

MEMO

Date: February 13, 2024

To: The Mayor and Assembly

From: David Brena

Re: Multifamily Housing on the Old Clinic Lots

Dear Mayor and Assembly,

I would like to express my gratitude to the Planning & Zoning Commission for highlighting the possibility of developing this municipality-owned land. I recommend the following course of action:

1. The lots should be sold to the highest bidder through a request for bid process.
2. The winning bidder will have three years to complete the project and obtain a certificate of occupancy. Failure to do so will result in a penalty of 10% of the purchase price of the land payable to the municipality.
3. The site, according to current residential general zoning (RG), may be developed with a 9-unit multifamily structure with a conditional use permit.
4. Priority for leasing three or more units will be given to senior residents of Skagway.
5. A ten-year tax abatement on the real property could be applied to the senior-occupied units, providing them with a corresponding rent reduction.

While the idea of a trust is interesting, it is a complex and time-consuming document to draft. Furthermore, as the end of the term approaches, the owner of the improvements tends to neglect the project's maintenance, as the improvements revert to the municipality at that time.