



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: November 25, 2025
Subject: Community Purpose Exemption Application

REF: AS 29.45.050, and CBS City Code 4.35.025€

Applicants: Center for Community

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

In order to be considered a community service organization must:

1. Benefit a significant portion of the public; and
2. Not profit person other than employees; and
3. Qualify for a federal income tax exemption under 26 USC 501

The Assessor's Office received a timely application for the Community Purpose exemption from The Center for Community.

The Center for Community did submit a letter outlining their services that they feel serve the public and qualify them for the exemption. (see attached).

Fiscal Note

The Center for Community owns the entire property and uses 42% for their services. The other 58% is leased out to SEARHC and Sitka Vision Clinic. Therefor they are

requesting 42% of the property value receive exemption from property tax.

Current property total value: \$2,254,400 X 42% = \$ 946,848 X .006 (Rate) =
\$ 5,681.09 property tax exemption.

Note:

Originally, the Center for Community had applied for the Alaska State mandatory non profit exemption for educational purposes. (AS 29.45.030 and Sitka General Code 4.35.25). However, the application was denied due to the organization does not hold a school designation of any kind.