# **Special Reports**



 Sitka Community Development Corporation (SCDC) and the Community Land Trust proposal for the Old City Shops property (<20 minutes)</li>



Sitka Community Development Corporation and the Community Land Trust Proposal for the Old City Shops Property: An Affordable Cottage Neighborhood

September 2015

## Affordable Home-Ownership in Sitka

The community is well aware that the lack of affordable home ownership opportunities is having a significant detrimental impact on the economy and the demographic makeup of Sitka. The Sitka Economic Development Association lists affordable housing as a critical issue. The McDowell Group's annual report on the economic status of Sitka lists affordable housing as a critical issue. Furthermore, the school age population of Sitka has dropped from approximately 1,850 students in 1993 to 1,350 in 2014, while the town population is nearly identical. This represents a tremendous demographic shift. Young families are not moving here or staying here and affordable housing is one of the most significant reasons why this is so.

## About the Community Land Trust

The Community Land Trust (CLT) was established by the Sitka Community Development Corporation (SCDC) in May 2014. CLTs across the nation are working to create affordable home ownership opportunities for their communities.

#### **Housing Survey Results**

Earlier this year the CLT surveyed 182 individuals in Sitka who are currently renting their homes.

169 respondents felt that they would buy a house if the monthly payment were the same as their monthly rent.

Based on their income and current monthly rent, 70 individuals could afford the monthly mortgage payments for a \$200,000-\$225,000 home.\*

\*Baranof Reality Mortgage Calculator, price estimates for insurance from State Farm.

The Community Land Trust model is a simple and elegant way to reduce the cost of houses by roughly one third and provide perpetually affordable homes. First the CLT acquires land and builds small, energy efficient homes. Then the deed of the home is separated from the deed of the land and buyers purchase only the house. The land is used for a very small monthly fee. In purchasing the home, the owners sign an agreement which, among other things, limits their profit taking upon the sale of the house to roughly 25% of the appreciated value. This limitation keeps the home perpetually affordable while allowing the owners to gain enough equity to enter the open housing market in their next home. The initial price of the house is reduced by roughly one third and the resale price stays low over time.

More information can be found at sitkaaffordablehousing.org.

## The Old City Shops

The CLT has now set its sights on acquiring The Old City Shops property. Sitkans voted several years ago to develop the land for affordable housing. The property is bare ground made up of three parcels totaling 145,858 square feet, of which 72,000 is buildable. The remaining land is too steep for development. The CLT received a grant from the Rasmuson Foundation to develop a neighborhood plan for the property, which is what you now see before you. Through this process, it has been determined that 13 homes and 2 rental units can fit on this parcel. This will require them to be small, close, and sharing common green space and parking.



### The CLT Approach: A Cottage Neighborhood

The CLT plans to develop a community of small, affordable, and comfortable single family homes on the Old City Shops property. The values of community and well-being will be at the heart of the design.

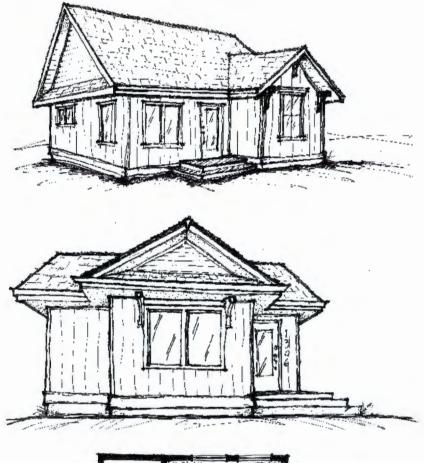
**Mixed Neighborhood:** The cottage neighborhood will be home to community minded individuals and families of all demographics. The small homes will fit the needs of older people and empty-nesters looking to downsize, single people buying a house on their own, new families in need of a starter home, and young people who want to stay in Sitka but can't afford the housing prices. Many people will benefit from the development of affordable home ownership opportunities in a welcoming and friendly neighborhood.

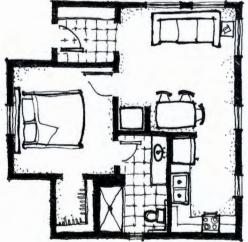
**Universal Accessibility:** The cottages will be designed to accommodate low mobility residents, with at least one bedroom and a bathroom with a walk in shower on the first floor. Most of the homes will have the potential to be easily and affordably renovated to accommodate wheelchair bound residents.

**Shared Outdoor Spaces:** While individual homes and yards will be small, to maintain affordability and fit into the narrow site, all residents will have access to shared outdoor spaces. These could include outdoor storage for boat and camping gear, covered bike parking, a couple of fire-pit and picnic areas, raised garden beds, a greenhouse, and a play area.

**Aesthetics:** The cottage neighborhood will be inspired by the aesthetic of Sitka's historic small homes. Cedar shakes mixed with horizontal siding, tall windows with storybook mullions, intersecting gable roof lines, simple boxes with modest pop-outs. Well made, comfortable, and familiar.

**Pedestrian Friendly:** The narrow site lends itself to tight clusters of homes, shared outdoor spaces, and parking condensed at either end. In the place of roads and driveways, the neighborhood will have walking paths, play areas, covered porches, and several vehicle access points for dropping off furniture, groceries, and people. The neighborhood will be within walking and biking distance of the trail system, schools, and grocery stores. There is even potential for a path connecting the homes directly to Edgecumbe Drive, which leads to Keet Gooshi Heen Elementary and the Cross Trail.







Scale 1"=90'

House Size	1 bedroom	2 bedroom	3 bedroom
Number of Units	2	6	5
Square Footage	700-1000	900-1100	1000-1200

