



City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

Coast Guard City, USA

MEMORANDUM

To: Mayor McConnell and Members of the Assembly

From: Mark Gorman, Municipal Administrator

Subject: Ordinance 2014-17 Sale of Pocket Park, Turney Burkhart PUD to Sitka Community Development Corporation Community Land Trust

Date: May 21, 2014

Sitka Community Development Corporation (SCDC) was started in 2006 by Sitkans responding to the lack of affordable housing in the community. SCDC's purpose is to "promote community development and affordable housing for individuals and families in the City and Borough of Sitka." SCDC received its 501(C)(3) status from the IRS in 2008. Incorporated in the State of Alaska, SCDC is also a Community Land Trust (CLT) working to provide Sitka with permanently affordable housing. In May of this year, the SCDC Board adopted the business plan, five year operating budget, ground lease, stewardship policies, repair and maintenance policy, and home buyer selection policies and procedures.

Ordinance 2014-17 conveys the small lot (3825 square feet), currently designated as a Pocket Park, in the Turney Burkhart Subdivision to the CLT. The pocket park was created at the time of the Planned Unit Development according to subdivision code regulations, however it has been unmaintained and unused. The lot is assessed at \$78,100.

The CLT will remain the land owner of the lot, only selling the future home to qualifying individuals with an annual income range below 120% of the area median income. Along with affordability controls for future sales of the home, this keeps home ownership at an attainable rate for working families in the Sitka area. With home owners paying a small monthly land lease fee to the CLT, the Trust will be able to develop other properties making more affordable homes available.

Working with the Cold Climate Housing Research Center, the CLT will develop a modest, code conforming house plan that will be aesthetically pleasing to the neighborhood.

RECOMMENDED ACTION: Approve the ordinance.