

Housing Discussion

History of the Problem

Why Now?

Community Wide Housing

Employee Housing

Housing Plan

- Problems & Needs
- Goals
- Strategies
- Accomplishments

Historic Overview

Current Condition

Problems & Needs

Possible Solutions

Possible Solutions

Next Steps

Next Steps

Focused Information Gathering

Follow- Up Workshops & Meetings

History of the Problem: News Articles

The Dutch Harbor Fisherman - 1991

- The acute housing shortage means high-paying jobs go begging. “There's more jobs than there are people. There's more people than there are houses,” says assistant city manager Glenn Reed.

Alaska Economic Trends – July 1994

- “The housing demand has grown faster than the supply of new housing; it is so scary that local business must provide housing for the employees who migrate to fill the job opportunities.”

History of the Problem: Past Studies



Community Wide

- COU Community Visions for the Future:
 - 1991-2000
 - 2001-2010
 - 2010-2020
- 2011 Comprehensive Plan 2020 & Housing Plan
- 2014 Unalaska Infill Development Analysis (Almost done!)

City Employee Related

- 2006 COU Staff Recruitment & Retention Study (Administration)
- 2014 MacSwain Associates Appraisal Report/Rent Survey
- 2014 Recent in-house employee housing survey (Planning)

History of the Problem: Past Studies



- The Housing Plan is an element of the broader Comprehensive Plan 2020. Both were adopted by City Council in February of 2011.
- A foundation for the Housing Plan is the *Community Visions for the Future: Unalaska 2010-2020* prepared in late 2009.
 - More housing-and more affordable housing-would be created within the City limits.
 - This is “the key to our future”, without which Unalaska will not be able to retain its current residents or accommodate additional residents.
- Housing Plan documents trends and issues in the local housing market, and identifies goals and strategies to address a wide range of housing related matters.

Why Now?



Documented Need

- **2010 Community Wide Housing Gap**
 - Rental Gap of 245 Units
 - Home Ownership Gap of 95 Units
- **Increasing Population**
 - 2009 Forecast of 3,312 in 2014
 - State of Alaska Estimates 4,768 in 2014
 - Difference of 1,500 residents

Increased Pressures

- More demand in future, potentially, with oil and gas exploration activities
 - Oil Fracking in N. Dakota at least doubled rental rates for residential homes
 - Williston, ND population grew by nearly 50% from 2010 to 2013, from 14,700 to 21,000
 - Community Stakeholders, the ND State College and the Bank, built a multifamily building to house essential city, school, and public safety employees.

Why Now?



Increased Pressures:

- **More demand in future, potentially, with oil and gas exploration activities**
 - “Some people decided this was a cash cow,” Mayor Klug said. “You didn't know where people were coming from, where they were going, and who was living here. It wasn't a neighborhood anymore. It was a campground.”
 - “We didn't understand the magnitude of the whole thing...Once you get money involved in it, all bets are off.”
Said Klug

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Community Wide Housing

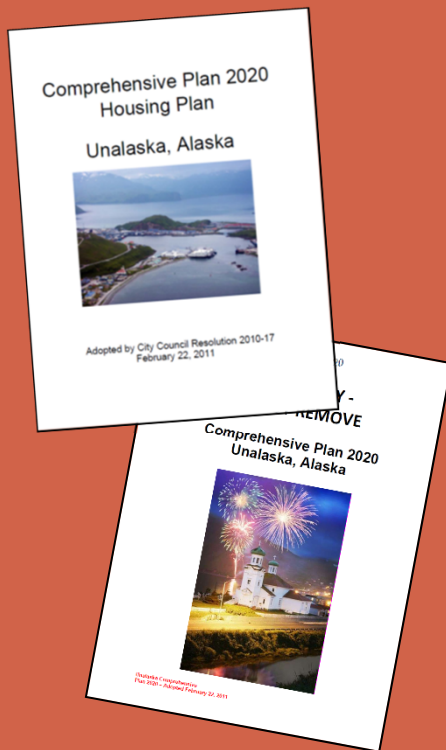


DISCUSSION OUTLINE

- **Housing Plan**
 - Problem Overview
 - Overarching Goals
 - Strategies
 - Accomplishments
- **Other Possible Solutions**
- **Next Steps**



Housing Plan: Problem Overview



What's the problem?

Cost -

- Development Costs
- Construction Costs
- Rent Rates
- Housing Prices

Condition -

- Cost of Home Improvement Materials
- Limited access to Home Improvement Contractors
- Lack of access to Home Improvement Financing

Choice –

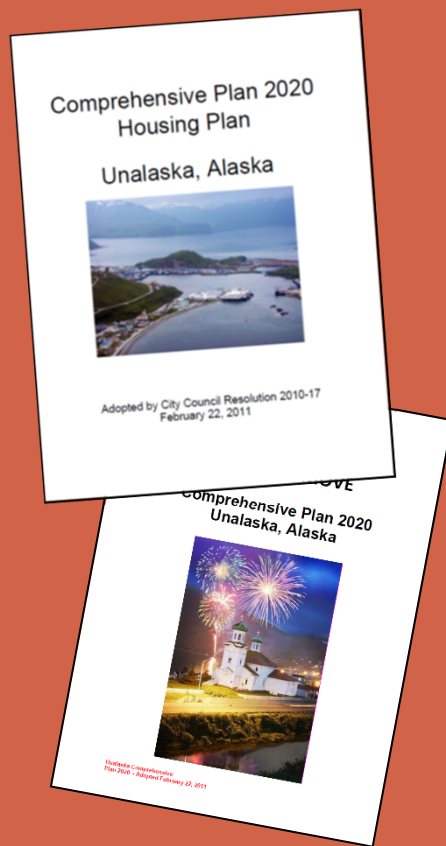
- Size
- Location
- Type
- Price Point

General Availability - 2010 Housing Demand Estimate

- 245 Rental Units
- 95 Privately Owned Homes



Housing Plan: Strategies to meet the Goals

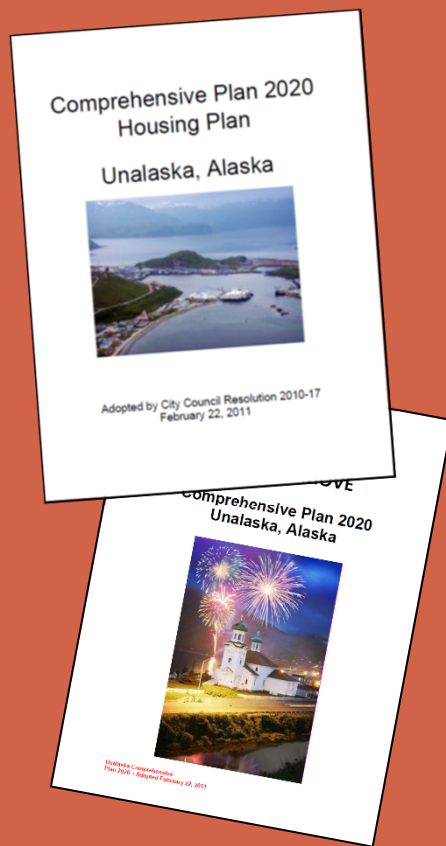


What can the City do?

- 1. Create a Housing Site Inventory**
- 2. Amend Title 8**
- 3. Expand Utility Infrastructure**
- 4. Allow for Property Tax Abatement**
- 5. Encourage Use of Assistance Programs**



Housing Plan: Accomplishments



What has the City done so far?

Strategy: Prepare an inventory of all developable properties suitable for housing within the City, to help identify and market sites. This inventory should be widely distributed.

Accomplishment: Performed a windshield survey of all properties and have produced an infill analysis focusing on vacant properties in developed areas of town. Will be available on the City's website.

Analysis includes:

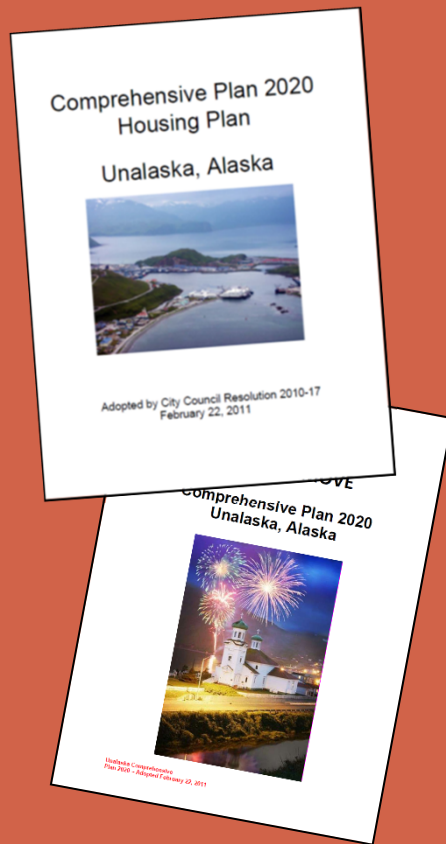
- Lot Size
- Zoning District
- Potential Housing Units
- Topographic Characterization
- Utility Availability
- Access Issues

Findings include:

- 117 Potential Infill Sites – already subdivided
- 59 of those sites are located on relatively flat land
- Resulting in a potential for as many as 151 housing units



Housing Plan: Accomplishments



What has the City done so far?

Strategy: Amend Title 8 to reduce the minimum lot size and lot width. Review the regulatory process to determine opportunity to streamline.

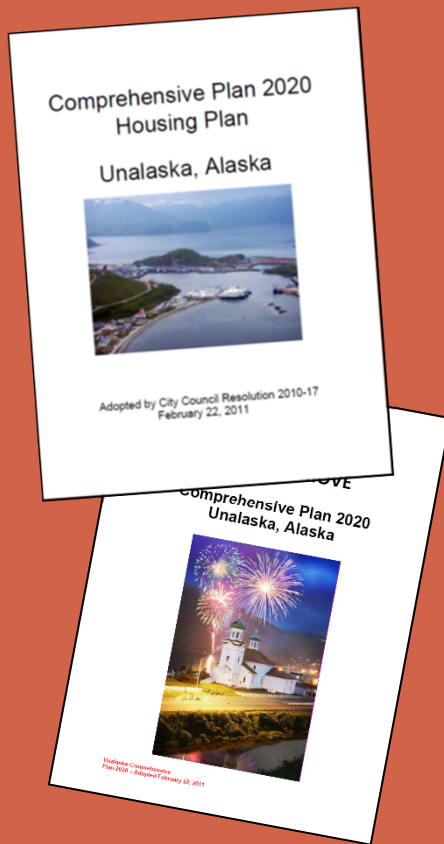
Accomplishments:

- ✓ Established an internal Development Review Team that meets monthly to discuss development proposals and requests in a comprehensive manner.
- ✓ City Council Approved Ordinance 2012-07:
 - The minimum lot width for the front lot line has been reduced from 70 to 60 feet in all residential zoning districts.
 - So long as other standard requirements can still be met, the minimum lot size has been reduced from 10,000 square feet to 6,000 square feet in all residential zoning districts.
 - Any combination up to two dwelling units are allowed on residentially zoned lots of 10,000 square feet, this was changed from 12,500.
- ✓ City Council Approved Ordinance 2014-19:
 - Refined definition of the Planned Unit Development and added a new PUD section to code to allowing for a mixture of land uses, increased densities, and building clustering.
 - Removed references to building separation restrictions for multiple buildings on one lot.



Housing Plan:

Strategies to meet the Goals



Again, what can the City do?

1. Create a Housing Site Inventory
2. Amend Title 8
3. Expand Utility Infrastructure
4. Allow for Property Tax Abatement
5. Encourage Use of Assistance Programs



More specifically...

- Expand Utility Infrastructure
- Explore Financial Incentives
- Develop City Owned Property
- Develop Housing Webpage
- Host Housing Forum
- Perform Additional Studies

Possible Solutions: What can the City do?



- **Expand Utility Infrastructure**
 - Industrial Revenue Bonds
 - Local Improvement Districts
 - Development Agreements with Land Owners/Developers
- **Explore Financial Incentives**
 - CDBG Funding through the State
 - Adopt Local Tax Abatement Codes
 - ✦ Encourage improvements to existing housing
 - ✦ Encourage new housing development
- **Develop City Owned Property**
 - Identify City Owned Property for Housing Development
 - Create RFP and Development Agreements

Possible Solutions: What can the City do?

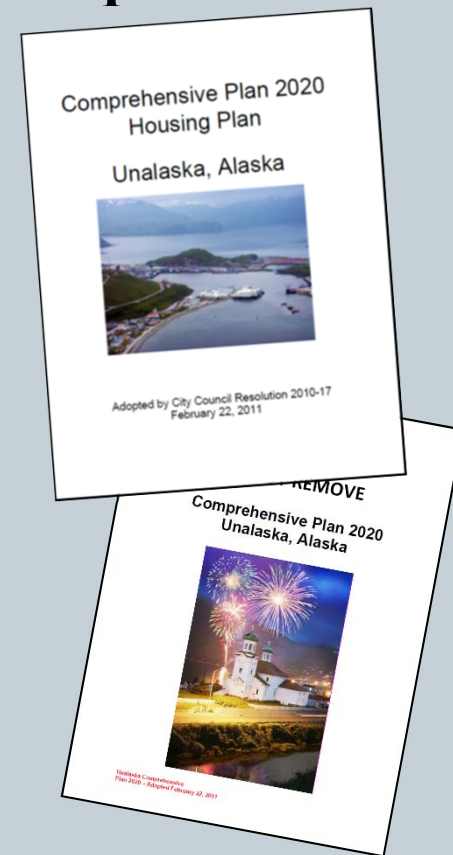


- **Develop Housing Webpage**
 - Links to funding, loan, and grant opportunities for new & existing homes
 - Access point for local housing related studies and resources
 - Provide status reports of ongoing housing efforts
- **Host Housing Forum**
 - Highlight funding resources & develop relationships with AHFC, AHA, USDA, HUD, Key Bank...

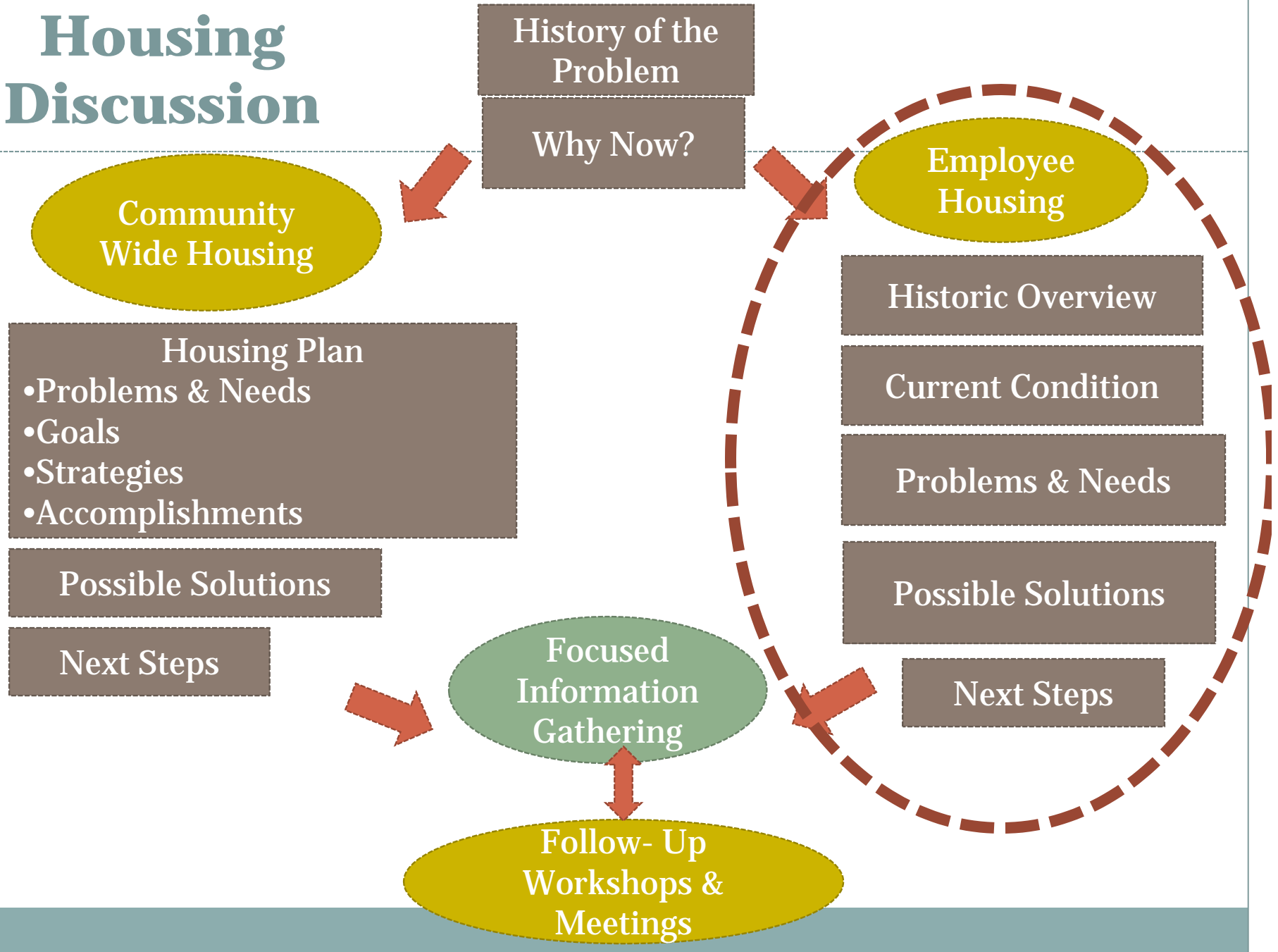
Next Steps?



- **What should we look into, and follow up on?**
 - Expand Utility Infrastructure
 - Explore Financial Incentives
 - Develop City Owned Property
 - Develop Housing Webpage
 - Host Housing Forum
- **Begin Measuring Impact**
 - Platting Actions
 - Residential Building Permits



Housing Discussion



City Employee Housing



DISCUSSION OUTLINE

- Historic Overview
- Current Conditions
- Problems and Needs
- Possible Solutions
- Next Steps

Historic Overview



The Dutch Harbor Fisherman – January 25, 1995

Article Highlights

- *Mayor: City faces major capital, policy decisions*
- “Kelty cited issues such as solutions to the city employee housing shortages....”
- Describes a proposed housing project for apartments on Lear Road near already existing city housing.
- Mentions that city employees cannot afford housing and “20 percent cite housing as one of the factors of them leaving.”
- City’s decisions regarding short term housing and trailer housing go contrary to the philosophy of “community oriented development.”

Historic Overview



- **1980: Built Lear Road Duplexes**
- **1993: Purchase of 12 mobile homes.**
- **1994: Purchase of the 4-Plex (leased to school for teacher housing until November of 2011)**
- **1996: Ports trailer and City Camp no longer used for housing**
- **1997: Purchase of land the mobile homes were located on, and became 8-plex site**
- **2000: Two residential mobile homes located on site at DPW/DPU were eliminated**

Historic Overview



- **2009 Approved Resolutions**

- 2009-21: Trailer replacement-Becoming a maintenance burden
- 2009-08: 8-Plex Construction
- 2009-40: AHFC Application authorization for 8-Plex Construction

- **2010 Approved Resolutions**

- 2010-17: Accepted State funding from AFHC
- 2010-28: Approved the FY11-15 CMMP
- 2010-04: Authorized the expenditure of an additional \$3,764,678 in grant funds
- 2010-08: Authorized the disposal of 12 mobile homes
- 2010-59: Authorized an agreement with Lakeview Contactors to build the 8-Plex.

Historic Overview



- **2011 Action**

- Resolution 2011-56 adopted Housing Policy HOU-14
- November 2011 the 8-plex is ready for occupancy.
- November 2011, teachers move out of the 4-Plex into the 8-Plex. City employees move into 4-Plex.

Current Conditions



Question

- **2006 Staff Recruitment and Retention Study**
 - What factors would influence your decision to leave Unalaska?
 - Pay was addressed in 2013 with the Council's adoption of the Compensation Study

Responses

- "Spouse loses housing"
- "...if cost of living, housing, rent gets a lot higher"
- "Expensive Housing and services"
- "Not enough housing and it is generally too small. Pay is not worth it, cost of living here is too high"
- "High Cost of living"
- "No housing, not enough pay"
- "Housing"

Current Conditions



- **City currently owns 16 Housing units**
 - Four 2-Bedroom Townhouse Style Units
 - Four 2-Bedroom Apartment Style Units
 - Four 3-Bedroom Apartment Style Units
 - Two 2 –Bedroom Duplex Units
 - Two 3-Bedroom Duplex Units
- **4 of the 16 units are reserved for Teachers**
- **2 of the 16 units are reserved for Public Safety**

Current Conditions



- For the past three years there have been 9-14 employees on the City Housing Waiting List of current employees
- Average of 12-15 vacant positions
- Many employers in Unalaska provide employee housing to varying degrees
- Some city employees hold a second job with another employer in order to have the benefit of housing

Problems and Needs



- A.** Lack of housing creates challenges for employee recruitment and retention, exacerbated by employee turnover and retirement
- B.** Limited housing choices (size, quality, location, amenities)
- C.** Single employees couch-surf due to lack of one bedroom and studio apartments
- D.** Directors often unsuccessful locating housing for prospective employees

Possible Solutions



(1) Continue to provide limited housing to our employees without expansion and rely on the market to hopefully provide additional housing for City employees.

Possible Solutions



(2) Develop a long range strategy for employee housing which may include the following possibilities, which can be stand alone or used in combination:

- ✦ **Purchase or lease additional existing housing units to sublease to employees**
- ✦ **City builds new rental housing on City-owned property**
- ✦ **Request proposals for private developer to construct and manage rental housing for city employees**

Next Steps



- **Where do we go from here?**
 - Option 1, continue as currently operating
 - Option 2, create long term strategy for employee housing, which may include:
 - Purchase or lease of existing units available on the private market
 - Construction of new units
 - Request proposals for private development and management of additional housing

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