



# City and Borough of Sitka


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*A Coast Guard City*

## MEMORANDUM

**To:** Mayor Eisenbeisz and Assembly Members

**Thru:** John Leach, Municipal Administrator 

**From:** Amy Ainslie, Planning Director 

**Date:** August 19, 2021

**Subject:** **Transfer of Remaining “Old City Shops” Land to SCLT**

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### **Background**

In 2006, Sitka voters were asked whether they would like to dispose of the “Old City Shops” properties located at 1306, 1410, and 1414 Halibut Point Road for an affordable housing project. It was stipulated that if successful, the transfer of the land would not be subject to competitive bid, and that it would be used for an affordable housing project available to all regardless of ethnicity. The ballot question passed in the 2006 regular election. This was done via Ordinance 2006-32, attached for reference.

In 2015, the Assembly decided to transfer part of the property, 1306 Halibut Point Road only, to the Sitka Community Development Corporation (SCDC), now operating as the Sitka Community Land Trust (SCLT). This was completed via Ordinance 2015-56 which stated that “Parcels 1410 and 1414 will be transferred/sold by similar ordinance to the SCDC at a future date, pending clear demonstration by SCDC that they are able to use such parcels consistent with the October 3, 2006 vote.”

SCLT representatives contacted CBS on April 29<sup>th</sup> to request initiation of the process outlined above. With five of the existing seven SCLT lots committed to buyers and five more applicants on a waitlist, SCLT feels that now is the time to begin planning and land acquisition for the remainder of the area.

The Planning Commission reviewed the request and conceptual site plan for these properties on July 7<sup>th</sup>. The Commission voted 3-0 to support the transfer of land at 1410 and 1414 Halibut Point Road to the SCLT.

### **Analysis**

While site development will be subject to future permitting and approval processes (particularly when it comes to subdivision of the property), a conceptual site plan has been developed by SCLT. The plan for the remaining lots is to construct seven

additional single-family homes, provide for parking, a covered workshop space, and other outdoor storage areas. A future rental unit(s) is under consideration on the far north side of the property.

As stated by SCLT in their letter to staff, development of the current SCLT site is well underway. One unit is fully finished and occupied, with two additional units under construction. Interest in future units is strong. SCLT has an opportunity to fund a significant portion of the site development for 1410 and 1414 HPR with a Rasmuson grant, and would therefore like to have ownership of the properties in order to apply for said grant funding in late 2021.

### **Fiscal Note**

The sale price for the properties is \$1. As was noted in the 2015 ordinance (and included in the ordinance before you), the price “reflects that the Municipality significantly benefits through other means in this transaction.” The project on these properties represents a public-private partnership to support the development of permanently affordable housing.

### **Recommendation**

Complete the transfer of the “Old City Shops” land to the SCLT as initiated by Ordinance 2015-56.