



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, June 19, 2023

6:00 PM

Assembly Chambers

You are invited to a Zoom webinar.

When: Jun 19, 2023 06:00 PM Alaska

Topic: June 19, 2023 Borough Assembly Meeting

Please click the link below to join the webinar:

[https://petersburgak-](https://petersburgak-gov.zoom.us/j/88380540385?pwd=VWZzTExrGtZTHpiczFHa1BCcWE0UT09)

[gov.zoom.us/j/88380540385?pwd=VWZzTExrGtZTHpiczFHa1BCcWE0UT09](https://petersburgak-gov.zoom.us/j/88380540385?pwd=VWZzTExrGtZTHpiczFHa1BCcWE0UT09)

Passcode: 961680

Or Telephone:

(720) 707-2699

(253) 215-8782

Webinar ID: 883 8054 0385

Passcode: 961680

1. **Call To Order/Roll Call**
2. **Voluntary Pledge of Allegiance**
3. **Approval of Minutes**
 - [A.](#) **June 5, 2023 Assembly Meeting Minutes**
4. **Amendment and Approval of Meeting Agenda**
5. **Public Hearings**
6. **Bid Awards**
7. **Persons to be Heard Related to Agenda**

Persons wishing to share their views on any item on today's agenda may do so at this time.
8. **Persons to be Heard Unrelated to Agenda**

Persons with views on subjects not on today's agenda may share those views at this time.
9. **Boards, Commission and Committee Reports**
10. **Consent Agenda**
11. **Report of Other Officers**

12. Mayor's Report

A. June 19, 2023 Mayor's Report

13. Manager's Report

A. June 19, 2023 Manager's Report

14. Unfinished Business

15. New Business

A. Ordinance #2023-11: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Portions of the Airport Addition Subdivision and Thirteenth Street Relocation Subdivision to Public Use (PU)

If approved in three readings, Ordinance #2023-11 will rezone portions of the Airport Addition and Thirteenth Street Relocation subdivisions from Single-family Residential, Commercial-1, Multi-family Residential, and Open Space - Recreation to Public Use in preparation for proposed future construction of a new medical center. The Planning Commission recommends the subject property not be rezoned due to lack of public education on the issue, lack of public input on the "pro's" and "con's" of the rezone, and loss of single-family and multi-family residential lots.

B. Resolution #2023-07: A Resolution to Temporarily Change Assembly Meeting Dates from Monday to Thursday for July through September 2023

Mayor Jensen is participating in a summer fishery that is open each week Sunday through Wednesday and therefore is unable to remotely attend meetings held on Mondays during the months of July through September. Moving the meeting days from Monday to Thursday temporarily will allow Mayor Jensen to participate in Assembly meetings.

16. Communications

A. Correspondence Since June 1, 2023

17. Assembly Discussion Items

A. Assembly Member Comments

B. Recognitions

18. Adjourn



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, June 05, 2023

12:00 PM

Assembly Chambers

1. Call To Order/Roll Call

Mayor Jensen called the meeting to order at 12:00 p.m.

PRESENT

Mayor Mark Jensen

Vice Mayor Bob Lynn

Assembly Member Thomas Fine-Walsh

Assembly Member David Kensinger

Assembly Member Donna Marsh

Assembly Member Jeff Meucci

Assembly Member Scott Newman

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. Approval of Minutes

A. May 15, 2023 Assembly Meeting Minutes

The May 15, 2023 Assembly meeting minutes were unanimously approved as submitted.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Marsh.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci, Assembly Member Newman

4. Amendment and Approval of Meeting Agenda

The agenda was amended to add a Discussion Item regarding the Petersburg Housing Survey.

Motion made by Assembly Member Meucci, Seconded by Vice Mayor Lynn.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci, Assembly Member Newman

5. Public Hearings

There were no public hearings.

6. Bid Awards

There were no bid awards.

7. Persons to be Heard Related to Agenda

Persons wishing to share their views on any item on today's agenda may do so at this time.

RD Parks, speaking on behalf of himself, his wife, Madonna Judge-Parks, and their daughter, Molly Parks, encouraged the Assembly to hire APEI to conduct the hiring practices and safety programs review for the Borough.

Cris Morrison, PIA Tribal Council President, thanked the Assembly for their support on Ordinance #2023-10 and shared PIA's plans to construct safe and affordable rental housing for Petersburg's native and non-native residents.

8. Persons to be Heard Unrelated to Agenda

Persons with views on subjects not on today's agenda may share those views at this time.

No views were shared.

9. Boards, Commission and Committee Reports

There were no reports.

10. Consent Agenda

There were no consent agenda items.

11. Report of Other Officers

A. Petersburg Medical Center Update

PMC CEO Hofstetter updated the Assembly on medical center activities.

12. Mayor's Report

A. June 5, 2023 Mayor's Report

Mayor Jensen read his report into the record.

13. Manager's Report

A. June 5, 2023 Manager's Report

Manager Giesbrecht read his report into the record, a copy of which is attached and made a permanent part of these minutes.

14. Unfinished Business

A. Ordinance #2023-06: An Ordinance Updating Various Sections of Chapter 14.08 of the Municipal Code, Entitled "Sewer Utility" - Third and Final Reading

Ordinance #2023-06 was unanimously approved in its third and final reading.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Kensinger.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci, Assembly Member Newman

B. Ordinance #2023-07: An Ordinance Amending Sections 14.20.125, 14.20.250 and 14.20.380 of Chapter 14.20, *Municipal Harbors*, of the Petersburg Municipal Code to Address Live-Aboards and Other Residential Uses of Vessels Moored in Municipal Harbors and to Increase the Penalty for Speeding or Excessive Wake - Third and Final Reading

By unanimous roll call vote, the Assembly approved Ordinance #2023-07 in its third and final reading.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Marsh.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci, Assembly Member Newman

C. Ordinance #2023-08: An Ordinance Adopting the Budget for the Fiscal Year July 1, 2023 Through June 30, 2024 - Third and Final Reading

Ordinance #2023-08 was amended to increase the property insurance line item by \$48,800 due to a large increase in insurance premiums.

Motion made by Assembly Member Kensinger, Seconded by Assembly Member Meucci.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci, Assembly Member Newman

The Assembly unanimously approved Ordinance #2023-08, as amended, in its third and final reading.

Motion made by Vice Mayor Lynn, Seconded by Assembly Member Meucci.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci, Assembly Member Newman

D. Ordinance #2023-09: An Ordinance Repealing Chapters 11.48, 11.52, 11.56 and 11.60 of the Former City of Petersburg Code and PMC Chapter 11.96, and Amending PMC Sections 11.12.040, 14.20.360 and 14.20.380 - Third and Final Reading

Ordinance #2023-09 was unanimously approved in its third and final reading.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Marsh.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci, Assembly Member Newman

E. Ordinance #2023-10: An Ordinance Amending Section 16.12.030(A) of Chapter 16.12, *Acquisition and Disposal of Borough Owned Lands*, of the Petersburg Municipal Code to Add Federally Recognized Tribes to the List of Entities that May Purchase Borough Property for Less than Assessed Value if Determined by the Assembly to be in the Best Interest of the Borough - Third and Final Reading

The Assembly unanimously approved Ordinance #2023-10 in its third and final reading.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Newman.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci, Assembly Member Newman

15. New Business

A. Hiring Practices and Safety Programs Review

The Assembly unanimously decided to accept the proposal from APEI to conduct the Borough hiring practices and safety programs review and added that Borough employees may speak to APEI while they are conducting the review if they so desire.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Kensinger.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci, Assembly Member Newman

B. Utility Assistant Director/Project Manager Position Request

By unanimous roll call vote, the Assembly approved to add a Utility Assistant Director/Project Manager position to the Department Head team.

Motion made by Assembly Member Meucci, Seconded by Vice Mayor Lynn.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci, Assembly Member Newman

16. Communications

A. Correspondence Received Since May 11, 2023

17. Assembly Discussion Items

A. Petersburg Housing Survey

Assembly Member Kensinger encouraged all Borough residents to complete the Housing Survey currently being conducted.

B. Assembly Member Comments

C. Recognitions

Assembly Member Marsh thanked everyone who made the Little Norway Festival a success this year.

Assembly Member Fine-Walsh recognized local artist Lil Realist X (Ashon McCay) and KFSK reporter Shelby Herbert for the radio story about the local musician. The story was also picked up by Alaska Public Radio and is airing all over the state.

18. Adjourn

The meeting was adjourned at 12:56 p.m.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Fine-Walsh.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci, Assembly Member Newman

**Mayor's Report
For
June 19, 2023 Assembly Meeting**

- 1. Petersburg Housing Survey:** The Borough Assembly and Housing Task Force are requesting Petersburg residents fill out a survey to determine current and future housing needs in Petersburg. The survey is easy to complete online with a link to the survey located on the Borough News tab on the Borough website (www.petersburgak.gov). You can also take the survey on your phone using the QR code on the attached survey flyer (fliers are also posted around town). Paper surveys are available at the front desk of the municipal building or the public library.

We want to hear from you!

Item 12A.



Take the Petersburg Housing Survey!

The Borough of Petersburg is in the process of assessing housing need and is looking for community input from people living and working in Petersburg. This survey is designed to collect information about your housing experiences and your sense of housing need in the community and more broadly. The survey is quick to complete, and your responses are anonymous.

Thank you for your time and thoughtful input.



Options to take the survey:

Scan the QR code with your phone
and fill out the survey online

Complete the survey online at:
[www.surveymonkey.com/r/
Petersburghousingsurvey](http://www.surveymonkey.com/r/Petersburghousingsurvey)

Pick up a paper copy at the Library,
Borough offices, or KFSK





**Borough Manager's Report
Assembly Meeting 19 June 2023**

- ❖ Sea Western was in Petersburg doing maintenance on the SCBA Packs and Compressor at the Fire Hall.
- ❖ Putting together a materials list for the Rasmus Enge Bridge deck replacement, which is tentatively scheduled for late summer.
- ❖ Still looking for a motor pool mechanic to replace Joe Poling, who took a job with Power & Light. We have not had any applicants to date.
- ❖ The Borough's Free Household Hazardous Waste (HHW) Collection event will be held on June 24th and 25th. Details will be posted in the Petersburg Pilot, on the Borough's website, and on social media.
- ❖ Mike Bell wrapped up the Cabin Creek and City Creek Dam safety inspections with our consultant and the State Dam Safety program recently. Both structures are safe and operating as intended.
- ❖ Pump Station 4 wetlands permit applications have been issued to the Corps of Engineers. Public Works is assisting the WW department with a test pit excavation later in the month to assess underground conditions and ground water at the new wet well site. PMPL will be removing a service pole prior to the test dig.
- ❖ Other than a hiccup with a generator's cooling system on the first day, the annual SEAPA shutdown and diesel run went well. New operators were able to get a firsthand look at the process and gain some valuable knowledge at the power plant. Thanks to all operators for their work to keep the lights on during the SEAPA shutdown and to the line crew for picking any slack while the rest of the crew was busy running the diesel plant.
- ❖ SEAPA made great progress with their maintenance work and was able to cut two days from the planned 10-day outage. This early finish equated to approximately \$56,000 in saved fuel costs for the Borough and PMPL.
- ❖ Staff shut down the Hydro and penstock on June 12th. We successfully isolated the Blind Slough substation on June 13th. The contractor will now be able to start demolition in the powerhouse. The hatchery is feeding their processes via the pumps in the emergency storage pond.
- ❖ The library's summer reading programs are in full swing, over 225 kids, teens and adults are participating. Thank you to the many businesses, organizations and individuals that generously donate and make these programs possible. Sign up at psglib.org.
- ❖ DNR recorded a Patent Deed granting ownership of 589.85 acres within the Thomas Bay Subdivision to the Petersburg Borough. DNR retains ownership of the rights-of-way within the subdivision, but the borough has management authority. This is the first conveyance of municipal entitlement lands completed.
- ❖ Karl and I attended a zoom meeting with Senator Murkowski and representatives from several SE communities regarding the 301H waiver to the Wastewater discharge. This will be a very expensive project

if we do not receive State or Federal assistance.

- ❖ After over a month of discussions, the Borough decided to change health care providers; moving from Premera to Moda Health. This will save the Borough and Borough employees a significant amount on their health care costs.
- ❖ Tour ship activity is steady and regular with the larger vessels using the Drive Down 3-4 times a week and lightering into the South Harbor Loading Zone. A big thank you to our local fleet who are playing nicely! The practice of reserving space on the inside has become common and staff appreciate the communication between skippers, staff, and other users.
- ❖ Waterline on C float was down last week after a boat tagged it and cracked the main line. Harbor had back up parts and worked with a diver and got it back up and running.
- ❖ Back flow preventors are being inspected in the Harbor. Also, the Crane inspector was in town and both cranes passed with minor maintenance.
- ❖ Launch permits are available at the Harbor Office; Harbor Parking is being enforced along Harbor Way and Harbor parking lots; and a big reminder to boaters of the no wake zone outside all 3 harbors.
- ❖ OSHA tour at Assisted Living went well. We will know more when we get there write up. We are also working on Alaska housing pre tour inspection.
- ❖ Preliminary steps have been taken to assess the structural condition of the Elderly Housing main entrance, which, after 40 years, is showing signs of deterioration.
- ❖ Parks and Recreation finished another successful annual cleaning and maintenance closure, focusing on: repainting leisure pool, repairing in-pool lighting, cleaning/scrubbing pool deck, both pools and their filters, repairing and regrouting tile work, waxing pool slide, air intake vents, painting and rearranging weight and cardio rooms, cleaning all rooms and equipment, installing new equipment, repainting mezzanine stairs and other small details around the facility.
- ❖ Juneau contractors came during our closure to replace boiler panels, install 3 pumps, and install new expansion tank, all in the boiler room. Last item to take care of for this repair project is reinsulating pipes.
- ❖ Swim lessons will be taught in upcoming weeks, including adult swim lessons. Please talk to Parks and Rec for more information.
- ❖ Parks and Recreation Advisory Board will be hosting a meeting on Wednesday, June 21st at 4p at the Community Center.
- ❖ Corvis Design in Juneau visited Sandy Beach last week to help the Hutli signage group with location selection for 4 interpretive signs highlighting Tlingit presence in the area. Please contact Stephanie Payne at Parks and Rec or contact the P&R Advisory Board for more information.
- ❖ The Aquatic Center Family Locker Room is experiencing sewer line issues, please be patient as we work through these issues in upcoming weeks. The family locker room will remain closed during this time.
- ❖ Friends of the Bike Park will be hosting another work party on Sunday, June 25th from 10a-4p. Please contact Stephanie Payne or Pat Blair or meet us at Shelter #2 to join in the fun!

**PETERSBURG BOROUGH
ORDINANCE #2023-11**

**AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP FOR SERVICE AREA 1 OF
THE PETERSBURG BOROUGH TO REZONE PORTIONS OF THE AIRPORT ADDITION
SUBDIVISION AND THIRTEENTH STREET RELOCATION
SUBDIVISION TO PUBLIC USE (PU)**

WHEREAS, the Petersburg Borough owns parcels of land, described as follows:

Lots 2 and 9 thru 12, inclusive, Block 240; Lots 1 thru 10, inclusive, Block 299; Lots 1 thru 17 and Green Belt, Block 300, and Lots 9 thru 17, inclusive, Block 301, Airport Addition to Petersburg, according to Plat No. 77-2, and Lot 18A, Thirteenth Street Relocation Subdivision, according to Plat No. 94-6

;and

WHEREAS, the parcels are currently zoned Single-family Residential (SFR-1), Commercial-1 (C-1), Multi-family Residential (MFR), and Open Space – Recreation (OS-R); and

WHEREAS, on April 17, 2023, the Petersburg Borough Assembly adopted Resolution 2023-04 dedicating the subject property for use by the Hospital Board for a new facility; and

WHEREAS, the Petersburg Borough Assembly approved submission of an application by the Petersburg Medical Center for a zoning change of the subject parcel, under PMC 19.84 .020(B); and

WHEREAS, Chapter 19.84 of the Petersburg Municipal Code (Service Area 1) provides for zoning amendments whenever the public necessity, convenience or general welfare requires; and

WHEREAS, the Planning Commission conducted a duly noticed public hearing on the proposed rezone on June 13, 2023, and considered and reviewed applicant materials, public comments and testimony, and staff report; and

WHEREAS, the Planning Commission voted 3-3 with one abstention to recommend rezoning the parcels to Public Use (PU); and

WHEREAS, Borough Charter Section 3.01(K) and Section 1.12.010(G) of the Municipal Code require amendments to the official zoning map be enacted by ordinance.

THEREFORE, THE PETERSBURG BOROUGH ORDAINS as follows:

Section 1. Classification. This Ordinance is of a general and permanent nature but will not be codified in the Municipal Code.

Section 2. Purpose. The purpose of this Ordinance is to amend the Official Zoning Map for Service Area 1 of the Petersburg Borough.

Section 3. Substantive Provisions. The Official Zoning Map for Service Area 1 of the Petersburg Borough, codified and referenced in Section 19.08.020 in the Municipal Code, is hereby amended for the property described as: Lots 2 and 9 thru 12, inclusive, Block 240; Lots 1 thru 10, inclusive, Block 299; Lots 1 thru 17 and Green Belt, Block 300, and Lots 9 thru 17, inclusive, Block 301, Airport Addition to Petersburg, according to Plat No. 77-2, and Lot 18A, Thirteenth Street Relocation Subdivision, according to Plat No. 94-6 to Public Use (PU).

Section 4. Where Record to be Maintained. This non-Code ordinance, and the enactment of the zoning amendment referenced under Section 3 of this ordinance, shall be maintained with the zoning records of the Borough.

Section 5. Effective Date. This Ordinance will take effect immediately upon adoption.

PASSED and APPROVED by the Assembly of the Petersburg Borough, Alaska this ____ day of _____ 2023.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk

Adopted:
Published:
Effective:

Planning Commission Report

P&Z Meeting date: June 13, 2023

TO: Borough Assembly

FROM: Planning Commission

Subject: **ZONING AMENDMENT – PMC SUBDIVISION**
Petersburg Medical Center/Petersburg Borough

The Petersburg Planning & Zoning Commission makes the following findings as to need and justification:

1. An application for an amendment to the zoning map was submitted by Phil Hofstetter, CEO of Petersburg Medical Center.
2. The applications were approved for submission by the Petersburg Borough Assembly as owner of the property on April 17, 2023.
3. In Resolution 2023-04, approved on April 17, 2023, the Petersburg Borough Assembly dedicated the subject property for use by the Hospital Board for a new facility.
4. The legal description of the subject property is Lots 2 and 9 thru 12, inclusive, Block 240; Lots 1 thru 10, inclusive, Block 299; Lots 1 thru 17 and Green Belt, Block 300, and Lots 9 thru 17, inclusive, Block 301, Airport Addition to Petersburg, according to Plat No. 77-2, and Lot 18A, Thirteenth Street Relocation Subdivision, according to Plat No. 94-6.
5. The subject property is vacant land owned by the Petersburg Borough and will remain in borough ownership. Supporting ownership information is provided in writing in the form of US Patent 710415.
6. The surrounding area is well-developed with a mix of residential, recreational, and commercial activity. Government facilities in the vicinity include the Mountain View Manor Senior Housing and Assisted Living Facility, Petersburg Indian Association Tribal Offices, Petersburg ballfields and ice rink, and Petersburg Fire Hall.
7. The stated intended use for the property is construction of a new medical center. Approximately, 6 acres are proposed for initial development.
8. The current zoning of the subject property is a mixture of single-family residential (6 acres), multiple-family residential (1.1 acre), commercial-1 (2.4 acres), and open space-recreation (4.8 acres).
9. Current zoning districts for the subject property, except for commercial-1, are not compatible with the proposed intended use.
10. The purpose of the Public Use district is to provide areas for public uses, such as parks, playgrounds, government-owned buildings, and municipal facilities.
11. One of the goals the 2016 Petersburg Borough Comprehensive Plan is “Quality Health and Wellness Care” so that Petersburg residents are “healthy and well and have access to quality medical and behavioral health care services.” (See p 60).
12. The comprehensive plan notes that “[a]ccess to health care is an important factor in maintaining a high quality of life in remote Alaska communities. Residents in Petersburg Borough have access to a variety of health care services. The nonprofit Petersburg Medical

Planning Commission Report

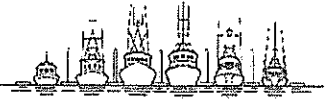
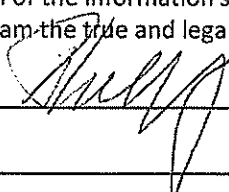
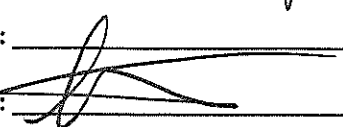

P&Z Meeting date: June 13, 2023

Center (PMC) provides most health care services in the Borough...PMC is housed in a Borough-owned building. The facility has received a variety of upgrades in recent years including a new roof. However, the building is aging...". (See pp 66-67).

13. The comprehensive plan references a 2015 condition assessment of the existing medical center that concludes that the "[t]he hospital has not changed significantly for 30 years, yet health care services, technology, regulations, policies and building codes have changed. ...the facility has reached a point where replacement of systems and finishes will be critical to maintaining reliable high quality health care delivery. A majority of the systems and components have exceeded or are near the end of their expected service life and should be replaced." (See pp 66-67).
14. Applicant's letter states that the Petersburg Medical Center envisions that the development of the subject property will create a medical campus and locating the new medical center in proximity to the Mountain View Manor facility is consistent with this long-term vision. Centralizing medical services increases efficiency and improves access to care.
15. On May 18, 2023, a notice of the public hearing was mailed at least fifteen working days before the public hearing to all owners of property within six hundred feet of the exterior boundary of the property that is the subject of the application (PMC 18.12.040(B)).
16. On May 26, 2023, notices of the public hearing were posted at the Municipal Building, and at the subject property (PMC 18.12.040(E)).
17. On June 1 and June 6, 2023, a notice of the public hearing was published in the local newspaper of general circulation (PMC 18.12.040(C)).
18. On June 13, 2023, a duly noticed public hearing was held by the Petersburg Planning Commission.
19. At the public hearing, the Planning Commission considered and reviewed applicant materials, public comments and testimony, and staff comments.

Section 2. Based on the preceding findings, the Petersburg Planning Commission makes the following recommendation:

1. The Planning Commission recommends the subject property not be rezoned to Public Use due to:
 - a. Lack of public education on the issue;
 - b. Lack of public input on the "pro's" and "con's" of the rezone; and
 - c. Loss of single-family and multi-family residential lots.

 PETERSBURG BOROUGH LAND USE APPLICATION		CODE TO:	110.000.404110
		BASE FEE:	\$195
		PUBLIC NOTICE FEE:	\$70
		TOTAL:	\$265
DATE RECEIVED:		RECEIVED BY:	CHECK NO. or CC:
APPLICANT/AGENT		LEGAL OWNER (IF DIFFERENT THAN APPLICANT/AGENT)	
NAME Phil Hofstetter, CEO, Petersburg Medical Center		NAME Petersburg Borough	
MAILING ADDRESS PO Box 589		MAILING ADDRESS PO Box 329	
CITY/STATE/ZIP Petersburg, AK 99833		CITY/STATE/ZIP Petersburg, AK 99833	
PHONE 907-772-5724		PHONE 907-772-4425	
EMAIL phofstetter@pmc-health.org		EMAIL sgiesbrecht@petersburgak.gov	
PROPERTY INFORMATION			
PHYSICAL ADDRESS or LEGAL DESCRIPTION: See attachment.			
PARCEL ID: See attachment	ZONE: See attachment	OVERLAY: n/a	
CURRENT USE OF PROPERTY: vacant		LOT SIZE: See attachment	
PROPOSED USE OF PROPERTY (IF DIFFERENT): New medical center			
CURRENT OR PLANNED SEWER SYSTEM: <input checked="" type="checkbox"/> Municipal <input type="checkbox"/> DEC-approved on-site system			
CURRENT OR PLANNED WATER SOURCE: <input checked="" type="checkbox"/> Municipal <input type="checkbox"/> Cistern/Roof Collection <input type="checkbox"/> Well			
LEGAL ACCESS TO LOT(S) (Street Name): Haugen Drive, Excel St, N 12 th St, N 13 th St			
TYPE OF APPLICATION & BASE FEE			
<input checked="" type="checkbox"/> 19.84 Zoning Change (\$100)			
<input type="checkbox"/> 18.18 Record of Survey (\$50) (Note: No Public Notice Fee)			
<input checked="" type="checkbox"/> 18.20 Minor Subdivision/18.24 Preliminary Plat/18.19 Replat (\$75 + \$10 per lot)			
<input type="checkbox"/> 18.24 Final Plat (\$25 per lot)			
SUBMITTALS:			
For Zoning Change, please submit letter stating the new zoning and explaining the need for the change. For Subdivision approvals, please submit a prepared plat map as required by borough code.			
SIGNATURE(S):			
I hereby affirm all of the information submitted with this application is true and correct to the best of my knowledge. I also affirm that I am the true and legal property owner(s) or authorized agent thereof for the property subject herein.			
Applicant(s): 		Date: 11-3-2017	
Owner: _____		Date: _____	
Owner: 		Date: _____	
Owner: 		Date: _____	

Description of Subject Property:

Exhibit A

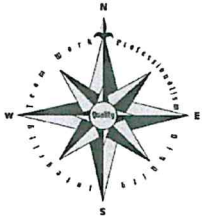
Item 15A.

PIDN	LEGAL	BLOCK	LOT AREA (SF)	ZONING
01-006-280	LOT 2	240	10,000	Single-family residential
01-006-279	LOT 9	240	10,000	Single-family residential
01-006-273	LOT 12	240	13,500	Single-family residential
01-006-275	LOT 11	240	13,502	Single-family residential
01-006-277	LOT 10	240	14,780	Single-family residential
01-006-359	LOT 1	299	9,808	Single-family residential
01-006-361	LOT 2	299	10,000	Single-family residential
01-006-363	LOT 3	299	10,000	Single-family residential
01-006-365	LOT 4	299	10,000	Single-family residential
01-006-350	LOT 5	299	15,865	Single-family residential
01-006-351	LOT 6	299	13,789	Single-family residential
01-006-353	LOT 7	299	10,856	Single-family residential
01-006-355	LOT 8	299	10,628	Single-family residential
01-006-357	LOT 9	299	10,400	Single-family residential
01-006-358	LOT 10	299	9,998	Single-family residential
01-006-330	LOT 1	300	14,935	Single-family residential
01-006-332	LOT 2	300	14,714	Single-family residential
01-006-334	LOT 3	300	14,485	Single-family residential
01-006-336	LOT 4	300	14,257	Single-family residential
01-006-338	LOT 5	300	14,737	Single-family residential
01-006-340	LOT 6	300	19,081	Open-Space Recreational
01-006-341	LOT 7	300	14,316	Open-Space Recreational
01-006-342	LOT 8	300	15,466	Open-Space Recreational
01-006-344	LOT 9	300	13,500	Open-Space Recreational
01-006-346	LOT 10	300	13,500	Open-Space Recreational
01-006-347	LOT 11	300	13,500	Open-Space Recreational
01-006-348	LOT 12	300	13,500	Open-Space Recreational
01-006-300	LOT 13	300	13,384	Open-Space Recreational
01-006-301	LOT 14	300	19,166	Commercial-1
01-006-303	LOT 15	300	13,500	Commercial-1
01-006-305	LOT 16	300	13,500	Commercial-1
01-006-306	LOT 17	300	13,500	Commercial-1
01-006-317	Greenbelt	300	112,737	Open-Space Recreational
01-006-420	LOT 9	301	9,000	Commercial-1
01-006-421	LOT 10	301	9,000	Commercial-1
01-006-422	LOT 11	301	9,000	Commercial-1
01-006-425	LOT 12	301	9,000	Commercial-1
01-006-401	LOT 13	301	9,559	Commercial-1
01-006-403	LOT 14	301	11,992	Multi-family Residential
01-006-405	LOT 15	301	9,000	Multi-family Residential
01-006-407	LOT 16	301	9,000	Multi-family Residential
01-006-409	LOT 17	301	9,000	Multi-family Residential
01-006-411	LOT 18A	301	9,437	Multi-family Residential

Street Area

106,000

TOTAL Site**734,892 Square Feet****16.8707989 Acres**



Petersburg Medical Center

103 Fram Street
PO Box 589
Petersburg, AK 99833

Phone: 907-772-4291
Fax: 907-772-3085

April 4, 2023

Liz Cabrera
Community Development Director
Petersburg Borough
PO Box 329
Petersburg, AK 99833

Dear Ms. Cabrera,

This letter provides the zoning related information requested in the Land Use Application dated April 3, 2023 that will create the new Petersburg Medical Center Subdivision.

Change

- Change the existing zoning (Single-Family Residential, Open-Space Recreational, Commercial-1, Multi-Family Residential) of the 43 lots in the attachment to the referenced application, to Public Use.

Need

- Lot 1: This new 9.2 acre lot will be the site for the new Petersburg Medical Center.
- Lot 2: This new 4.4 acre lot will be reserved for future public use development.

PMC and the Borough envision that the development of these two lots will create a Medical Campus. Locating the new Medical Center in close proximity to Mountain View Manor is consistent with this long-term vision. Centralizing medical services increases efficiency and improves access to care.

One of the goals of the borough's comprehensive plan is Quality Health and Wellness Care so that Petersburg residents are "healthy and well and have access to quality medical and behavioral health care services." See P. 60-61. The plan recommends two action items:

- a. Maintain and enhance medical care in the community. Identify the minimum level of desired care for the Petersburg Borough and prepare strategies on how to maintain that care. Work with regional partners to meet the health care needs of the greater region.
- b. Ensure the financial viability of the Medical Center.

The change in zoning will allow PMC to construct a new modern Medical Center, set the stage for a medical campus, and help the Borough meet one of the goals in its comprehensive plan.

Sincerely,

A handwritten signature in black ink, appearing to read 'Philip Hofstetter', with a long, sweeping horizontal line extending to the right.

Philip Hofstetter
CEO

Planning Commission Staff Report

Meeting date: June 13, 2023

TO: Planning Commission

FROM: Liz Cabrera, Community & Economic Development Director

Subject: ZONING AMENDMENT – PMC SUBDIVISION
Petersburg Medical Center/Petersburg Borough

Recommended Motion: I move to recommend to the Borough Assembly that the Petersburg Borough Zoning Map be amended by rezoning the subject property, as described in Exhibit A, to Public Use with accompanying findings as presented.

The Petersburg Planning & Zoning Commission makes the following findings as to need and justification:

1. An application for an amendment to the zoning map was submitted by Phil Hofstetter, CEO of Petersburg Medical Center.
2. The applications were approved for submission by the Petersburg Borough Assembly as owner of the property on April 17, 2023.
3. In Resolution 2023-04, approved on April 17, 2023, the Petersburg Borough Assembly dedicated the subject property for use by the Hospital Board for a new facility.
4. The legal description of the subject property is Lots 2 and 9 thru 12, inclusive, Block 240; Lots 1 thru 10, inclusive, Block 299; Lots 1 thru 17 and Green Belt, Block 300, and Lots 9 thru 17, inclusive, Block 301, Airport Addition to Petersburg, according to Plat No. 77-2, and Lot 18A, Thirteenth Street Relocation Subdivision, according to Plat No. 94-6.
5. The subject property is vacant land owned by the Petersburg Borough and will remain in borough ownership. Supporting ownership information is provided in writing in the form of US Patent 710415.
6. The surrounding area is well-developed with a mix of residential, recreational, and commercial activity. Government facilities in the vicinity include the Mountain View Manor Senior Housing and Assisted Living Facility, Petersburg Indian Association Tribal Offices, Petersburg ballfields and ice rink, and Petersburg Fire Hall.
7. The stated intended use for the property is construction of a new medical center. Approximately, 6 acres are proposed for initial development.
8. The current zoning of the subject property is a mixture of single-family residential (6 acres), multiple-family residential (1.1 acre), commercial-1 (2.4 acres), and open space-recreation (4.8 acres).
9. Current zoning districts for the subject property, except for commercial-1, are not compatible with the proposed intended use.
10. The purpose of the Public Use district is to provide areas for public uses, such as parks, playgrounds, government-owned buildings, and municipal facilities.

Planning Commission Staff Report

Meeting date: June 13, 2023

11. One of the goals the 2016 Petersburg Borough Comprehensive Plan is “Quality Health and Wellness Care” so that Petersburg residents are “healthy and well and have access to quality medical and behavioral health care services.” (See p 60).
12. The comprehensive plan notes that “[a]ccess to health care is an important factor in maintaining a high quality of life in remote Alaska communities. Residents in Petersburg Borough have access to a variety of health care services. The nonprofit Petersburg Medical Center (PMC) provides most health care services in the Borough...PMC is housed in a Borough-owned building. The facility has received a variety of upgrades in recent years including a new roof. However, the building is aging...”. (See pp 66-67).
13. The comprehensive plan references a 2015 condition assessment of the existing medical center that concludes that the “[t]he hospital has not changed significantly for 30 years, yet health care services, technology, regulations, policies and building codes have changed. ...the facility has reached a point where replacement of systems and finishes will be critical to maintaining reliable high quality health care delivery. A majority of the systems and components have exceeded or are near the end of their expected service life and should be replaced.” (See pp 66-67).
14. Applicant’s letter states that the Petersburg Medical Center envisions that the development of the subject property will create a medical campus and locating the new medical center in proximity to the Mountain View Manor facility is consistent with this long-term vision. Centralizing medical services increases efficiency and improves access to care.
15. On May 18, 2023, a notice of the public hearing was mailed at least fifteen working days before the public hearing to all owners of property within six hundred feet of the exterior boundary of the property that is the subject of the application (PMC 18.12.040(B)).
16. On May 26, 2023, notices of the public hearing were posted at the Municipal Building, and at the subject property (PMC 18.12.040(E)).
17. On June 1 and June 6, 2023, a notice of the public hearing was published in the local newspaper of general circulation (PMC 18.12.040(C)).
18. On June 13, 2023, a duly noticed public hearing was held by the Petersburg Planning Commission.
19. At the public hearing, the Planning Commission considered and reviewed applicant materials, public comments and testimony, and staff comments.

Section 2. Based on the preceding findings, the Petersburg Planning Commission makes the following determination:

1. The subject property is vacant land owned by the Petersburg Borough and will remain in borough ownership.
2. The existing zoning of the subject area is inconsistent with the intended use of the site as the location of a new medical center.
3. The purpose of the Public Use district includes government-owned buildings and municipal facilities and is consistent with the intended use of the subject property.

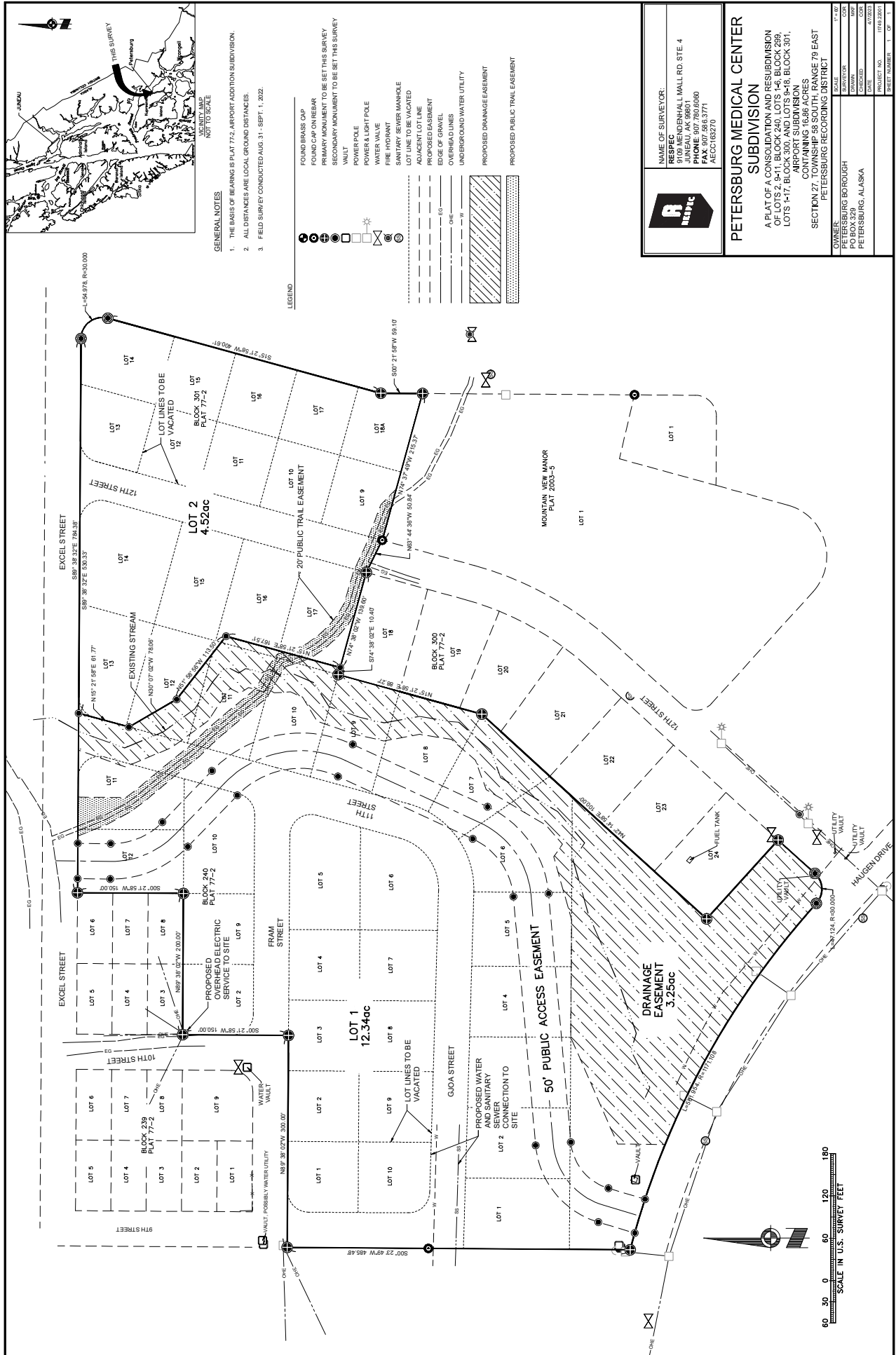
Planning Commission Staff Report

Meeting date: June 13, 2023

4. The proposal is found to be of a beneficial nature to the community by maintaining and enhancing access to health care and by seeking to improve efficiency and access to care by locating the new medical center in proximity to Mountain View Manor Assisted Living Facility and Senior Housing apartments.
5. The proposal responds to the 2015 condition assessment cited in the comprehensive plan that notes replacing major systems and components of the medical facility will be critical to maintaining reliable high quality health care delivery.
6. The proposal is consistent with and furthers the goal of the comprehensive plan that Petersburg residents have access to quality medical and behavioral health care services.

Chair, Planning Commission

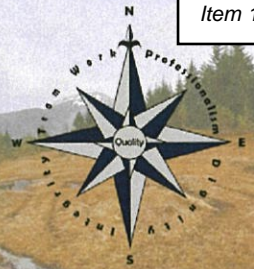
Secretary, Planning Commission



Petersburg Medical Center Replacement

Project Information

May 2023



Petersburg Medical Center (PMC) has provided medical services to the community of Petersburg for over 100 years. The current hospital was originally built in 1955, and became a federally designated Critical Access Hospital in 2001. In 2015, a team of architects and engineers conducted an assessment of the existing facility and found that it was well beyond its useful life. Many building systems do not meet current codes, are no longer manufactured or supported, and require constant maintenance which is very difficult because parts and knowledgeable personnel are no longer available.

The building is not energy efficient and is expensive to operate. In addition, it cannot support increased technology demands which are essential for the delivery of modern healthcare. The report also documented that many functional improvements were needed in order to comply with current guidelines related to infection control, patient safety, patient privacy, food service and sanitation. In 2020, NAC Architecture completed a Master Plan and recommended that PMC construct a new energy-efficient replacement building.

Key Improvements Planned

- ⊗ Meeting the most current regulations and best practices for healthcare delivery
- ⊗ Fully-accessible building and site, including parking, entrances, and covered dropoffs.
- ⊗ Enhanced privacy for treatment, ER, and registration
- ⊗ Private rooms for Long Term Care and Acute Care
- ⊗ Layout that maximizes staffing efficiency to maintain current staffing levels and provide opportunities for expanded services
- ⊗ Energy-efficient design for long-term utility cost savings
- ⊗ Welcoming and functional spaces for training, education, and community events – large meeting rooms, plus activity and dining spaces in Long Term Care
- ⊗ Site connections to existing trails and existing nature



BUDGET AND FUNDING

The preliminary total estimated project cost, including design, construction, inspection, project management, medical equipment, contingency, etc. is \$85 million.

FUNDING STACK*		
SOURCE	AMOUNT	NOTES
Health Resources and Services Administration Grant	\$8M	Secured
Borough	\$1.8M	Contribution-In-Kind
Treasury Grant	\$20M	Pending

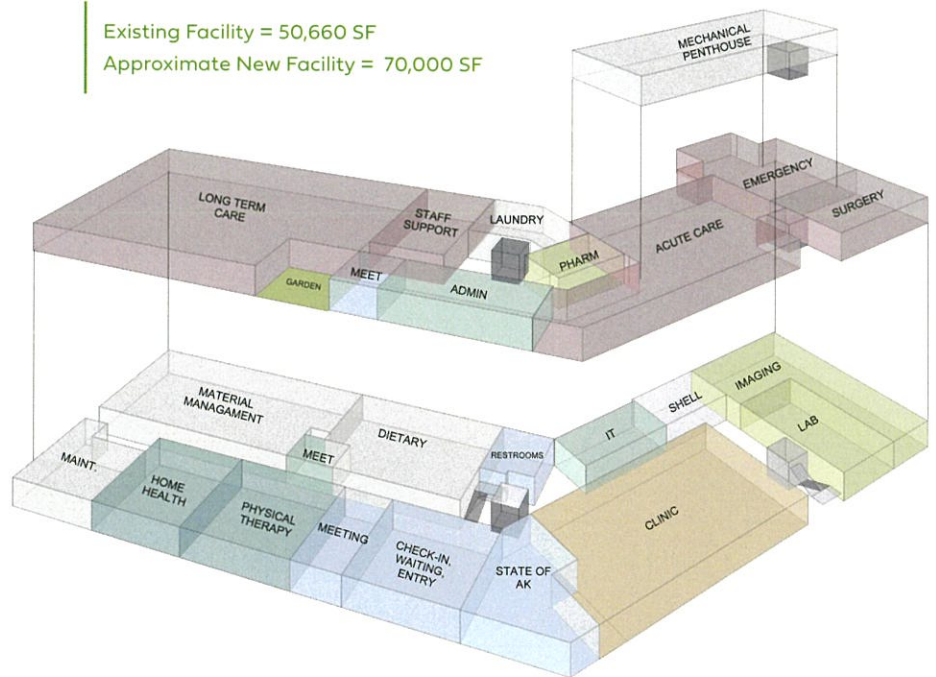
*Other federal, state and philanthropic grant opportunities are being pursued to complete the primary funding stack. PMC will also conduct a capital campaign for some specific project needs.

PROGRESS TO DATE

- November 2015:** Building condition assessment survey
- January 2020:** Master plan completed, including site options assigned by Borough
- May 2021:** Borough Resolution 2021-04 donates land, supports phased construction and getting the project shovel ready
- May 2022:** North Haugen and Excel sites selected for further study
- September 2022:** Site due diligence studies; Bettisworth North selected as project architect
- January 2023:** Preliminary design completed
- February 2023:** Borough Motion making the project their #1 priority for federal funding
- March 2023:** NEPA process started
- April 2023:** Borough Resolution 2023-04 approves North Haugen site, start of rezone/replat, and the Dawson contract for pre-construction services; final geotechnical investigation
- May 2023:** 404 permit application submitted to USACE; community open house

TWO STORY CONCEPT DIAGRAM

Existing Facility = 50,660 SF
Approximate New Facility = 70,000 SF



NEXT STEPS

2023

2024 - 2026

SPRING/SUMMER
Open houses and community input, Space planning and design continues

FALL
Start site work

WINTER 2024
Design complete

SPRING 2024
Start building construction

SUMMER 2026
Move into new building

Share your thoughts

Your feedback is important. Please link to the community survey here to share your input.



**PETERSBURG BOROUGH, ALASKA
RESOLUTION #2023-07**

**A RESOLUTION TO TEMPORARILY CHANGE ASSEMBLY MEETING DATES FROM
MONDAY TO THURSDAY FOR JULY THROUGH SEPTEMBER 2023**

WHEREAS, the Petersburg Borough Assembly currently holds regular meetings the first and third Monday of the month; and

WHEREAS, Mayor Jensen is participating in a summer fishery that is open each week Sunday through Wednesday and therefore is unable to remotely attend meetings held on Mondays; and

WHEREAS, the possibility of a full assembly on Thursday is greater than on Monday for the months of July through September of 2023.

NOW THEREFORE, BE IT RESOLVED, the Petersburg Borough Assembly shall temporarily change its regular meeting days for the months of July through September 2023 to the first Thursday of the month (at 12:00 p.m.) and the third Thursday of the month (at 6:00 p.m.).

Passed and Approved by the Petersburg Borough Assembly on June 19, 2023.

Bob Lynn, Vice Mayor

ATTEST:

Debra K. Thompson, Borough Clerk



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF MINING, LAND & WATER
Land Conveyance Section

550 West 7th Avenue, Suite 640
Anchorage, Alaska 99501-3576
Main: 907.269.8594
TTY: 711 or 800-770-8973
Fax: 907.269.8916
<http://landsales.alaska.gov>
<http://facebook.com/alaskaland/>

June 1, 2023

RE: Public Notice: Alaska State Land Auction, Offering #495 Brochure

Petersburg Borough:

DNR is pleased to announce the 2023 Alaska State Land Auction. We are notifying you as a courtesy in accordance with Alaska Statute 38.05.945 *Notice*. Offering #495 includes 209 parcels statewide. The brochure describes the parcels and how to participate in the auction. The brochure can be viewed here: <https://dnr.alaska.gov/mlw/landsales/auction/495/>.

In offering #495 Alaska residents may submit sealed bids in person, by mail, or online between June 1, 2023 at 10 a.m. and October 3, 2023 at 4:30 p.m. Apparent high bids will be announced on October 24, 2023. Parcels not sold during Auction #495 may be offered Over-the-Counter (OTC) beginning November 28, 2023.

If you would like us to mail you a paper brochure for display at your location, please visit: <https://dnr.alaska.gov/mlw/landsales/auction/495/>, click the "Request a Paper Brochure" button, and fill out the required fields. Feel free to request additional copies throughout the bidding period.

If you have any questions, please call our office in Anchorage at (907) 269-8594 or email landsales@alaska.gov. General questions may also be directed to one of our Public Information Centers in Anchorage or Fairbanks or our DNR Land Office in Juneau as described within the brochure.

Sincerely,

Leah Goodrich
Natural Resource Specialist

Encl: 2023 Alaska State Land Auction, #495 Public Notice

**State of Alaska
Department of Natural Resources
Division of Forestry & Fire Protection
Southern Southeast Area Office**

Preliminary Written Finding under AS 38.05.035(e) and AS 38.05.945

The Alaska Department of Natural Resources, Division of Forestry and Fire Protection, gives formal notice under AS 38.05.945 that the Division has made a preliminary decision under AS 38.05.035(e) and proposes to adopt a site-specific Forest Land Use Plan (FLUP) under AS 38.05.112 and the administrative standards of AS 41.17.060 regarding the sale of the following commercial timber sale: Kaikli Cove Timber Sale (SSE-1381-K).

Before this sale may be held, the Commissioner will make a written final decision that the sale is in the best interest of the State. This decision will set out the facts and applicable policies upon which the Commissioner bases his determination that the proposed timber sale will or will not best serve the interest of the State. The final decision is expected to be available to the public after July 4, 2023.

The draft Forest Land Use Plan is intended to provide the best available information regarding the proposed timber harvest on 49 acres and the management of other non-timber uses in compliance with AS 38.05.112 and AS 41.17.060, and must be adopted by the DOF before the proposed activity can occur. The Forest Land Use Plan is expected to be available to the public with or after the issuance of the final decision on July 4, 2023.

The area of the sale is proximate to the community of Naukati on Prince of Wales. The timber sale area is found within Section 17 and 18, Township South, Range 80 East, Copper River Meridian (CRM). The sale area is found within the Craig D-4 NW USGS quadrangle. The main access for this sale area is from the existing Prince of Wales Road System, specifically the Naukati (2060000) Road.

The two harvest units total approximately 49 acres and contain approximately 826 MBF of timber. This volume will be negotiated and sold under provisions of AS 38.05.115 or AS 38.05.118, in the form of one or multiple sales. The sale(s) will require in-state manufacture and it will be a negotiated contract.

The public is invited to comment on any aspect of the preliminary decision. Comments should be mailed to the Alaska Division of Forestry, 2417 Tongass Avenue, Suite 213, Ketchikan, AK 99901. Comments must be received at the Division of Forestry office no later than **July 3, 2023**, in order to be considered in the final best interest finding decision of whether or not this sale will be held in whole or in part or to be considered in the adopted FLUP. To be eligible to appeal the final decision or the adopted FLUP, a person must have provided written comment by **July 3, 2023**.

FOR MORE INFORMATION OR TO SUBMIT COMMENTS CONTACT:

Alaska Division of Forestry and Fire Protection	Contact:	Greg Staunton
2417 Tongass Avenue, Suite 213	Phone:	225-3070
Ketchikan, AK 99901	Email:	dnr.dof.sse@alaska.gov

Copies of the preliminary decision are available for review at the Division of Forestry at the above address and at the Ketchikan, Craig, Petersburg and Wrangell Public Libraries and the State Online Public Notice System at <http://notice.alaska.gov/211326>.

The State of Alaska, Department of Natural Resources, Division of Forestry and Fire Protection complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, or special modifications to participate in this review may contact the number above.