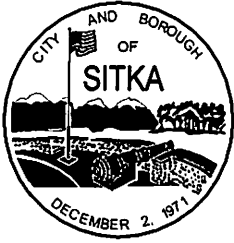


Sponsors: Potrzuski/Knox

POSSIBLE MOTION

I MOVE TO approve Ordinance 2018-04S on
second and final reading.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members
Keith Brady, Municipal Administrator

From: Assembly Members Bob Potrzuski and Kevin Knox

Date: 2/7/18

Subject: Approve Ordinance 2018-04 Utility Cost Subsidization Program

This ordinance is in response to long-standing discussion about mitigating the rise in utility rates over the last few years for those least able to afford them. Providing utility assistance to Sitka's most vulnerable citizens brings a measure of equity to our rate structure. Utility costs often represent a higher percentage of a household budget for low to low-middle income households and particularly for fixed income households. Offering assistance to reduce that burden increases that households economic strength and local impact, bringing benefit to the household and possibly to Sitka's economy in general.

This ordinance would provide a mechanism to provide assistance through a monthly utility rebate to individual customer accounts based on the level of need and availability of funding for the program. An annual application for the program will account for the number of assistance rebates divided into the annual appropriation by the Assembly. (See 15.15.020 Paragraph H)

The mechanisms for qualifying are in place already (Medicaid/Medicare, BIHA, SNAP, etc) and would only need to be reviewed by staff for eligibility. Because applicants would come 'pre-approved' it should not be onerous. (See 15.15.030 Paragraph A)

If the city finds itself, in the future, unable to provide funding for this program, assistance would then be suspended at the annual renewal date. Funding of \$400,000 was approved for FY '18 and due to various issues this ordinance was never fully vetted until now. Providing some measure of assistance as soon as practical is prudent given the availability of funds and a clear need to provide assistance to those most in need in our community.