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City & Borough of Sitka-
Clerk's Office

ORDINANCE 2025-22

APPLICATION FOR

CITIZEN INITIATIVE

FOR

THE CITY AND BOROUGH OF SITKA, ALASKA

FOR

AN ORDINANCE TITLED

"ECONOMIC IMPACT STUDY REQUIRED FOR INITIATIVE PROCESS"

PASSED / FAILED at the MUNICIPAL ELECTION on OCTOBER 7, 2025

YES –

NO -

Pursuant to Section 6.0 I of the Home Rule Charter of the City and Borough of Sitka and Section 2.80.040 of the Sitka General Code, the undersigned applicants (collectively, the "Sponsors") hereby apply for, and request that the Municipal Clerk issue, a petition for a citizen initiative as set forth in this Application.

WHEREAS, ordinances proposed through the citizen initiative process in the City and Borough of Sitka ("Sitka") can have significant economic impacts on Sitka, and its municipal functions that serve the citizens of Sitka, as well as on the citizens themselves and their economic interests, whether in owning, investing in, or operating businesses, in their employment, in their property, and in other tangible ways; and

WHEREAS, for the voters of Sitka to express their will in signing or not signing a petition for a proposed citizen initiative and/or in voting for or against a citizen initiative, they must have meaningful access to information about the economic impacts, if any, of the proposed citizen initiative, that is accurate, comprehensive, understandable, transparent, and impartial; and

WHEREAS, it is the intent of the Sponsors to promote fiscal responsibility, transparency, and accountability by requiring that a comprehensive, impartial economic impact study be prepared and made publicly available prior to the solicitation of signatures on a petition for an initiative and prior to the placement of any citizen initiative measure on the ballot, with such analysis evaluating projected costs, potential effects on municipal revenues, employment implications, and the distributional impact across affected populations; and

WHEREAS, by mandating the preparation and disclosure of economic impact studies, this application for a petition for an initiative seeks to safeguard the public interest, prevent unintended financial burdens on Sitka and its residents, and ensure that the voters are equipped with the necessary economic data to cast informed votes on each proposed initiative.

NOW, THEREFORE, the Sponsors propose that the voters of Sitka adopt the following ordinance through the Sitka citizen initiative process:

BE IT ENACTED:

Section 1. Amendment of SGC 2.80.040.A. The following provisions shall be added to Section 2.80.040.A of the Sitka General Code immediately following the existing language in such section:

1. Each application for a petition for an initiative shall be accompanied by a written Economic Impact Study Report ("EISR"), dated no more than thirty (30) days prior to the date such application is submitted and signed by the author of the EISR (the "Author"), which meets the requirements set forth in this Subsection A of SGC 2.80.040. An EISR may have more than one Author.

2. For purposes hereof, an EISR shall be a written report delivering detailed, accurate, comprehensive, and impartial analysis, understandable to the average Sitka voter, of the projected economic impact(s) that the proposed initiative, if adopted by the voters, would have on Sitka municipal revenues and expenditures and Sitka citizen employment, business activity, investment, and economic distribution across demographic and geographic groups.

3. Without limiting the foregoing, the EISR shall address each of the following in detail (based on an assumption that the proposed initiative is adopted), along with all other expected economic impacts unique to the proposed initiative:

a. Executive Summary. A short, narrative introduction summarizing, in plain language, the key findings and conclusions set forth in the EISR, to be accompanied by a one-page visual summary presenting the foregoing findings and conclusions using charts and other graphics.

b. Fiscal Impact. An estimate of the projected costs and savings to the City and Borough of Sitka over one-, five-, and ten-year periods, including any new expenditure(s) and reduction(s) in services. Such estimates and analysis must include assessment of implementation, enforcement, and administrative costs; operational or service delivery impacts; costs related to capital improvements and infrastructure; and any changes in pension, labor, or contractual obligations.

c. Revenue Analysis. A projection of the measure's anticipated impact on Sitka's municipal revenues, including taxes, fees, grants, and other income sources. Such projection and analysis must include assessment of anticipated changes in municipal taxes and other fund revenues; fees, licenses, permits, and service charges; intergovernmental transfer, grants, and other state or federal aid; and creation or loss of funding streams directly tied to the proposed initiative.

d. Employment Impact. A projection of the measure's anticipated impact on employment in Sitka, including municipal jobs and the non-municipal labor market. Such projection and analysis must include assessment of net gain or loss of municipal jobs; the effects on the private sector job market in Sitka; wage or benefits implications; and any anticipated workforce training or reallocation requirements.

e. Private Sector Impact. An assessment of how the measure will affect private businesses, economic development, and investment in Sitka. Such assessment must evaluate the effects the initiative, if adopted, would have on business operations, compliance costs, and economic competitiveness; investment or development activity within the City and Borough of Sitka; and tourism, fisheries, healthcare, education, and other key sectors of the local economy.

f. Economic Distribution. An analysis of how economic benefits and burdens of the measure will likely be distributed among different income groups, geographic areas, and demographic populations within Sitka. Such analysis must include assessment of the economic effects on households of different income levels; distinct demographic and geographic communities within the City and Borough of Sitka; and disadvantaged, rural, and underrepresented populations.

g. Timeframe Analysis. Each of the foregoing analyses must include projections for economic impacts over the timeframes of up to the first year following adoption of the initiative (immediate impact), from one to five years following adoption (medium term), and from five to ten years following adoption (long term).

h. Assumptions and Methodology. A description of the assumptions used, sources of data, and analytical methods and models employed in preparing the EISR.

i. Data. Summaries of key data, in numeric or graphic presentation, on which the analyses were performed and the findings and conclusions made.

j. Certification. A signed statement by the Author certifying that the Author meets the requirements set forth in paragraph 4 below. In the case of an Author which is an entity, an individual who is an authorized signor for the Author must make the foregoing certification. In the event there is more than one Author, each Author must make the foregoing certification.

4. Each Author must meet each of the following criteria; in the case of an Author which is an entity, one or more of its principals, supervisors, or reviewers with an active role in the preparation of the EISR must meet each criterion:

a. Education: hold a minimum of a master's degree in economics, public policy, finance, or a related field from an accredited institution, along with an advanced certification in economic modeling and analysis;

b. Experience: have at least five years of professional experience in conducting economic impact studies, economic modeling, or related economic research, with demonstrated experience in analyzing public policy and legislation in southeast Alaska; and

c. Independence: be independent of, and have no familial, financial, or other affiliation with, any sponsor of the proposed initiative; provided that the

engagement of the Author by such sponsor and the incurrence and payment of fees and costs thereunder shall not create a financial or other affiliation for purposes of this sentence.

5. All expenses associated with the preparation and delivery of an EISR shall be borne by the sponsor(s) of the proposed initiative.

6. The municipal clerk shall ensure compliance with the foregoing requirements and shall reject applications for a petition for an initiative that are not accompanied by an EISR that satisfies each of the foregoing requirements, even if the application meets all other requirements for issuance of the petition.

Section 2. Amendment of SGC 2.80.040.B. SGC 2.80.040.B shall be amended by deleting the period(".") at the end of paragraph 8 and replacing it with"; and"; and the following provision shall be added to Section 2.80.040.B immediately after paragraph 8 as so amended:

9. State that (a) the municipal clerk is in possession of a report addressing the economic impact that the initiative would have on City and Borough of Sitka if the proposed initiative is adopted by the voters of Sitka, and (b) the report is available for inspection and copying at the municipal clerk's office pursuant to, and in accordance with, the Alaska Public Records Act, AS 40.25.100 - AS 40.25.295, and SGC 1.20.010 - SGC 1.20.110; and

10. Attach to the petition a copy of the EISR.

Section 3. Amendment of a New Subsection F to SGC 2.80.040. SGC 2.80.040 shall be amended by adding the following as a new subsection F:

F. *Severability.* It is the intent of the voters and the City and Borough of Sitka that the provisions of SGC 2.80.040 be enforced to the fullest extent permitted by law, and that, in the event of partial invalidity, the Section's core purposes and policies shall continue to be implemented. If any provision of SGC 2.80.040 or the application thereof to any person, entity, or circumstance is found to be invalid, unconstitutional, or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity of the remaining provisions of this Section. The provisions of this Section are severable, and the remainder of the Section shall remain in full force and effect as if such invalid provision or application had never been included.

Section 4. Effective Date. This initiative and the amendments made hereunder shall be effective on the thirtieth (30th) calendar day following certification of the election where the voters approved this initiative.
