

**F A Q — Frequently Asked Questions about the:  
Cruise Limitation Petition of November 2024**

*Table of Contents*

<b>Q&amp;As ABOUT THE BASICS</b> .....	<b>1</b>
1. What does this ordinance do? .....	1
2. Why is this ordinance needed?.....	2
3. How does the ordinance work? .....	2
4. What if a cruise ship arrives with too many passengers? .....	2
5. Do crew count toward the caps? Are crew affected in any way? .....	2
6. How is the “passengers ashore” metric used in scheduling and enforcement?.....	3
7. How will the annual municipal cruise ship schedule be developed? .....	3
8. Can ships transfer their port calls or daily allowances — is this like a cap-and-trade? .....	3
9. How long will the ordinance be in force?.....	3
10. Is it reasonable for caps and limits to take effect for the 2026 season? .....	3
11. Why is the season set as May—Sept, instead of mid-May—mid-Sept, or unlimited? .....	3
12. Why is there flexibility regarding no-large-ship days?.....	4
13. Is an annual cap reasonable?.....	4
14. How is this ordinance different from the prior initiatives?.....	4
15. Why aren’t independent traveler number limited too?.....	4
<b>Q&amp;As RELATED to CRUISE SHIPS, PORT FACILITIES &amp; SHUTTLE / TOUR BUSES</b> .....	<b>4</b>
16. SHIPS: What kinds of vessels are regulated by the ordinance? .....	4
17. SHIPS: In an emergency, is there an exception for a cruise ship to make a port call? .....	5
18. SHIPS: Are ships using Sitka as a “turn port” between itineraries accommodated?.....	5
19. SHIPS: If a cruise ship only transits City & Borough waters (no port call) is it affected?.....	5
20. SHIPS: Will manifests of passengers be public information?.....	5
21. PORTS: Are port facilities (either public or private) regulated?.....	5
22. PORTS: Can the Cruise Terminal dock large ships & be used for other maritime activity? .....	5
23. BUSES: Does the ordinance regulate buses or tour vehicles? .....	5
24. BUSES: Will the ordinance lower impacts of buses and tour vehicles?.....	5
<b>Q&amp;As REGARDING MUNICIPAL GOVERNMENT</b> .....	<b>6</b>
25. How does this relate to the new MOU and the Tourism Commission?.....	6
26. Does this ordinance appropriate funds or direct staff?.....	6
<b>Q&amp;As ENFORCEMENT and APPEALS</b> .....	<b>6</b>
27. How is the ordinance enforced? .....	6
28. How were the amounts of fines determined? .....	6
29. Is there an appeal process? .....	6
30. Can the City file a civil lawsuit for a repeat ship offender?.....	6

**Q&As ABOUT THE BASICS**

**1. What does this ordinance do?**

Starting with the 2026 cruise season, the ordinance establishes the following limits for “large cruise ships” – which are those with a maximum overnight capacity of 250 or more passengers:

- 4,500 is the maximum combined number passengers that cruise lines can be scheduled to actually have ashore in Sitka on any day.
- 300,000 is the maximum combined number of passengers that cruise lines can be scheduled to actually have ashore in Sitka within any year.

- The season is limited to May through September. The Assembly may set a shorter season.
- In each week one day will have no large ships ( $\geq 250$  maximum passenger capacity) on a day determined for each week during scheduling. (Those are default requirements; however, the ordinance allows the Assembly to specify the day of week or to choose to have two such days per week.)

“Small cruise ships” (those with a maximum capacity of more than 12 but less than 250 overnight passengers) are exempt from the above limits. Ships with a 12 or fewer maximum overnight capacity are not considered small cruise ships and are entirely exempt from the ordinance.

All large and small cruise ships must have an annual Disembarkation Permit issued by the City and Borough of Sitka (CBS), and must count and report the number of passengers who disembark in Sitka.

Sitka is empowered by its Home Rule Charter to make and enforce these limits. Though the ordinance reduces cruise tourism, it actually supports cruise tourism at a still substantial level that restores the needed balance between the industry’s economic benefits and its harmful impacts when unregulated.

## **2. Why is this ordinance needed?**

The recent boom in cruise tourism adversely impacts many Sitkans. The ordinance improves safety, reduces nuisances, and promotes residents’ health and wellbeing. It does so by:

- reducing cruise-related overcrowding of people and vehicles on highways, streets, sidewalks, trails, waterways and public places;
- protecting our small town character, way of life and subsistence status; and
- regaining Sitka’s integrity as a high-quality destination for cruise and independent visitors.

## **3. How does the ordinance work?**

The ordinance’s concept is simple, though provisions necessary for implementation and enforceability make it several pages long.

“Title 25 – Tourism” is created in the Sitka General Code. It requires all cruise ships making port calls to have an annual permit. All must report the count of the number of passengers who disembarked shortly after the port call is completed.

Large cruise ships may only make port calls that are in a municipal schedule. A “Port call allocation” in the schedule is for a specific ship on a particular date and includes the maximum number (the allocation) of passengers ashore the cruise line states it will not exceed for that port call. The schedule will be developed in a way that the limits in FAQ #1 will not be exceeded.

The Assembly may choose from among three ways to develop the initial schedule for a cruise season. One method is the default in case the Assembly doesn’t act. After the initial schedule is developed port calls may be added or changed by application to the City. The modification will be granted if it won’t cause a limit in FAQ #1 to be exceeded.

Both large and small cruise ships must count report their number passengers ashore for each port call, so that data for the cruise season will be complete.

The ships’ Disembarkation Permits enable enforcement of the ordinance’s provisions. For instance this includes failure to count passengers ashore from a port call or report the count, or a large cruise ship exceeding its scheduled passengers ashore allocation. Port call allocations are listed in the ship’s Disembarkation Permit for the cruise season in addition to being in the municipal schedule.

Title 25 has three chapter (main sections): one each for general provisions, large ships and small ships.

## **4. What if a cruise ship arrives with too many passengers?**

All passengers may disembark even if they number more than what the ship is allowed in the schedule or if a cap or limit will be exceeded. No passenger will be penalized in anyway.

## **5. Do crew count toward the caps? Are crew affected in any way?**

No. Crew do not count toward the caps. The ordinance does not affect crew in any way.

## **6. How is the “passengers ashore” metric used in scheduling and enforcement?**

The intensity of local impacts from cruise tourism is related to the number of people who disembark from the ships—what the ordinance calls “*passengers ashore*.” The term has three shades of meaning. Depending on context it can be:

- the cumulative number a cruise line promises not to exceed during a ship’s port call and which is embedded in the schedule;
- the actual cumulative number reported after a ship’s port call, which may be subject to enforcement if the scheduled number is exceeded; or
- the combined cumulative number for all ships during a day or a cruise season, for monitoring performance in comparison to the ordinance’s limits.

An initial annual schedule is developed in a way that the promises in the first bullet for the port calls of all ships in the schedule do not exceed the ordinance’s limits on large ships.

## **7. How will the annual municipal cruise ship schedule be developed?**

A cruise line may apply during a window that is about 18 months ahead of a cruise season, to participate in developing the initial schedule and for a Disembarkation Permit. The timeframe is shorter for the 2026 season.

The ordinance allows the Assembly a choice among three methods for developing an initial schedule that complies with the ordinance’s large ship limits. If the Assembly doesn’t choose, the default is a City-administered scheduling conference with the cruise lines (in person or online). Another choice is to have the industry make a limits-conforming schedule, then verified by the City for conformance. The third, is any other lottery, first-in-time or other method the Assembly chooses, if compliant.

The ordinance specifies how the conference method will be conducted. In random order, each cruise line puts forward one of the port call allocations from its application, and if it does not exceed the caps and limits it is entered in the schedule. The process repeats until no more of the requests can fit in the schedule. The conference can continue for optimization, to allow cruise lines to shift their granted port calls so that more port calls can be added into the initial schedule, while still complying with the limits.

After the initial schedule is finalized, cruise lines can apply for schedule changes or added port calls (including for additional ships and permits for them), provided the caps and limits are not exceeded.

## **8. Can ships transfer their port calls or daily allowances — is this like a cap-and-trade?**

No. Port call allocations are non-transferable. Also, applications include a statement of a ship’s maximum capacity, and a scheduling request exceeding that amount will be easily detected.

## **9. How long will the ordinance be in force?**

The ordinance will stand until amended or repealed. Per Sitka’s Home Rule Charter, it can’t be amended or repealed until one year after the date of adoption by election. However, several ordinance sections allow the Assembly some choices, even during the first year the ordinance is in effect.

## **10. Is it reasonable for caps and limits to take effect for the 2026 season?**

2025 is Sitka’s fourth year of cruise boom impacts, so returning to a reasonable level is urgent. 2025 is now too close for change, but the industry itself shows why 2026 is reasonable.

The Cruise Terminal responded in 2023 to our early efforts for a cruise initiative by proposing then as-yet unspecified caps of its own. KCAW reported on 11/12/23: “With 2024’s schedule set and tickets purchased, the ship limits and passenger caps McGraw ultimately lands on would go into effect in 2025.” Likewise, our caps will go into effect for the season after the upcoming one — 2026.

## **11. Why is the season set as May—Sept, instead of mid-May—mid-Sept, or unlimited?**

Sitka’s recent April–October cruise season has been a hardship for many residents, businesses and attractions. The Tourism Task Force recommended mid-May through mid-September, and that is included in the recent MOU between the City and the Cruise Terminal. We feel this choice has not been

fully vetted with the public, and opinion may be sensitive to whether or not there are cruise visitation limits. So, the ordinance specifies a looser May–September season, but allows the Assembly – even for the first year – to adopt a shorter season by resolution. Assembly procedure involves public testimony.

### **12. Why is there flexibility regarding no-large-ship days?**

The default in the ordinance (unless the Assembly makes a different choice) is day per week with no large ships (>250 maximum passengers). The Tourism Task Force recommended two “quiet days” per week on a Friday, Saturday and/or Sunday with less than 1,000 cruise ship visitors, but with no caps. Because the ordinance has caps, we make the default less restrictive but allow Assembly choice.

### **13. Is an annual cap reasonable?**

Cruise lines can be expected to fill available days as close to the 4,500 passengers ashore daily limit as they can. The impact on Sitkans can be enormous. Absent an explicit annual cap there is an inherent one, due to the combination of daily limit, season length and a weekly day without large ships.

For a May–September six-day-a-week season, the inherent annual cap is 589,000 cruise passengers ashore. For a mid-May–mid-September six-day-a-week schedule, as in the City/Cruise Terminal MOU, the inherent cap is 468,000 per year. Either leaves the barn doors wide open. In contrast, the ordinance’s 300,000 annual cap harmonizes with tourism “managed growth” as defined and promised in Sitka’s Visitor Industry Plan 2.0. The 300,000 is a substantial volume by any pre cruise boom measure. It is a lot of business, and a lot of impact—more is too much.

The Cruise Terminal’s Chris McGraw told the Tourism Task Force in November 2023 that he was considering his own caps. Asked if that would include an annual cap, he replied:

“No. ...we have Norwegian Cruise Lines starting four weeks earlier and ending almost three weeks later than our season this year. ...you’re adding probably 30,000 additional passengers, but...only 4,000 people a week. So it’s going to grow the total number, but I don’t see it impacting the overall congestion...”. (From transcript).

However, in the 2024 MOU the Cruise Terminal and City agreed to limit the cruise season to the traditional mid-May–mid-September. That moots McGraw’s argument against an annual cap. So does the ordinance’s May–September season.

### **14. How is this ordinance different from the prior initiatives?**

Primary differences from earlier attempts to get on the ballot are that now:

- The caps are based on “passengers ashore” instead of “persons ashore.” The number of crew members who disembark are no longer counted at all. They don’t count toward the daily and annual caps.
- Port facilities are not covered at all. Eliminated for example are annual cruise facility permits and requirements to count and report both the number of passengers and crew who disembark. Buses leaving a port facility don’t need to be counted.
- The format of the ordinance is much different, but in principal the regulations are otherwise much the same.

### **15. Why aren’t independent traveler number limited too?**

By far the primary tourism impact on Sitkans is from cruise tourism, and urgent action is needed. We address the primary problem. If the Assembly wishes to address independent travel, it can.

## **Q&As RELATED to CRUISE SHIPS, PORT FACILITIES & SHUTTLE / TOUR BUSES**

### **16. SHIPS: What kinds of vessels are regulated by the ordinance?**

The only vessels the ordinance regulates are what it defines as “cruise ships.” It does not apply to other kinds of commercial or pleasure vessels, ferries or government vessels. Tour boats that in effect lighter cruise ship passengers to shore are not regulated; however, to avoid a loophole, counts in cruise ship reports must include the number of passengers who disembark directly to these or other lighters.

Vessels with maximum overnight accommodations for 12 or fewer passengers are entirely exempt by SGC 25.01.020(D). Cruise ships with a maximum overnight capacity of less than 250 passengers (“small cruise ships”) are exempt from the caps and limits (25.01.030), but still must have an annual permit and report their daily number of passengers ashore (25.01.040(B) and (C)). For large cruise ships, those requirements plus the limits explained in FAQ #1 apply.

**17. SHIPS: In an emergency, is there an exception for a cruise ship to make a port call?**

Yes. A cruise that does not have a permit or is not in the schedule make an emergency port call if the ship’s captain or a government official determines the emergency makes it necessary.

**18. SHIPS: Are ships using Sitka as a “turn port” between itineraries accommodated?**

Yes. Only small cruise ships “turn port” (start or end voyages) in Sitka, and have had maximum capacities of less than 250 passengers. These ships are exempt from the caps and limits, but must have a permit and report their number of passengers ashore for each port call.

The treatment is because few ships of this class visit Sitka, and their collective and individual impacts are small. It is also because precluding them from making a port call (due to a cap) can cause a whole voyage to be cancelled, because this is usually their “turn around” port. In contrast, if a large ship can’t schedule a particular port call because of a cap, it can skip Sitka without cancelling its voyage.

**19. SHIPS: If a cruise ship only transits City & Borough waters (no port call) is it affected?**

No. The ordinance does not regulate cruise ships that merely transit city and borough waters.

**20. SHIPS: Will manifests of passengers be public information?**

No. Only the gross counts of passengers who disembark are reported to the City.

**21. PORTS: Are port facilities (either public or private) regulated?**

Port facilities do not need permits and they are not directly regulated. Cruise lines will be bringing fewer passengers to Sitka due to the caps and limits. They will choose the public or private dock or tendering facilities they use.

**22. PORTS: Can the Cruise Terminal dock large ships & be used for other maritime activity?**

Even the largest cruise ship that has visited Sitka can still use the Cruise Terminal some of the time, on days when it is the only ship calling in Sitka and the call will fit within the daily cap. For instance, the Quantum of the Seas has a lower berth capacity (the industry’s standard metric) of 4,180 passengers and can have maximum of 4,905. On five of its Sitka stops in 2023 there were less than 4,500 actual passengers aboard. Even with somewhat more than 4,500 aboard It could successfully make a port call within the daily cap, since not everyone goes ashore. Cruise lines may be able to schedule the number closely, by relying on data from past voyages and current market trends.

The number of passengers using the Cruise Terminal is likely to be smaller, and perhaps fewer ships. There is no effect on other maritime activities at facility.

**23. BUSES: Does the ordinance regulate buses or tour vehicles?**

No, an earlier version of the initiative required a count of buses and tour vehicles leaving a port facility. To streamline the ordinance we eliminated that provision. Such data is important for city planning purposes and public information, and the Assembly could pass an ordinance to obtain it.

**24. BUSES: Will the ordinance lower impacts of buses and tour vehicles?**

Yes. The ordinance does not directly regulate land transportation, but an overall reduction in cruise visitation will lower the amount of traffic, congestion, noise and pollutant emissions from shuttles and tour vehicles. The assembly considered direct regulation of shuttle buses in 2024 as a means of reducing cruise visitation impacts, and found doing so to be infeasible.

## **Q&As REGARDING MUNICIPAL GOVERNMENT**

### **25. How does this relate to the new MOU and the Tourism Commission?**

The MOU is a non-binding, unenforceable understanding between the City and the Cruise Terminal. The ordinance will be an enforceable part of the Sitka General Code, and supersedes any MOU provisions that are in conflict. A term of the MOU is that either party may terminate it by written notice.

### **26. Does this ordinance appropriate funds or direct staff?**

No. This ordinance empowers the Assembly and does not appropriate funds or public resources. Notably, the ordinance preserves the Assembly's discretion in a variety of ways: how to schedule large ships, if permit fees should be required, how many and what days a week are "large ship free," and how to deal with enforcement. Importantly, there is even a specific Assembly transition provision (SGC 25.01.080) empowering the Assembly to make decisions, if it chooses, during the first year.

## **Q&As ENFORCEMENT and APPEALS**

### **27. How is the ordinance enforced?**

The ordinance is explicit that even if a cruise ship makes a port call that exceeds its allowed (scheduled) maximum passengers ashore for that call, the passengers shall not be interfered with and they may come ashore. Penalties are only against the cruise line, never passengers.

### **28. How were the amounts of fines determined?**

There are a few ways a cruise ship could violate the ordinance. Fines are high enough to get a cruise line's attention. However, because the fines alone may not deter some kinds of violations, another penalty is included, as explained here. Cruise ships calling on Sitka are required to have an annual Sitka Cruise Ship Permit, which has enforceable conditions. Penalties:

- If a ship makes a port call without the annual permit (except in an emergency), the cruise line is fined \$15,000, and the ship may not obtain a permit or schedule port calls for one year.
- If a ship's port call exceeds the number of passengers ashore that it has scheduled for that call or makes a port call not in the schedule, the cruise line is fined \$5,000 for a first offense and \$10,000 for a second offense. Upon a third offense the fine is \$15,000, and that ship's Disembarkation Permit is revoked and its port calls in the schedule are deleted. It may not schedule port calls that would be within one year the third offense. For the purposes of this enforcement, each prior offense within the same cruise season by any other ship(s) in the same cruise line will be considered an offense by the ship making a current offense.
- For other violations of a ship's permit conditions, the fined is \$5,000 for each violation, and the same kind of penalty for a third offense applies.

The objective of the fines and other penalties is, first, in hope that violations do not occur or are small in number, and also to deter repeated violations. Because a large profit can be made by committing violations as a business decision, we believe this treatment of violations is rational and appropriate. Minor clerical errors will not lead to enforcement.

### **29. Is there an appeal process?**

Yes. CBS actions, such as issuance or termination of a permit, the application of fines, or the cancellation of port call may be appealed to CBS, and a hearing may be requested. A decision is required to be made by the City, and may be further appealed to Alaska Superior Court.

### **30. Can the City file a civil lawsuit for a repeat ship offender?**

Yes. The violation and enforcement section clarifies that the fines are civil fines (SGC 25.01.060.D), and the City may file a civil lawsuit to enforce the provisions of this ordinance (SGC 25.01.060.F).