



CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

Thru: John Leach, Municipal Administrator *ALA* (Acting)

From: Amy Ainslie, Planning and Community Development Director
Melissa Henshaw, Public and Government Relations Director

Date: April 5, 2023

Subject: Authorization to Apply for a Denali Commission Funding Opportunity under the Housing Program Area for the Housing Land Feasibility Study

Grant Background

Link to the Funding Opportunity Announcement for the Denali Commission:

<https://www.denali.gov/funding-requests/>

The Denali Commission was established in 1998 as an independent federal agency to promote rural development throughout Alaska. Every year the Commission is largely funded via its federal congressional appropriation as well as receives transfers from the State of Alaska, other federal agencies, and other funders. In addition, the Commission was provided funding in the Bipartisan Infrastructure Law – Infrastructure Investment and Jobs Act of 2021 (BIL).

The Commission makes funds available for projects on a competitive basis through a funding opportunity announcement. The statutory authority for the solicitation is Section 305 of the Denali Commission Act of 1998, which authorizes the Commission, acting through the Federal Co-Chair, to award grants.

Denali Commission funding opportunity key factors:

- The grant was announced February 3, 2023, and applications are due by April 14.
- The Housing program area has \$300,000 in available funds.
- Applicants may request awards up to \$300,000; the Commission anticipates making one or more awards.
- There is no cost share (match) required for non-construction projects.
- The Housing program area is for projects that address the lack of affordable housing and structural challenges of building housing in rural Alaska.
- Funds made available for this program area come from the Commission's annual federal congressional appropriation.

Project Background

The Comprehensive Plan 2030 and 2022-2027 Strategic Plan both identify housing availability and affordability as significant community issues warranting high prioritization for CBS project work. The Housing Land Feasibility Study will be managed by the Planning and Community Development Department and aims to understand the best opportunities for housing development on municipal lands. Analyzing the geophysical aspects of lands (slope, soils, wetlands, hydrology, natural hazards, etc.) will inform the amount of land that is suitable for development and at what density. Development costs will also be studied through conceptual designs and cost estimates for roads and utilities. This critical information will support informed decision-making around land development and/or disposal.

Fiscal Note

The FY2024 Draft Administrator's Budget includes \$750,000 in General Fund capital for this project. This grant will help offset those expenses, preserving availability of funding for future phases of housing development work.

Recommendation

Approve this resolution authorizing the Municipal Administrator to apply for a Denali Commission Funding Opportunity under the Housing project area for \$300,000 for the Housing Land Feasibility Study.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2023-13

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA (CBS) AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO APPLY FOR A DENALI COMMISSION GRANT UNDER THE HOUSING PROGRAM AREA FOR \$300,000 FOR THE HOUSING LAND FEASIBILITY STUDY

WHEREAS, Sitka has long recognized the challenges to community and economic well-being resulting from the lack of housing affordability and availability; and

WHEREAS, the Sitka Comprehensive Plan 2030 Housing Goal is to, “Expand the range, affordability, and quality of housing in Sitka while maintaining attractive, livable neighborhoods.”; and

WHEREAS, the Sitka 2022-2027 Strategic Plan Action 1.1 is to, “Develop a plan to improve housing options for all in Sitka.”; and

WHEREAS, the municipality is a significant land holder that wishes to better understand its opportunities to contribute to housing availability and affordability through its lands; and

WHEREAS, the Housing Land Feasibility Study will identify the best opportunities on municipal land for housing development informed by study results regarding land developability, housing density potential, and development costs, and

WHEREAS, the Denali Commission announced a grant opportunity and CBS is eligible for up to \$300,000.

NOW, THEREFORE, BE IT RESOLVED by the Assembly of the City and Borough of Sitka to authorize the CBS Municipal Administrator to apply for a Denali Commission Grant under the Housing program area for \$300,000 for the Housing Land Feasibility Study.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 11th day of April 2023.

Steven Eisenbeisz, Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st and final reading: 4/11/2023

Sponsor: Administrator