


# CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

## MEMORANDUM

**To:** Mayor Eisenbeisz and Assembly Members

**Thru:** John Leach, Municipal Administrator 

**From:** Larry Reeder, Assessing Director

**Date:** April 2, 2024

**Subject:** Community Purpose Exemption Applications – Sheldon Jackson Child Care Center and Youth Advocates of Sitka Inc.

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### **Background**

Each optional exemption must receive prior approval by the Assembly; considering the benefits provided the community by the organization, and to the amount of property to be removed from the tax rolls.

### **Analysis**

To be considered, an organization must:

1. not organize for business or profit-making purposes; and,
2. use the property exclusively for community purposes; and,
3. verify income derived from rental of that property does not exceed the actual cost to the owner of the use by the renter; and,
4. benefit a significant portion of the public; and,
5. not profit persons other than employees; and,
6. qualify for a federal income tax exemption under 26 USC 501.

The Assessor's Office did receive timely filed applications for the Community Purpose Tax Exemption for the following:

1. Youth Advocates of Sitka Inc.
2. Sheldon Jackson College Childcare Center

## **Fiscal Note**

If the exemptions are approved, the tax amount exempted would be as follows:

1. Youth Advocates of Sitka Inc.  
902,900 (Assessed Value) X .006 (tax rate) = \$5,417.40
2. Sheldon Jackson College Childcare center  
1,321,700 (Assessed Value) X .006 (tax rate) = \$7,930.20