

## Sitka Land Trust Gets \$234,000 Grant

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An affordable housing project at the Old City Shops land on Halibut Point Road is moving forward, thanks to a \$234,000 grant from the Rasmuson Foundation.

The funds will help set the stage for the first phase of the project to build six houses on the vacant tract at 1306 Halibut Point Road, Community Land Trust President Randy Hughey said.

"The money will be used to do what we call the dirt work, the installation of utilities, and we will deal with that sloped brushy bank by clearing that off and putting in some sort of a rock retaining wall to support that," Hughey said.

The nonprofit Community Land Trust group is looking to help Sitka's affordable housing crunch by building a community of small homes at 1306 Halibut Point Road.



**A banner hangs on the former city shops property on Halibut Point Road where Sitka Community Land Trust plans to build a cottage development. (Sentinel Photo by James Poulson)**

"The neighborhood, this first parcel, will have six homes. There will be one-, two- and three-bedroom homes and they will be affordable," Hughey said.

The city sold the land to the land trust for one dollar last November. The idea is to make "starter homes" affordable by removing the value of the land from the cost to the buyer.

The resident would own the house, but the land it sits on would be held in trust. When the owner eventually moves on and sells the house, there would be a cap on the sale price, allowing the seller to make a profit but keeping the cost low for the next owner.

Hughey said this Rasmuson grant is the third in the history of the land trust. The first two, which were phase 1 grants capped at \$25,000, helped with the development of the land trust and early designs of the neighborhood.

Caitlin Woolsey and Matt Christner, both Sitka High graduates, did the design work and Hughey said Chris Balovich helped him map the utility and drainage plan for the parcel.

"He is also former student of mine," said Hughey, a retired shop teacher. He said the project continues to be able to use home-grown talent "because they're that good."

The first phase is for only six units, leaving a large part of the tract undeveloped. But the agreement between the CLT and the city says further development will be approved once the land trust "proves up" on this first phase.

Hughey said there's support from Rasmuson for the future stages of the project, once they reach that point.

"I believe that there exists in Rasmuson Foundation staff, at least with Chris Perez (senior program officer) that they're expecting a second phase and supportive of that," Hughey said.

The grant money doesn't come in until January 1, but the land trust is hoping to begin work this summer.

"We don't actually get the money until the first of January but we're already looking at doing some financing to get that started this building season," Hughey said.

The Rasmuson Foundation works with the Royal Community Assistance Corp. for low-interest community financing, Hughey said, and that group may be able to not only help the land trust get started this year but also provide financing for the houses that will ultimately be built on the property.