

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2024-09A

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AUTHORIZING A PROPERTY TAX EXEMPTION FOR THE YOUTH ADVOCATES OF SITKA, INC. (“YAS”) FOR THE PROPERTY LOCATED AT 3411 HALIBUT POINT ROAD

1. CLASSIFICATION. This ordinance is not of a permanent nature and is not intended to become a part of the Sitka General Code (SGC).

2. SEVERABILITY. If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstance shall not be affected.

3. PURPOSE. The purpose of this ordinance is to exempt from property tax the interest of Youth Advocates of Sitka, Inc., in the real property located at 3411 Halibut Point Road, Sitka, Alaska. The exemption, known as the “community purpose optional property tax exemption,” is authorized under Sitka General Code, subsections 4.35.025.E and H, which adopt and incorporate Alaska Statute 29.45.050(b)(1)(A), which under subsection (E), in order to receive the exemption, requires YAS to be “an organization not organized for business or profit-making purposes and [the property] used exclusively for community purposes.” The code and statute also require, to be exempted, that the “income derived from rental of that property does not exceed the actual cost to [YAS] of the use by the renter.” In addition, Sitka General Code, subsection 4.35.025.H requires that the owner seeking the community purpose exemption must “1. Benefit a significant portion of the public; and, 2. Not profit persons other than employees; and 3. Qualify for a federal income tax exemption under 26 USC 501.” This exemption is intended to sunset in one year.

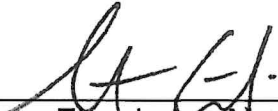
4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka, upon finding as follows:

- (1) YAS is an organization not organized for business or profit-making purposes; and,
- (2) the property at 3411 Halibut Point Road is used exclusively for community purposes; and,
- (3) income derived by YAS from the rental of the property at 3411 Halibut Point Road does not exceed the actual cost to YAS of the use by any renter; and
- (4) the operation of YAS benefits a significant portion of the public; and,
- (5) the operation of YAS does not profit persons other than employees; and,
- (6) YAS qualifies for a federal income tax exemption under 26 USC 501.

Thereby, SGC 4.35.025.E and H are satisfied and YAS is exempt from property tax as long as YAS owns the subject property and is in compliance with SGC 4.35.025.E and H. This exemption shall sunset in one year.

5. EFFECTIVE DATE. This ordinance shall become effective on the day after the date of its passage and sunset in one year.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, this 14th day of May, 2024.



Steven Eisenbeisz, Mayor

ATTEST:



Sara Peterson, MMC
Municipal Clerk

1st reading: 4/9/24

2nd reading amended: 4/23/24

3rd and final reading: 5/14/24

Sponsor: Administrator