

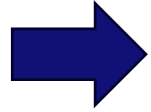
ANCHORAGE ASSEMBLY

HOUSING ACTION WEEK

The Anchorage Assembly's
Work to Expand Housing
Development in Anchorage



ASSEMBLY 2023 PRIORITIES



HOUSING ACTION

Set long-term vision, streamline codes & processes, spur innovative, attainable housing

PORT OF ALASKA MODERNIZATION

Support rapid timeline that launches Phase II construction by summer 2024

MONITOR MOA FINANCIAL HEALTH

Build reserve funds and recover FEMA reimbursements

PUBLIC HEALTH AND SAFETY

Fund public safety & mental health services; support Crisis Now model

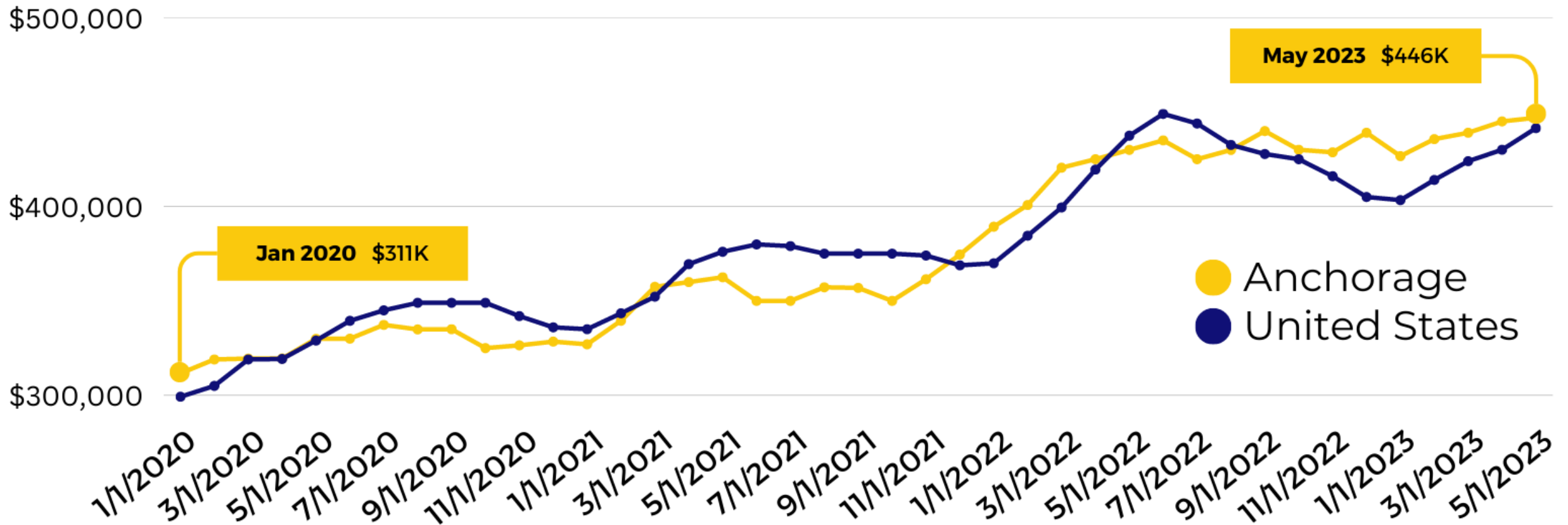
ASSEMBLY BUSINESS

Conduct business of the city with an increasingly open, accessible & transparent process



HOUSING MARKET SNAPSHOT

Median Listing Price



IS ANCHORAGE IN A HOUSING SHORTAGE CRISIS?

Housing is expensive:

- Anchorage median single family home listing rose from \$311,000 in Jan 2020 to \$446,000 in May 2023 – a 43% rise
- Hard costs = ~\$300/SF in Anchorage, \$120 SF in Lower 48

The gap is widening – in 2022:

- ALASKA = 2.4 new housing units/1,000 residents
- Mat-Su Valley = 7.0 new housing units/1,000 residents
- Anchorage = 1.3 new housing units/1,000 residents

TIGHT RENTAL MARKETS

There are very few places to rent

- 3.2% rental vacancy factor in Anchorage

Prices are rising

- Check Craigslist Anchorage and try to find a 1-bedroom under \$1,110
- Average rent for a 2-bedroom apartment is \$1,532



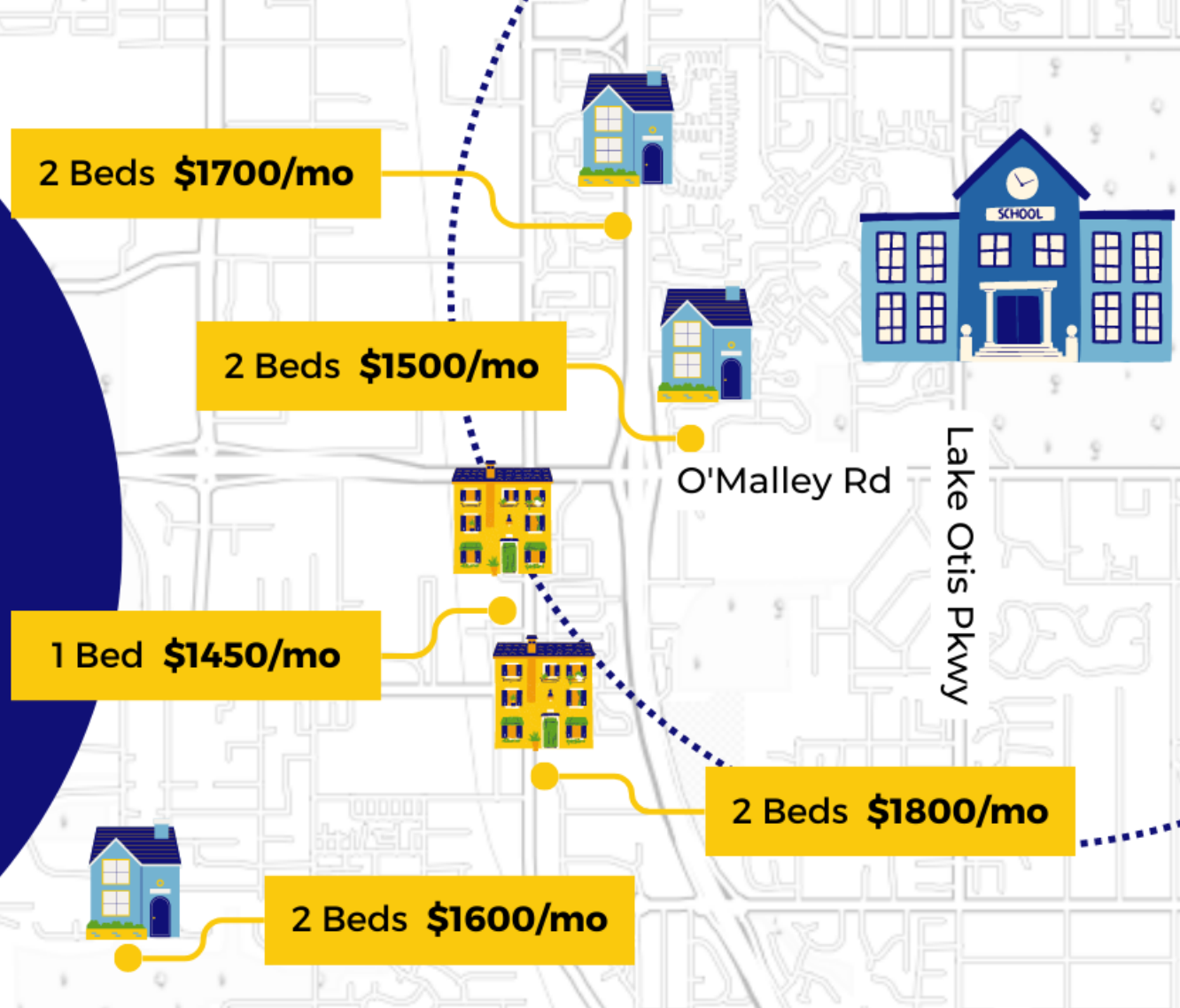
WHERE CAN MR. LEWIS LIVE WITHIN 1.5 MILES OF SCHOOL?

\$55,168 New ASD Teacher Annual Salary

\$3,586 Monthly Income After Taxes

\$1,200

Rent Budget as 30% of Monthly Income



TEACHERS NEED HOMES TOO.

WHAT IS ASSEMBLY DOING ABOUT HOUSING?

1) INVESTMENT

- \$50M in COVID funding for new housing: 600+ units including hotel conversions, Covey Lofts, Providence Supportive Housing and more

2) PARTNERSHIPS

- Working with ACDA, MOA Planning, AHBA, CIHA, developers, housing experts and others to review code changes, financial incentives and other paths to increase housing

WHAT IS ASSEMBLY DOING ABOUT HOUSING?

3) ENGAGING THE COMMUNITY

- Housing Action Week: October 30 – November 4
 - Nerd Nite – Thursday, Nov 2
 - Housing Action Summit - Friday, Nov 3
 - Future City Fun for Families – Saturday Nov 4
- Visit www.AnchorageHousingAction.org for more events
- **GOAL:** kick-off a broader **COMMUNITY CONVERSATION** about the future of housing in the Municipality

WHAT IS ASSEMBLY DOING ABOUT HOUSING?

4) CHANGES TO REGULATORY ENVIRONMENT

- Cutting red tape to remove barriers and encourage multi-family housing, infill development, gentle density, and more efficient land use
- Making MOA processes less complex
- Updating zoning to bring into alignment with the 2040 Land Use Plan – the municipality's guide for future development

COMPLETED



HOUSING – COMPLETED

ELIMINATED PARKING MINIMUMS

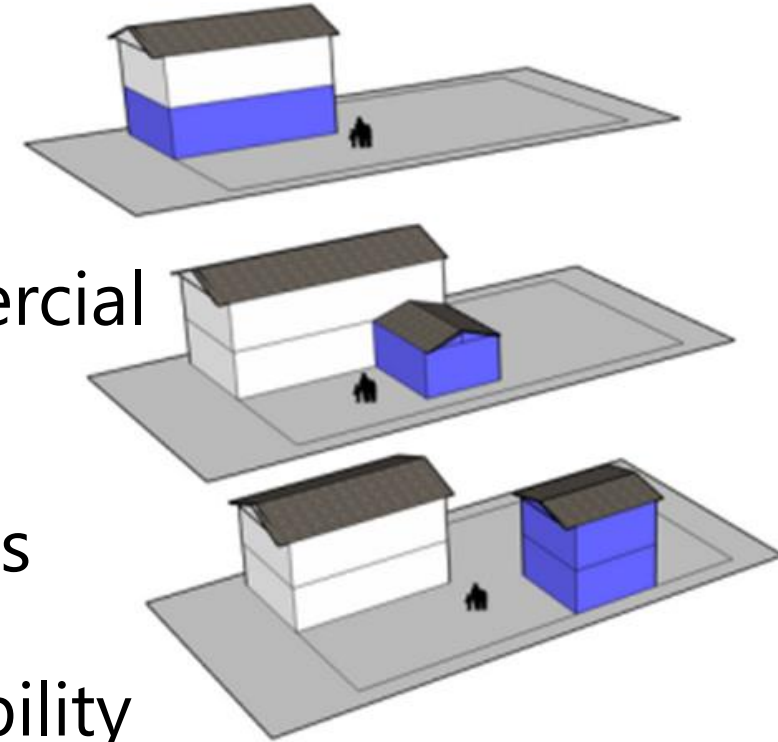
- Make housing & commercial development more affordable and more flexible
- Encourage adaptive re-use of vacant properties
- Prioritize connected spaces over empty swaths of pavement
- Accommodate non-motorized, multimodal travel



HOUSING – COMPLETED

ACCESORY DWELLING UNITS

- Provide mix of housing options and improve housing affordability in residential and commercial zones throughout the Anchorage Bowl
- Respond to increased demand for smaller units
- Give designers and developers increased flexibility
- Simplify proposed changes to Title 21



HOUSING – COMPLETED

SIMPLIFY BUILDING USE CONVERSIONS

- Exemption for conversions of existing buildings to multifamily from Residential Design Standards under AMC Section 21.07.110
- Initially intended for conversions of hotels/motels to permanent housing to add kitchen components; expanded to include all existing buildings
- Still needs to meet Title 23 Change of Use requirements

IN PROCESS



HOUSING – IN THE WORKS

HOME INITIATIVE GOALS:

- Streamline and simplify residential zoning code
- Make residential development more predictable
- Allow for more development of multi-family development in appropriate areas

HOUSING – IN THE WORKS

HOME INITIATIVE

Proposes establishing five residential zones in the Anchorage bowl, as identified in Anchorage 2040 Land Use Plan (LUP):

1. LLR – Large Lot Residential
2. STFR – Single Family and Two-Family Residential
3. Compact Mixed Residential – Low
4. Compact Mixed Residential – Medium
5. Urban Residential – High

HOUSING – IN THE WORKS

SMALL MULTIFAMILY – TRIPLEXES & FOURPLEXES

- Changes treatment of three and fourplexes from Commercial to Residential
- Support infill and make building tri- and fourplexes more efficient and cost effective in areas where already allowed
- Cook Inlet Housing Authority review of MOA property records, 1970 - 1985: 326 triplexes built during this time frame, ~22 a year; since 1999: 31 triplexes, ~1 year

HOUSING – IN THE WORKS

SHORT-TERM RENTALS (STRs)

- Require permit to operate an STR
- Gather additional data for Municipality provide a larger stick for code enforcement
- Safeguard neighborhood & property value - ensure that use, value and qualities of the neighborhood surrounding the proposed location will not be adversely affected

Short-term rental listings and total housing units by area

	Q2 2022 short-term listings	Housing units, total
Anchorage, Municipality	2,323	118,293
Kenai Peninsula	2,149	31,330
Matanuska-Susitna Borough	903	42,018
Fairbanks North Star Borough	717	44,270
Juneau, City and Borough	379	13,792
Sitka, City and Borough	151	4,229
Kodiak Island Borough	140	5,450
Ketchikan Gateway Borough	127	6,427
Chugach Census Area	72	3,287
Wrangell-Petersburg	37	3,251

Sources: AirDNA for short-term listings and U.S. Census Bureau, American Community Survey 2016 to 2020 for housing units

OTHER IDEAS



OTHER IDEAS UNDER CONSIDERATION

Out of the Box Thinking on Housing

- Tiny homes, communal living, dormitory style living

Further Regulatory Changes

- Code changes for minimum lot sizes & lot coverage, navigator program for building permits, 3rd party review for commercial

Public Investments

- Community land trusts, HLB & Real Estate land disposals, infrastructure banks and additional tax incentives

RESOURCES

- U.S. Census Bureau and U.S. Department of Housing and Urban Development, Average Sales Price of Houses Sold for the United States [ASPUS], retrieved from FRED, Federal Reserve Bank of St. Louis, June 13, 2023. <https://fred.stlouisfed.org/series/ASPUS>
- The Upside Down Economics of Housing in Anchorage presentation, Nolan Klouda, University of Alaska Center for Economic Development, May 19, 2023. https://www.muni.org/Departments/Assembly/SiteAssets/Pages/FOCUS-Housing/Klouda_The%20Upside%20Down%20of%20Housing_Assembly%20Retreat_2023-05-19.pdf
- Alaska Economic Trends Magazine, September 2022 <https://labor.alaska.gov/trends/sep22.pdf>

THANK YOU.



www.muni.org/assembly