

**CITY OF UNALASKA
UNALASKA, ALASKA
REGULAR MEETING
TUESDAY, DECEMBER 9, 2014, 6:00 P.M.**

The regular meeting of the Unalaska City Council was called to order at 6:00 pm, December 09, 2014, in the Unalaska City Hall council chambers. Roll was taken:

<u>PRESENT</u>	Roger Rowland	
	Zoya Johnson	
	Alejandro Tungul	
	Yudelka Leclere	
<u>ABSENT</u>	Tom Enlow	(Excused)
	David Gregory	(Excused)
	Shirley Marquardt, Mayor	(Excused)

Johnson made a motion to appoint Council Member Rowland as Mayor pro tem; Tungul seconded. Motion passed by consensus.

PLEDGE OF ALLIGIANCE: Mayor pro tem Rowland led the Pledge of Allegiance.

RECOGNITION OF VISITORS: None.

ADDITIONS TO AGENDA: None.

MINUTES: The minutes of the November 25, 2014 regular meeting and the minutes of the December 02, 2014 Work Session were approved as submitted.

FINANCIAL REPORT: The October, 2014 financial report was included in the packet.

BOARD/COMMISSION REPORTS: Planning Commission and Historic Preservation Commission meeting minutes for October 16, 2014 were included in the packet.

AWARDS/PRESENTATIONS: None.

MANAGER'S REPORT: Included in the packet.

COMMUNITY INPUT/ANNOUNCEMENTS:

1. Council Member Johnson commented on the passing of longtime resident Sam Svarny.
2. Roger Deffendall commented on the Raiders Boys Wrestling Team traveling to State.
3. AB Rankin commented on the Raiders Girls Volleyball Team traveling to State.
4. Ben Bullock announced the PCR Calendars/Guides are available.
5. Lynn Crane commented on Christian Escalante's selection as a delegate to the United States Senate Youth Program.
6. Lynn Crane announced the date and time of the Midnight Madness to help support local artisans and craftsmen.

PUBLIC INPUT ON AGENDA ITEMS:

Dennis Robinson asked if there would be an opportunity to present community comment on the housing issue.

Mayor pro tem Rowland opened the Public Hearing.

PUBLIC HEARING

1. ORDINANCE 2014-28: CREATING BUDGET AMENDMENT NO. 6 TO THE FY15 OPERATING BUDGET TO INCREASE THE SOLID WASTE BUDGET FOR SHIPPING JUNK METAL

Dennis Robinson suggested the Council reconsider the 10% contingency for unforeseen stand by time as stated in the contract; he offered the use of Agnes Beach at no charge as a location to load the scrap metal.

Mayor pro tem Rowland stated the 10% was a contingency amount; he deferred the City Manager for clarification.

City Manager Hladick confirmed and clarified the budget and wording of the contract.

Mayor pro tem closed the Public Hearing

Johnson motioned to move into work session; Leclerc seconded. Motion passed by consensus.

WORK SESSION

1. DISCUSSION: HOUSING NEXT STEPS

City Manager Hladick gave a summary of the the Housing Work Session and requested further direction from Council to prepare for another stand-alone work session on housing. The summary of the December 02, 2014 Work Session included:

1. Creating a spreadsheet on the Business Personal Property Tax
2. Need for discussion on utility participation, and the need to have a discussion on financing utilities.
3. Creating a memo and work with the City attorneys on the Property Tax Deferral Program.
4. Moving forward on the Web Page for Housing.
5. Moving forward on contacting financial institutions who are interested in holding a Housing Forum in Unalaska.
6. Continue and review the City leasing housing from the current market for employee housing.
7. Continue to review RFP for housing.

City Manager Hladick stated the need for receiving a Council directive, because up to this point the City has used staff time, but if Council requests moving forward the City will be incurring legal fees.

Mayor pro tem Rowland invited public comments.

Dennis Robinson commented this is a step in the right direction.

Alyssa McDonald requested dividing the Housing Next Steps into two groups; staff and legal and to move forward with the staff work such as the Web Page, Housing Forum, RFPs and leasing in order to help smaller developers find financing. She commented on the proposed deletion of the Business Personal Property Tax and requested a long-term comparison of the projected gain in Property Tax of new housing versus the loss in Business Personal Property Tax.

Rodney Hester commented he is in the middle of a sub-divide and taxes he has paid has already changed the tax base; stated that his subdivision would replace 2 -3 smaller businesses' Business Personal Property Taxes, requested more effort to be made in subdividing, increased housing will result in bigger the tax base, stated the potential of bringing families into the tax base, stated idea developing 2 -3 bedroom housing could be a driving factor.

Rufina Shaishnikoff stated the need for family housing, encouraged more thought about set-backs and lot sizes, and stated that she is not in favor of apartment housing.

Tom Robinson commented on the ongoing difficulties with affordable housing and the cost of living statewide from a Tribal perspective.

Dennis Robinson stated he is in favor of Property Tax Deferral but with a limitation of 10 years for any new development.

Rodney Hester stated in favor of deferring some of the costs of building, he referenced personal experience to support his statement, stated he was upset with what he considered to be a monopolistic system, stated there needed to be set fees in place for installing utilities to development, and stated that some development fees need to be reevaluated.

Brian Whittern commented on how reducing the lot sizes enabled him to build, stated that his continued goal is to build affordable housing, and requested that Council review Title 8.

Brian Whittern commented that individuals and the community should not be paying the way for industry, but that it should be the other way around.

Mayor pro tem Rowland commented on a study done by City consultant Mike Hubbard, which stated residential electric rates are currently operating under the cost of service and residential cost are currently being subsidized, stated City could provide utilities to all properties but it is not fiscally responsible.

Rodney Hester stated it could be a breakeven situation, he stated he is paying for the City owned line that goes to his meter box.

Dennis Robinson commented he hopes taxes and utilities are addressed by the City.

Mayor pro tem Rowland reconvened to Regular Session

RECONVENE TO REGULAR SESSION

CONSENT AGENDA

1. RESOLUTION 2014-88: ESTABLISHING DATES FOR THE FISCAL YEAR 2016 REAL PROPERTY TAX AND BUSINESS PERSONAL PROPERTY TAX COLLECTION EFFORT

Hearing no objections, Mayor pro tem Rowland declared the consent agenda adopted.

UNFINISHED BUSINESS

1. ORDINANCE 2014-28 – SECOND READING: CREATING BUDGET AMENDMENT NO. 6 TO THE FY15 OPERATING BUDGET TO INCREASE THE SOLID WASTE BUDGET FOR SHIPPING JUNK METAL

Johnson motion made a motion to adopt Resolution 2014-88; Tungul seconded.

VOTE: Unanimous. Motion passes.

NEW BUSINESS

1. RESOLUTION 2014-86: AUTHORIZING AN EXPENDITURE IN THE AMOUNT OF _____ FROM COUNCIL CONTINGENCY FOR AN INSTITUTE OF THE NORTH PARTNERSHIP

Johnson made a motion to adopt resolution 2014-86; Leclere seconded.

Johnson made a motion to amend Resolution 2014-86 by inserting \$1000.00 after "in the amount of"; Leclere seconded.

VOTE ON AMENDMENT: Unanimous. Motion passes.

VOTE ON MAIN MOTION AS AMENDED: Unanimous. Motion passes.

2. RESOLUTION 2014-89: AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH SAMSON TUG AND BARGE FOR THE SHIPMENT OF SCRAP METAL AND JUNK VEHICLES FROM UNALASKA TO THE SEATTLE PORT IN THE AMOUNT OF \$344,575

Johnson made a motion to adopt Resolution 2014-89; Leclere seconded.

Dennis Robinson questioned the use of the City Dock to load scrap metal.

VOTE: Unanimous. Motion passes.

3. HOUSING NEXT STEPS

Leclere made a motion to move to the next step in the housing issue; Tungul seconded.

Mayor pro tem Rowland stated interest in getting started with solutions that did not require legal time.

City Manager summarized proposed ideas for solving the housing issue, and noted that there are more issues for Council to consider than those that have been discussed, and that any solutions implemented would need to make economic sense.

VOTE: Unanimous. Motion passes.

COUNCIL DIRECTIVES TO MANAGER

COMMUNITY INPUT

1. Peggy McLaughlin announced date and time of Elementary School Christmas Program
2. Joseph Patron voiced concerns about the effect of a city construction project on his property.
3. Rodney Hester suggested the City working with a developer for City owned property.
4. Allyssa McDonald commented on the transient population and the need for different types of housing such as bunkhouses.

ANNOUNCEMENTS

ADJOURNMENT The meeting adjourned at 7:28 pm.

City Clerk