ways in which we could respond

Note that the public hearings are scheduled in the coming weeks - <https://aws.state.ak.us/OnlinePublicNotices/Notices/View.aspx?id=189769>. Public comments are also encouraged through this site.

I believe the motion at ACoM was tabled (or, more technically, postponed). So this information is for ACoM and/or AML consideration and potential action. Either way, I hope that the attached is informative for all AML members.

Best regards,
Nils

Nils Andreassen
Executive Director
Alaska Municipal League
“Strengthening Alaska’s Communities”
1.907.351.4982

Ballot Measure 1 Impact Analysis for AML

Introduction: Ballot Measure 1 is an initiative to strengthen protections for anadromous fish habitat in Alaska. A "yes" vote would require the Alaska Department of Fish and Game (ADF&G) to establish new requirements and permitting rules for any activity that could cause adverse effects. Existing projects, operations, or facilities that have received all state and federal permits are exempted, unless significant modifications or expansions are made around bodies of water with anadromous fish. They would also have to apply for permits under the new rules once their current fish permits expired (typically less than five years). The measure creates three types of permits. A "minor" permit would be issued for activities that have little impact on fish habitat. A "major" permit would be issued for projects that have the potential to cause significant adverse effects. A "general" permit for minor activities that applies to an entire designated area, for example, a permit for subsistence hunters to ford rivers with ATVs.

Organized Support and Opposition: Briefly, organizations have been created on either side of the measure with both receiving funding from a mix of Alaska and Outside sources. Yes for Salmon ([Link](#)) and Stand for Salmon ([Link](#)) main arguments are that current law is too vague on what it means to "sustainably develop" areas around fishing habitat. They would like to see more bodies of water surveyed in the state's Anadromous Waters Catalog ([Link](#)), and more public involvement in the permitting process. Currently, the law does not allow for public comment nor does it require ADF&G to issue a public notice when adjudicating a permit application. They have raised ~\$1.1 million. Stand for Alaska ([Link](#)) is the main opposition group and argues current regulations do plenty to protect fish when they enter Alaska waters. New regulation would impact the main projects that drive Alaska's economy and labor force, as well as substantially increase the permitting time and financial need for new projects. They have raised ~\$9 million.

Status: On August 8th, the Alaska Supreme Court ruled the initiative contains unconstitutional sections that must be removed before it can appear on the ballot in November. Specifically, the section where the ADF&G commissioner could prohibit projects that would cause "substantial damage" to anadromous fish habitat will be deleted from the measure. Supporters and opponents will continue their organizing efforts even after this modification.

Impacts: Both sides of the initiative can't seem to agree on exactly how the measure would impact future development in Alaska. The initiative does assume all bodies of water in Alaska are habitat for anadromous fish unless proven otherwise. The State estimates it has cataloged about half of all potential anadromous fish habitat at 19,000 streams, lakes, and rivers. Also, the measure does not allow developers to set aside habitat restoration in another part of the state. They must conduct preservation, mitigation, or restoration operations along the same body of water they are impacting with development. This may impact larger, more permanent, resource development projects like Donlin and Pebble Mines, or community infrastructure projects like roads and airports, that would permanently alter fish habitat. **Permits would be required for all structures that cross salmon-bearing streams.** Supporters of the initiative believe these issues can be resolved by slightly altering the process or location of development.

During a legislative hearing on July 20th, state government officials estimated the measure would cost approx. \$3 million per year in the near term to implement its changes. \$1.3 million per year over five years for the Fish and Game's budget for developing updated regulations and guidance documents. \$950,000 per year for the Department of Transportation (DOT) to comply with new fish habitat requirements. \$450,000 per year for the departments Environmental Conservation and Law to broaden water quality standards for discharges in fish spawning areas and enforcing new civil penalties for violating permits. Officials and legislators speculated permit reviews into the riparian area near the shoreline of a water body could preclude development in an entire floodplain, fire departments would be prevented from filling tanker trucks from salmon streams, and the DOT would not be allowed to use rip-rap when dealing with emergency flood and erosion situations. Governor Walker's commissioners have been advised to remain neutral on the initiative. ([Link](#))

Potential projects impacted: It appears the impacts on small-scale community projects by this initiative vary wildly depending on what side of the issue an organization is on. Supporters strongly believe the ballot measure will bring more transparency to permitting and streamline the process for vital rural infrastructure development. Opponents believe the initiative is new job killing regulation. They feel existing projects will be impacted when current ADF&G permits expire, and will add substantial legal, technical, and financial hurdles for any project involving a body of water in the state. All Alaska Native corporations oppose the measure and cite impacts to 7(I) and rural development as reasons. Specific projects are rarely mentioned outside of the large proposed developments in the state (Donlin, Pebble, Susitna Dam, etc.), and when they are, few, if any reasons are given to support their claims. That being said, I was able to find some information through my research and it is listed below:

Doyon claims the following would be impacted: Shageluk Airport Access Road Improvement, McGrath Airport Rehab and Erosion Control, Rerouting the Taylor Highway at Eagle, Birch Creek water and sewer systems/Washeteria, Huslia proposed ice road, Koyukuk water and sewer, Nulato Airport Access Road Improvements, Galena Campion Road/Beaver Creek Culvert Replacement Project, Ambler Road, Alatna/Allakaket bridge, Tanana Road (phase two, plus barge landings), and Nenana River Bridge at Nenana. Doyon claims road, water, and wastewater treatment projects in rural villages would require major permits. They also claim villages would bear the costs of obtaining a major permit, but federally recognized tribes are exempted from providing the bonding requirements in the major permit section. ([Link](#))

Donlin Gold believes the mine would not be constructed if the initiative passes because it would not be able to satisfy permit requirements. The mine would permanently eliminate two streams of anadromous fish according to legal documents filed by the state.

The Kuskokwim Corporation, a village corporation, owns the surface rights to Donlin mine, but is more concerned about the initiative's impact on small-scale community development. Their vice president was quoted saying projects like a road in Chuathbaluk to build new houses or relocating a graveyard in Kalskag would be impacted because of the problem of erosion. ([Link](#))

Wade Strickland, Dept. Of Environmental Conservation's wastewater program manager claims rural community water and sewage systems will be severely impacted by this initiative.

“Accordingly, many communities and industries statewide that discharge treated wastewater to freshwater will likely need to engineer and fund improvements to their wastewater treatment facility to comply with the requirements. In addition, DEC permit application reviews are expected to increase in complexity as communities and industry work within the legal framework.”

Conclusion: There appears to be no consensus on how this initiative will impact large projects or small-scale development across the state. Supporters acknowledge a small percentage of projects will not make it past these stronger permit regulations, but overall, it will be worth it to protect anadromous fish habitat. Opponents argue ADF&G would lose any flexibility it had in the past to balance concerns for wildlife with necessary development, in addition to claims that most construction projects would face higher costs and lengthier permitting adjudication. The final initiative language should be released before the ballot printing deadline of September 5th.

Sources:

- <http://www.elections.alaska.gov/petitions/17FSH2/17FHS2%20Bill.pdf>
- [https://ballotpedia.org/Alaska_Ballot_Measure_1,_Salmon_Habitat_Protections_and_Permits_Initiative_\(2018\)](https://ballotpedia.org/Alaska_Ballot_Measure_1,_Salmon_Habitat_Protections_and_Permits_Initiative_(2018))
- <https://www.adn.com/alaska-news/environment/2018/08/08/supreme-court-decides-stand-for-salmon-initiative-can-appear-on-ballot-after-unconstitutional-portion-is-removed/>
- <https://www.ktoo.org/2017/12/07/salmon-ballot-initiative-impact-development-alaska/>
- <https://www.seattletimes.com/seattle-news/alaska-supreme-court-hears-salmon-ballot-initiative-case-2/>
- <https://www.alaskapublic.org/2018/07/05/stand-for-salmon-ballot-initiative-has-big-implications-for-donlin-mine/>
- <https://www.alaskapublic.org/2018/04/27/alaska-supreme-court-weighs-legality-of-yes-for-salmon-ballot-initiative/>
- <http://juneauempire.com/state/news/2018-04-26/alaska-s-high-court-hears-dispute-over-salmon-ballot-measure>
- <http://www.ktva.com/story/38054786/controversial-salmon-initiative-goes-to-alaska-supreme-court>
- <http://www.nomenugget.com/news/ballot-measure-aiming-protect-salmon-habitat-divides-alaskans>
- <https://www.miningnewsnorth.com/story/2018/06/01/news-nuggets/ciri-says-no-to-yes-for-salmon/5191.html>
- <https://www.asrc.com/PressReleases/Pages/Stand-for-Salmon.aspx>
- <https://beringstraits.com/message-president-ceo-4/>
- <https://www.alaskapublic.org/2017/11/15/bristol-bay-native-corp-against-stand-for-salmon-initiative/>
- https://www.sealaska.com/sites/default/files/SK_Community%20Meeting%20Booklet%20FINAL.pdf
- <http://www.alaskalegislativedigest.com/?p=805>



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of
Environmental Conservation**

DIVISION OF WATER

555 Cordova Street
Anchorage, AK 99501
Main: 907.269.6281
Fax: 907.269.7509
dec.alaska.gov/water

September 4, 2018

Nils Andreassen
Executive Director, Alaska Municipal League
One Sealaska Plaza, Suite 200
Juneau, AK 99801

Dear Mr. Andreassen:

Thank you for the questions from your Alaska Municipal League (AML) members about the potential impacts on municipalities if 17FSH2/Ballot Measure One were passed by the voters. Commissioner Hartig asked that I reply, and I have coordinated with the Departments of Fish & Game, Natural Resources, and Law in preparing the attached responses. You also asked about hydro and other potential renewable energy development projects. There are no planned changes to the Department's current regulatory requirements. If the initiative passes and is enacted into law, then any subsequent regulations could supersede our current understanding.

In addition, the Lieutenant Governor is planning public hearings on the initiative starting Friday, September 7, 2018. In conjunction with the hearings various state agencies are preparing frequently asked questions (FAQs). These FAQs will be made available to the public and updated, as needed, from questions that occur during the public hearings.

Sincerely,

A handwritten signature in blue ink that reads "Andrew Sayers-Fay".

Andrew Sayers-Fay
Director

cc: Larry Hartig, Commissioner

**Response to Alaska Municipal League Questions
September 4, 2018**

Disclaimer: Please note that these answers are based on state agencies' current reading of the initiative language. If the initiative passes and is enacted into law, the Department of Fish and Game will have to adopt regulations to implement the initiative, and the departments' ultimate interpretation of the law through its regulations process could change some of the answers provided.

Relevant municipal questions (*responses in italics*):

1) What is the impact on current wastewater discharge systems with a current NPDES or APDES permit from ADEC or the EPA?

No change while the existing permit is still current.

2) What is the impact on expiring (renewals) wastewater discharge system NPDES or APDES permits?

Impact will depend on whether a mixing zone was authorized in the expiring permit 1.) If no mixing zone authorized, then no change. 2.) If mixing zone authorized and the receiving water is explicitly specified by Fish and Game as non-anadromous or anadromous but not a spawning area, then no change. 3.) If the receiving water is currently specified as anadromous and a spawning area, then the initiative's statutory language limits the Department's discretion and a mixing zone cannot be authorized during renewal. 4.) If the receiving water is not explicitly specified, then a mixing zone could not be authorized during renewal.

The ability to have a compliance schedule will depend on Fish and Game's interpretation of Ballot Measure One's language. For example, it is unknown at this time what process and how long it would take Fish and Game to determine an unspecified water's status given the ballot measure's presumption of anadromous waters. It is unknown whether an expired mixing zone authorization could continue during the evaluation. The longer the Fish and Game process, the less likely the expired mixing zone authorization could continue. Regulations may be needed to allow any continuation. These are some of the issues that programs and lawyers would have to address if the ballot measure passes.

3) What is the impact on storm water systems and permitting/monitoring?

There are no planned changes to current regulatory requirements due to the ballot measure, if passed. If a city has an APDES/NPDES permit for their municipal storm water systems, then the answers to #1 and #2 would apply.

4) What is the impact on drainage ditches that may eventually lead to open waters?

There are no planned changes to current regulatory requirements due to the ballot measure, if passed.

5) What additional requirements (environmental studies) could be expected by DNR in addition to the current requirements of ADEC?

DNR may not require additional environmental studies but it is likely that should the Ballot Measure One pass that the DNR's Water Resource Section's public interest criteria determinations would be effected and current authorization timelines would likely be extended due to additional work required of ADF&G.

Some authorized Temporary Water Use Authorizations (TWUA) may never be utilized by applicants as a standard stipulation of the TWUA does not allow usage until all other necessary authorizations are acquired.

The holder of a DEC APDES/NPDES permit with a mixing zone in a receiving water that is not specified likely would want to engage with Fish and Game to evaluate the waters status before any existing permit expires.

6) Which agency will have lead/supremacy on discharge permitting or will multiple permits be required?

Multiple permits will be required as is currently the case.

7) How will the ballot measure relate to federal Clean Water Act requirements already monitored/enforced by state agencies?

The impacts of the ballot measure come through the application of Alaska's water quality standards (including mixing zones) which have to be approved by EPA for use in actions under the authority of the Clean Water Act. The ballot measure does not change the requirements but does affect implementation. DEC relies upon Fish and Game's determination of which freshwater water bodies or water body segments have spawning areas. Mixing zones are not allowable in freshwater spawning areas. The ballot measure creates a presumption of anadromous waters (and anadromous spawning areas) absent a prior determination by Fish and Game (or a subsequent evaluation).

8) What is the estimated cost for future permitting requirements?

DEC has only estimated costs to the department associated with an additional plan review engineer and permit writer. If a municipality cannot have an existing mixing zone re-authorized due to the ballot measure, the costs will vary depending on whether an alternate discharge location (non-spawning area) is logistically feasible and/or what additional level of treatment is necessary to meet the effluent limits without a mixing zone (i.e., at the end of the discharge pipe) or under the new conditions of an alternate discharge location. The cost will be very discharger-specific.

Soldotna Example:

Because Soldotna's APDES permit requires periodic renewal, would that be considered 'expiration' under the Act, meaning that we would be unaffected, until our next permit renewal cycle?

Yes, each APDES permit has an expiration date such that the need for periodic renewal would trigger the requirements of the ballot measure. Because Soldotna's APDES permit has expired and is under administrative extension there are several legal questions to be answered about what mechanism, what conditions, and for how long Soldotna could continue to be unaffected by the ballot measure.

Or would the City of Soldotna's facility, which has existed in its current location since the early 1970's, be able to continue operating and renewing permits, unaffected by the new regulations if approved and adopted?

No.

Potential AML responses

1. Position in opposition, with local option to opt out of position:

Municipalities aren't mines. Ballot Measure One doesn't differentiate. There's enough ambiguity and uncertainty related to the initiative that AML is concerned with the effects it will have on municipal decision-making, which is tied to the public interest. Increased costs, and the potential for burdensome and unnecessary regulations result in decreased opportunity for local residents, increased transaction costs, and a barrier to municipal governance in the public interest. The lives and livelihoods of Alaskans are threatened, as is the obligation municipal leaders have to improve living and economic conditions within their communities. **The Alaska Municipal League does not support the process used to advance this issue, and believes it will negatively impact local government services.** AML encourages voters to consider the potential costs that will be borne by communities, including the potential need to increase sales and property taxes. *This is clearly a challenging and divisive issue; while AML itself – and acting on the majority vote of members – does not support this initiative, many members feel just as strongly in support. AML values a local option for all policies, even ours, and we respect those municipalities who take a different stance.*

2. No position, but information about municipal impact

The Alaska Municipal League understands that Alaskans feel strongly about a healthy environment, especially with regard to food resources. Salmon, especially, we recognize as a highly valued resource. Alaska's communities depend on a robust fishery for commercial, recreational and subsistence activities, and AML will continue to work with state officials on a robust regulatory environment that ensures Alaska's food security. At the same time, municipal officials have responsibilities to deliver public improvements, and infrastructure projects that range from energy to transportation, roads to sanitation. AML is concerned about the impact Ballot Measure One will have on these obligations, and have worked with DEC and others to identify those potential impacts. **We encourage municipal leaders to review these materials, help voters to understand these considerations, and make informed decisions in November.** The development of these materials included outreach both with Stand for Alaska and Stand for Salmon, but the products are independent. Thank you to the Department of Environmental Conservation for providing a substantive response to municipal questions.

3. Statement highlighting faulty process; without taking a position

Alaska municipalities oppose policies that shift state responsibilities to local governments without negotiated agreement, and unfunded or underfunded mandates in general. Ballot Measure One does both, in effect. The ability for municipalities to work with the Administration and Legislature to ensure a robust but reflective regulatory environment is critical. That process fully vets changes to regulations and helps all sides consider the potential impacts, and crafts the balance between environmental protection and economic growth while ensuring municipalities have the opportunity to effectively deliver essential public services. Municipalities depend both on a healthy environment and a healthy economy. That's not the issue. Any decision the state takes with regard to either must be developed in cooperation with municipal governments whose ability to address energy, sanitation, water/sewer, and transportation is impacted. The principle of maximum local self-government is undermined by this effort. While the state's initiative process doesn't account for this, nor mitigate pass-through preemption, Alaska's municipal government is committed to addressing both in the years to come. **AML won't tell community members how to vote on this issue, but it should be clear that municipalities are concerned about the process, and the potential impact to public expenditures and local taxes.**

**City of Palmer
Ordinance No. 18-006**

Subject: Amending Palmer Municipal Code Title 17 by Repealing Chapter 17.88 and Section 17.08.038 Bed and Breakfast and Enacting Chapter 17.89 Short Term Rentals


Agenda of: September 11, 2018 - Introduction

Council Action: **Adopted** **Amended:** _____
 Defeated


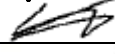
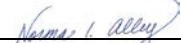
Originator Information:

Originator: City Manager

Department Review:

Route to:	Department Director:	Signature:	Date:
_____	Community Development	_____	_____
X	Finance		08/23/2018
_____	Fire	_____	_____
_____	Police	_____	_____
_____	Public Works	_____	_____

Approved for Presentation By:


	Signature:	Remarks:
City Manager		_____
City Attorney		_____
City Clerk		_____

Certification of Funds:

Total amount of funds listed in this legislation: \$ _____

- This legislation (√):
- Creates revenue in the amount of: \$ _____
 - Creates expenditure in the amount of: \$ _____
 - Creates a saving in the amount of: \$ _____
 - Has no fiscal impact

- Funds are (√):
- Budgeted Line item(s): _____
 - Not budgeted _____

Director of Finance Signature: 

Attachment(s):

- Ordinance No. 18-006
- Planning and Zoning Minutes of August 16, 2018 (draft copy)

Summary Statement:

The text amendment will repeal PMC Chapter 17.88, Bed and Breakfast in its entirety and enact PMC Chapter 17.89 Short Term Rentals and delete PMC 17.08.038 Bed and breakfast in Definitions.

Background:

Staff has received several inquiries from city residents asking if short term rentals are a permitted use in Palmer. Of those residents who inquired, the concept of a short-term rental varied from renting a house to renting a couch or bedroom for one or several nights. Researching other communities, short-term rentals are considered to include the rental of a bedroom, house, or couch for less than 30 consecutive days with or without the owner being present and with or without providing meals. After a review of PMC 17.88 Bed and Breakfast, staff found our current code to be inadequate in addressing the housing demands of short-term rentals within the community.

The Palmer Comprehensive Plan in Chapter 6 Goal 2 addresses the importance of maintaining high quality residential neighborhoods and promoting a diverse range of quality housing. Chapter 6, Goal 6, Objectives A & B of the Plan support efforts to promote new and improved accommodations in downtown to encourage more visitor spending and make downtown “the place to be”. Chapter 7, Goal 4 of the Plan speaks to strengthening Palmer as a tourism destination and stopping point for travel through the southern Matanuska-Susitna area.

The discussion of short-term rentals was introduced and discussed at the Board of Economic Development at the June, July and August meetings. Short-term rentals were also introduced at the July 19th Planning and Zoning meeting. The Planning and Zoning Commission (Commission) discussed the benefits and concerns, impacts on neighborhoods and ways to ensure short-term rentals have a positive economic impact on the community. In comparison, the Commission also reviewed PMC 17.88 Bed and Breakfast and discussed its relevance to short-term rentals.

As directed by the Commission, staff prepared draft language for an ordinance to incorporate bed and breakfast establishments into a comprehensive short-term rental chapter. Comments from the BED were considered in the formulation of PMC 17.89, Short Term Rentals. At the August 16, 2018 Planning and Zoning meeting, the Commission voted with four in favor and one opposed to move forward to City Council a recommendation for adoption of the proposed draft Ordinance repealing PMC 17.88 Bed and Breakfast in its entirety and enacting PMC 17.89 Short Term Rentals.

In addition to more robust definitions a table outlining where the various types of short term rentals would be allowed can be found in section 17.89.070(F). Type 1 additionally has a lot size requirement of 20,000 square feet before being considered for a conditional use which can be found in section 17.89.080(D).

Administration's Recommendation:

Adopt Ordinance No. 18-006 Amending Palmer Municipal Code Title 17 by Repealing Chapter 17.88 and Section 17.08.038 Bed and Breakfast and Enacting Chapter 17.89 Short Term Rentals.

LEGISLATIVE HISTORY

Introduced by: City Manager
Date: September 11, 2018
Public Hearing:
Action:
Vote:

Yes:	No:

CITY OF PALMER, ALASKA

Ordinance No. 18-006

An Ordinance of the Palmer City Council Amending Palmer Municipal Code Title 17 by Repealing Chapter 17.88 and Section 17.08.038 Bed and Breakfast and Enacting Chapter 17.89 Short Term Rentals

WHEREAS, the Planning and Zoning Commission (commission) proposes and recommends text amendments as necessary to Title 17 Zoning to ensure regulations and standards are applicable to the current needs of the community; and

WHEREAS, the commission has reviewed and determined Palmer Municipal Code Chapter 17.88 Bed and Breakfast insufficient to adequately address the current residential housing demands of the community for short term rentals; and

WHEREAS, the commission has reviewed and discussed short term rental language from other similar communities and has drafted code language to help meet the increasing short term rental demands of the community.

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This ordinance shall be permanent in nature and shall be incorporated into the Palmer Municipal Code.

Section 2. Severability. If any provisions of this ordinance or application thereof to any person or circumstances are held invalid, the remainder of this ordinance and the application to the other persons or circumstances shall not be affected thereby.

Section 3. Palmer Municipal Code Section 17.08.038 is hereby repealed (deleted language is stricken):

~~17.08.038 Bed and breakfast.~~

~~“Bed and breakfast” means an owner-occupied residential dwelling with up to three guest rooms which provides overnight accommodations and breakfast to registered transient guests.~~

Section 4. Chapter 17.88 Bed and Breakfast is hereby repealed (deleted language is stricken):

**~~Chapter 17.88
BED AND BREAKFAST~~**

Sections:

~~17.88.010 Intent.~~

~~17.88.020 Application and approval.~~

~~17.88.030 General provisions.~~

~~17.88.080 Transfer of property.~~

~~17.88.010 Intent.~~

~~This chapter sets out the criteria under which a bed and breakfast may be incorporated into certain zoning districts. Bed and breakfasts help preserve existing housing stock and neighborhood character while providing efficient use of larger homes and providing flexibility to respond to changing household sizes and needs. The provisions set forth in the chapter help ensure the preservation of the character, integrity and property values of the surrounding areas within which these facilities are located and maintained. (Ord. 07-033 § 4, 2007)~~

~~17.88.020 Application and approval.~~

~~A. An application for a bed and breakfast permit shall be initiated by the owner on a form prescribed by the zoning administrator. For the purposes of this chapter, the owner shall mean any person named on the deed, a contract purchaser, or the beneficiary of a trust named on the deed.~~

~~B. The permit shall be accompanied by the notarized affidavit affirming that at least one owner occupies the dwelling being used as the bed and breakfast and that the bed and breakfast will conform to the requirements of the permit and the requirements of this chapter.~~

~~C. A nonrefundable fee of \$50.00 shall accompany the application.~~

~~D. The zoning administrator shall review the application for code compliance within 30 calendar days.~~

~~E. The zoning administrator shall notify the applicant in writing of approval or denial. Approved applications shall be issued a bed and breakfast permit.~~

~~17.88.030 General provisions.~~

~~The following provisions apply to the operation of bed and breakfast:~~

~~A. The bed and breakfast use shall be an accessory use to the principal use of the dwelling.~~

~~B. A residential dwelling incorporating a bed and breakfast as an accessory use shall be a minimum of 2,000 square feet.~~

~~C. The length of a stay within a bed and breakfast shall be a maximum of 21 days per calendar year, and documentation verifying the length of stay of each guest, such as a registration ledger or receipts, shall be made available to the city upon request.~~

~~D. No food preparation or cooking for guests shall be conducted within any bedroom made available for rent.~~

~~E. All guest rooms shall be contained within the principal dwelling on the lot.~~

~~F. One additional parking space for each bedroom rented shall be provided, in addition to the parking requirements required in Chapter 17.64 PMC, Parking and Loading.~~

~~G. The exterior of the building shall not reflect the operation of a bed and breakfast there, except that one sign, not to exceed four square feet in area, is permitted.~~

~~H. A bed and breakfast may be developed in either an existing or a new dwelling unit.~~

~~I. A bed and breakfast shall not be permitted on any lot with an accessory dwelling unit or child care center. Other home occupations shall be allowed, subject to existing regulations.~~

~~J. Bed and breakfasts shall conform to all applicable codes, laws, and regulations.~~

~~K. For purposes of securing financing, a potential owner may request and receive a letter of pre-approval from the city indicating property is eligible for a bed and breakfast permit if the potential owner completes the application process and construction in accordance with this section.~~

~~17.88.080 Transfer of property.~~

~~A bed and breakfast permit is not transferable to any other property or person. When a property with a bed and breakfast is sold or otherwise transferred, the new owner must apply for a permit as set forth in PMC 17.88.020 within 60 days from the date of transfer.~~

Section 5. Chapter 17.89 Short Term Rentals is hereby enacted to read as follows (new language is underlined):

Chapter 17.89
SHORT TERM RENTALS

Sections:

17.89.010 Purpose and intent.

17.89.020 Definitions.

17.89.030 Short term rental classifications.

17.89.040 Application and approval.

17.89.050 Annual review.

17.89.060 General provisions.

17.89.070 Standards.

17.89.080 Standards for a conditional use permit.

17.89.090 Signs.

17.89.100 Violations; enforcement.

17.89.110 Appeals – Generally.

17.89.120 Appeal notice and hearing before commission.

17.89.130 Written statements.

17.89.010 Purpose and intent.

The purpose of this article is to provide for the regulation of short-term rentals in certain zoning districts within the city in order to preserve neighborhood character while encouraging economic activity and diversity, and to promote public health, safety, and welfare.

17.89.020 Definitions.

“Bed and breakfast” means a private residential property providing up to 15 guest rooms for accommodation of travelers with breakfast in a common eating area.

"Hosting platform" means a person or entity that provides a means through which an owner may advertise and offer for rent a short-term rental to the general public.

"Owner" means any person named on the deed, a contract purchaser, or the beneficiary of a trust named on the deed.

"Owner occupied" means owner must reside on the property and be present at the property for the duration of any short-term rental.

"Operation of" or "operating" means the short-term rental has been rented by or on behalf of the owner to the general public for compensation for transient occupancy. "Operation of" or "operating" a short-term rental does not include mere advertisement of or offering to rent short-term rental(s).

"Responsible person" means the person responsible for addressing all maintenance, nuisance, and safety concerns related to a short-term rental.

"Short term rental" means a residential dwelling unit(s) that is rented out for compensation on a temporary basis for a period of less than 30 consecutive days.

17.89.030 Short term rental classifications.

Short terms rentals are classified as:

Type-1: A short term rental of one or more bedrooms in an owner-occupied dwelling while the owner is occupying the same dwelling unit for the entire rental period.

Type-2: A short term rental shall mean a single family or duplex residential property where short term lodging is provided to only one group at a time per dwelling unit. The owner may not reside on the property or is not present at the property for the duration of any short-term rental.

Type-3: A short term rental that is not owner-occupied and shall mean a multi-family residential property where short term lodging is provided to only one group at a time per dwelling unit. The owner does not reside on the property or is not present at the property for the duration of any short-term rental.

Type-4: A bed and breakfast homestay establishment means an owner-occupied residential property where short term lodging is provided that contains no more than five guest rooms and where breakfast service may be provided to overnight guests only. The owner must reside on the property and be present at the property for the duration of any short-term rental. The property may be rented out to multiple short-term lodging groups at a time.

Type-5: A bed and breakfast inn means a resident managed residential property where short-term lodging is provided that contains no more than 15 guest rooms and where breakfast service may be provided to overnight guests only. The resident manager must reside on the property and be present at the property for the duration of any short-term rental. The property may be rented out to multiple short-term lodging groups at a time.

17.89.040 Application and approval.

A. An application for a short-term rental permit shall be initiated by the owner on a form prescribed by the zoning administrator. For the purposes of this chapter, the owner shall mean

any person named on the deed, a contract purchaser, or the beneficiary of a trust named on the deed and is valid for a period of one year.

B. All applications for a permit shall be accompanied by a payment of the fee(s) according to the current, adopted budget.

C. The zoning administrator shall review the application for code compliance within 30 calendar days.

D. Short-term rentals shall conform to all applicable codes, laws, and regulations.

E. A site plan with a description of the short-term rental, including street address, number of bedrooms, and number of off-street parking spaces available for guests' use.

F. The zoning administrator shall notify the applicant in writing of approval or denial. Approved applications shall be issued a short-term rental permit.

17.89.050 Annual renewal.

Application for renewal of a short-term permit and payment of the renewal fee shall be made before February 1 of the applicable year.

17.89.060 General provisions.

The following provisions apply to the operation of short-term rentals:

A. It is unlawful for any person to operate within the city a short-term rental without having been approved by the Department of Community Development. A separate registration shall be required for each short-term rental.

B. Short-term rentals shall conform to all applicable codes, laws, and regulations.

C. A short-term rental shall not be permitted on any lot with an accessory dwelling unit or child care center. Other home occupations shall be allowed, subject to existing regulations.

D. A short-term rental permit is not transferable to any other property or person. When a property with a short-term rental is sold or otherwise transferred, the new owner must apply for a permit as set forth in PMC 17.89.040 within 60 days from the date of transfer.

E. Additional notice requirements. For registrations and registration renewals of Type-1, Type-2 or Type-4 short term rentals as defined in PMC 17.89.030 in R-1 and R-2 residential zoning districts, the applicant must give notice on a form provided by the city to each residence adjacent, including those residences adjacent across a public right-of-way and properties connected to the applicant's property by property corners. The notice must include a description of the proposed use and the name, address, telephone number and email address (if any) of the responsible person.

17.89.070 Standards

A. One additional parking space for each bedroom or dwelling unit rented shall be provided, in addition to the parking requirements required in PMC 17.64, Parking and Loading. No on-street parking shall be allowed for short term rental facility guests.

B. The exterior of the building shall not reflect the operation of a short-term rental there, except that one sign, not to exceed four square feet in area, is permitted in all residential districts.

C. The length of a stay within a short-term rental shall be for a period of less than 30 days per calendar year, and documentation verifying the length of stay of each guest, such as a registration ledger or receipts, shall be made available to the city upon request.

D. The responsible person shall be available at all times the property is being rented. A sign must be posted conspicuously in the common area of each unit and shall contain all of the following information:

1. The name and contact information of the owner and/or responsible person; and
2. The license number of the short-term rental facility; and
3. The occupancy limits and requirements set forth in the license.

E. The owner of the short-term rental must ensure that use of the short-term rental by guests is in compliance with the noise provisions of PMC 8.36.

F. The operation of a short-term rental is permitted as indicated in the following districts:

	<u>Type I</u>	<u>Type II</u>	<u>Type III</u>	<u>Type IV (Bed and Breakfast Homestay)</u>	<u>Type V (Bed and Breakfast Inn)</u>
<u>R-1</u>	<u>CUP</u>	<u>N</u>	<u>N</u>	<u>N</u>	<u>N</u>
<u>R-1E</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>	<u>CUP</u>
<u>R-2</u>	<u>P</u>	<u>P</u>	<u>N</u>	<u>P</u>	<u>CUP</u>
<u>R-3</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>CUP</u>
<u>R-4</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
<u>Agri</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
<u>C-L</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
<u>C-G</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>

G. The licensee shall comply with the quiet hours established in PMC 8.36.025.

H. The licensee will comply with all building, electrical and other city codes and ordinances.

I. Functions such as meetings, receptions, weddings and other social events provided for compensation or held by guests are not permitted as part of the short-term rental use unless such residential property is located in an agriculture district or commercial zoning districts.

J. The license number and occupancy limit shall be included in all marketing materials, advertisements, and online listings for the short-term rental.

K. A residential dwelling incorporating a Type-4 as an accessory use shall be a minimum of 2,000 square feet.

17.89.080 Standards for a conditional use permit.

In addition to the requirements of PMC 17.72.050 the following standards shall be met for a conditional use permit, if required:

A. The use shall not unreasonably interfere with or cause undue annoyance to residential uses by reason of visual appearance, bright or flashing lights, odor, noise, dust, traffic, or other negative effects.

B. Sufficient access is provided.

C. Conditions may be imposed by the commission with respect to location, screening, fencing, buffering, hours of operation, traffic, landscaping, setbacks or otherwise if reasonably necessary to satisfy these standards.

D. A Type-1 short-term rental must be on a minimum lot size of 20,000 square feet.

17.89.090 Signs.

In agriculture and commercial districts, signs for a short-term rental shall meet PMC 14.08.080.

17.89.100 Violations; enforcement.

A. Registration suspension or revocation. The zoning administrator may suspend or revoke a short-term rental permit when the licensee commits one or more of the following acts or omissions:

1. Failure to comply with any provision of this title.

2. Operating or allowing the operation of the short-term rental in such a manner as to create a public nuisance, cause a breach of the peace, constitute a danger to the public health, safety, welfare or morals, or interfere with the rights of abutting property owners.

3. The securing of the registration by fraud or misrepresentation, to specifically include false or incorrect information on the registration application.

B. Procedure. Should the zoning administrator decide to suspend or revoke a registration, the licensee will be given notice and an opportunity to respond following the procedures in this subsection, except that should the zoning administrator determine the short term rental or its operation present a safety hazard or require immediate remedy, the zoning administrator may order operation of the short term rental to cease immediately.

1. The licensee will be notified in writing by the zoning administrator at least seven days prior to the action contemplated and the reasons therefore.

2. Upon receipt of the notice, the licensee may request a meeting with the zoning administrator. Such request must be in writing and must be received by the zoning administrator within seven days of the licensee's receipt of the notice. Failure on the part of the licensee to request in writing a meeting and within the specified time period shall be a waiver of the licensee's right to a meeting.

3. If a meeting is requested by the licensee, the zoning administrator will set a time, date and place and will so notify the licensee, in writing.

4. When a meeting is conducted, the city will present the evidence supporting the contemplated action. The zoning administrator may request evidence be presented by other parties. The licensee may present evidence. The zoning administrator will take all

evidence admitted under advisement and once a decision has been made the zoning administrator will notify the licensee of the findings and decision in writing.

C. Appeal. Any person aggrieved by a decision of the zoning administrator will have the right to appeal to the commission by following the procedures.

17.89.110 Appeals – Generally.

A. Appeals – Standing. Any person or persons aggrieved by an action or determination taken under this chapter may appeal said action or determination.

B. Jurisdiction. Appeals of actions and determinations of the zoning administrator are heard by the commission. The commission's action may be appealed pursuant to PMC Chapter 17.98 by any party, including a city official.

C. Time Limitation. An appeal of a decision of the zoning administrator or of the commission must be filed within 20 calendar days of the action or determination being appealed. The right of appeal is forfeited unless a written appeal is delivered to the clerk within 20 calendar days of the zoning administrator's or commission's action or determination. Computation of the time period for filing an appeal shall commence with the date on which the action or determination is mailed or delivered to the parties involved. Any decision not appealed within this time limit shall become final.

D. Applications. The appeal application for each appeal shall be filed with the clerk, on a form prescribed by the city clerk and contain at least the following information:

1. The name and address of the appellant and that of the appellant's representative, if appellant is represented; and
2. A description of the action or determination from which the appeal is sought; and
3. The reason for the appeal which must show a grievance to the applicant.

E. Fees. All applications for appeals shall be accompanied by a payment of a non-refundable fee according to the current, adopted budget.

17.89.120 Appeal notice and hearing before commission.

A. Upon receipt of a valid application appealing an action or determination of the zoning administrator, the clerk shall schedule an appeal hearing before the commission to be held within 45 days. All parties to the action or determination being appealed shall be provided with written notice not less than 15 days prior to the appeal hearing.

B. Written statements are to be submitted to the clerk as follows:

1. An appellant may file a written statement summarizing the facts and setting forth pertinent points and authorities in support of the points contained in the notice of appeal, provided such statement must be filed not less than 12 days prior to the date set for the appeal hearing.
2. Any interested party wishing to file a written statement in rebuttal to the appeal may do so, provided such statement must be filed not less than six days prior to the appeal hearing date.

C. At the hearing the order of presentation is as follows:

1. The zoning administrator shall summarize the issues and state his/her decision.

2. The applicant shall present his/her evidence, including witnesses and documents.

3. The zoning administrator shall present his/her evidence, including witnesses and documents.

4. The licensee may close his/her presentation.

5. The zoning administrator may close his/her presentation.

D. The commission, the applicants and the administration may question any witness. Any person may be represented by counsel. The applicant must prove the facts by a preponderance of the evidence. All hearings shall be tape-recorded. Formal rules of evidence need not be followed.

E. A hearing, and any reconvening thereof, shall be open to the public.

F. Within 15 days following the hearing, the commission shall issue its decision in the form of written findings of fact and conclusions of law.

G. The findings of fact and conclusions of law shall reference specific evidence in the record and the controlling sections of this chapter and shall briefly explain the reasons for the decision. The commission may affirm, modify, vacate, set aside or reverse any decision brought before it for review, and may remand the case and direct the entry of such appropriate order, or require further proceedings to be had as may be justified under the circumstances.

H. The findings of fact and conclusions of law shall be signed by the presiding officer and filed with the clerk, who shall promptly mail a copy to the appellant.

Section 6. Effective Date. Ordinance No. 18-006 shall take effect upon adoption by the City of Palmer City Council.

Passed and approved this ____ day of _____, 2018.

Edna B. DeVries, Mayor

Norma I. Alley, MMC, City Clerk

- Reported on the increase of homelessness and related issues;
- Discussed the department's outreach and feedback of Palmer businesses and residents.
- Responded to Commission member questions and further discussion ensued concerning patrols during the Fair, speeding on Felton, vehicle theft and dealing with the significant homeless crisis including mental health issues and drug addiction.

G. PUBLIC HEARINGS:
There were no public hearings.

H. UNFINISHED BUSINESS:
There was no Unfinished Business.

I. NEW BUSINESS:

1. **IM 18-010:** Consideration of text amendment to repeal Palmer Municipal Code Chapter 17.88, Bed and Breakfast, in its entirety and review of draft ordinance to enact Chapter 17.89 Short Term Rentals.

Director Hanson gave a staff report as to status from previous meetings on this topic. See packet pp 17-28 for pertinent information and consideration. Staff recommendation is for the Commission to review the draft Ordinance and if approved move it forward to City Council with a recommendation for adoption.

Main Motion: To enter Committee of the Whole for open and ease of discussion on repealing PMC 17.88 B&Bs and enacting PMC 17.89 STRs.

Moved by:	Benedetto
Seconded by:	Wohlbach
Action:	Motion Carried Unanimously by all members present.
In favor:	Corbin, Wohlbach, Benedetto, Petty, Lucas
Opposed:	None
Absent:	Thom-Bernier, Ornquist

[The Commission entered Committee of the Whole at 7:26 p.m.; exited at 7:51 p.m.]

Committee of the Whole STR discussion and review of the proposed Ordinance concentrated on:

- 17.89.060 General provisions, paragraph E regarding Additional notice requirements;
- 17.89.070 Standards, paragraph B, exterior signs;
- 17.89.070 Standards, paragraph K, residential dwelling Type 4 or Type 5 minimum square feet;
- 17.89.030 Short term rental classifications/definitions for Type 1 (owner occupied), Type 2 (single-family or duplex/may or may not be owner-occupied), Type 3 (larger multi-family residential, not owner occupied), Type 4 (B&B homestay/owner occupied), and Type 5 (B&B Inn resident managed);
- 17.89.070 Standards, paragraph F, chart of STR types permitted/not permitted in R-1, R-2, R-3, R-4, R-1E, Agri, C-L, and C-G Districts (see packet p. 23);
- Discussion regarding enforcement and voluntary compliance;
- Discussion regarding proposed amendments following committee of the whole.

[There being no objections, the Commission exited Committee of the Whole at 7:51 p.m.]

Chairman Lucas called for any amendments:

**Main Motion: 1) Move the R1-E District up in the matrix to immediately follow R-1 (17.89.070 Standards, paragraph F); and
2) Create conditional use permit (CUP) requirements for Type I, Type II, Type III, Type IV, and Type V Short Term Rentals in the R1-E District.**

Moved by:	Lucas
Seconded by:	Benedetto
Action:	Motion Carried Unanimously by all members present.
In favor:	Corbin, Wohlbach, Benedetto, Petty, Lucas
Opposed:	None
Absent:	Thom-Bernier, Ornquist

Staff explained the conditional use process which helps to determine on an annual basis whether to renew or revoke a CUP if warranted because of complaints or violations of CUP conditions.

Further discussion ensued on whether to allow a CUP in an R-1 District:

- Commissioner Wohlbach spoke in opposition until further research could convince her otherwise, citing agreement with testimony by a citizen at the last meeting to not allow short term rentals in R-1;
- Commissioners Petty, Benedetto, Lucas, and Corbin spoke more in favor as the conditional use process allows for the flexibility to review each case individually.

Commissioner Wohlback moved to table further discussion until the next meeting of September 20. The motion died for lack of a second.

Main Motion: For approval of the proposed Ordinance on Short Term Rentals, as amended, and forward to the City Council with a recommendation for adoption.

Moved by:	Benedetto
Seconded by:	Corbin
Action:	Motion carried by voice vote of 4 to 1 by all members present.
In favor:	Corbin, Benedetto, Petty, Lucas
Opposed:	Wohlbach
Absent:	Thom-Bernier, Ornquist

2. **Committee of the Whole** to Discuss PMC 17.28 CL-Limited Commercial District and PMC 17.32 CG-General Commercial District (note: action may be taken by the Commission following the committee of the whole)

Director Hanson discussed the primary business districts -- CL and CG. Information is provided in the packet (pp. 29-53) to facilitate discussion and review for the purpose of updating PMC Title 17. Separated out and included for contrast are the Industrial District, Large Retail Establishment Ordinance, and Highway Commercial Corridor District (for reference). The discussion should focus on whether these zoning districts fit Palmer's current values concerning