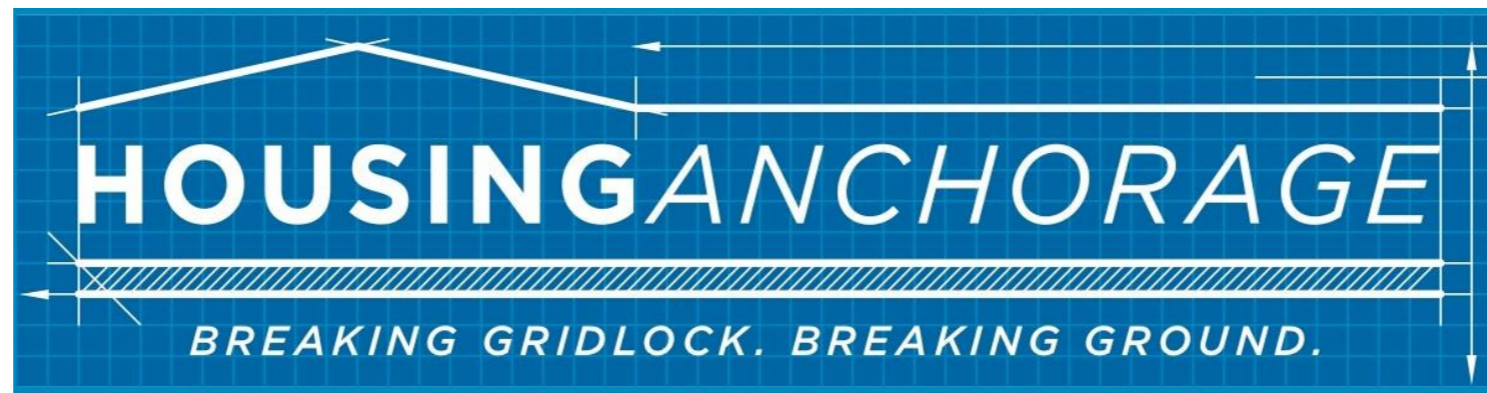


# Rethinking Housing: Framing the Issue Housing Affordability

BP Energy Center

March 20, 2015



***Our Goal: All Anchorage residents have stable, affordable housing.***

**Collaborators:**

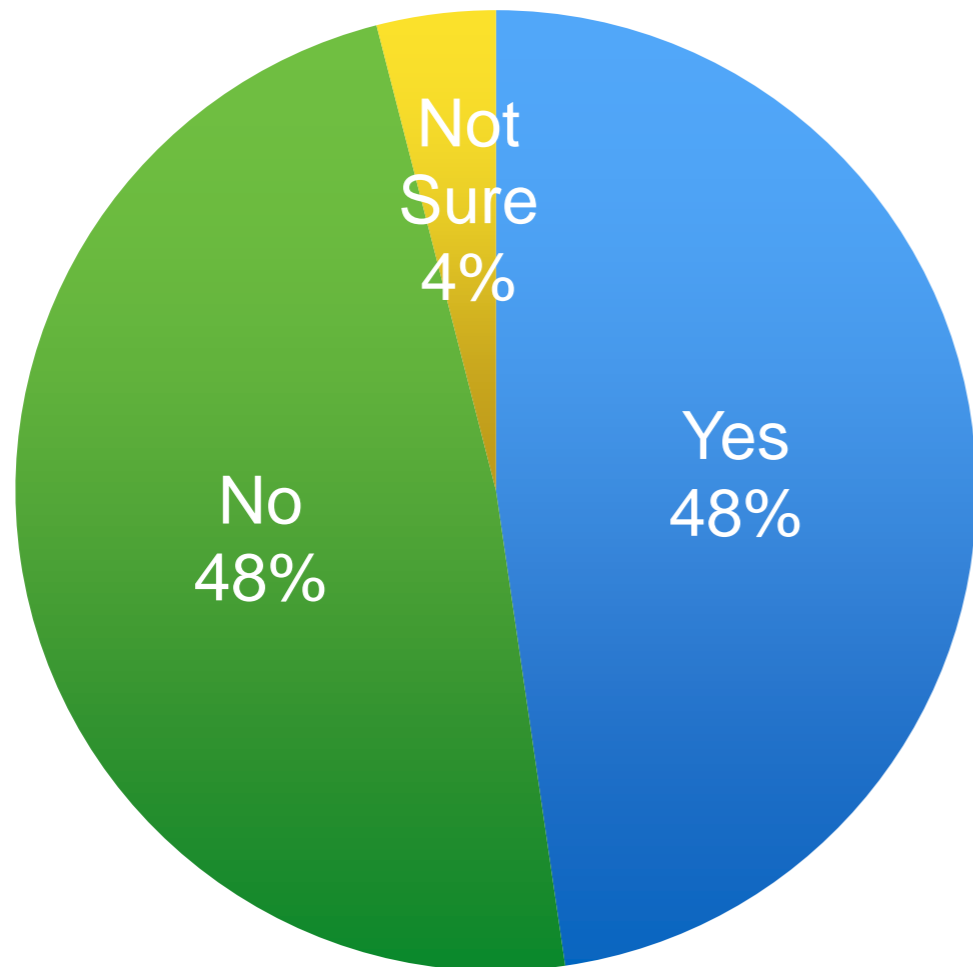
- Alaska Housing Finance Corporation
- Anchorage Community Development Authority
- Anchorage Downtown Partnership
- Cook Inlet Housing Authority
- Rasmuson Foundation
- United Way of Anchorage

# Anchorage residents strongly agree that:

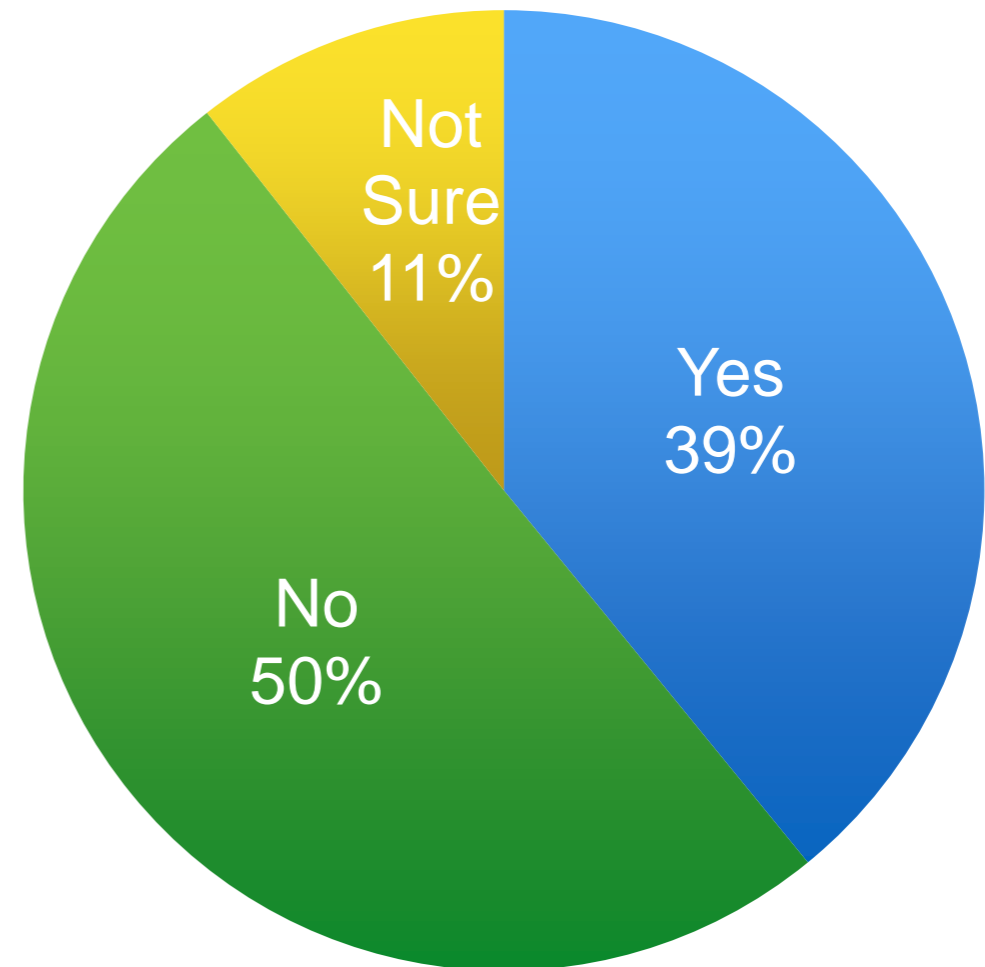
- Hardworking people should be able to afford housing and still have money left over for food and basic necessities. **84%**
- An adequate supply of quality housing options is good for the economy. **70%**
- Children in stable housing situations do better in school and in life. **83%**

*Source: the Alaska Survey conducted by Ivan Moore Research in 2014.*

# Good availability of housing in your budget range?



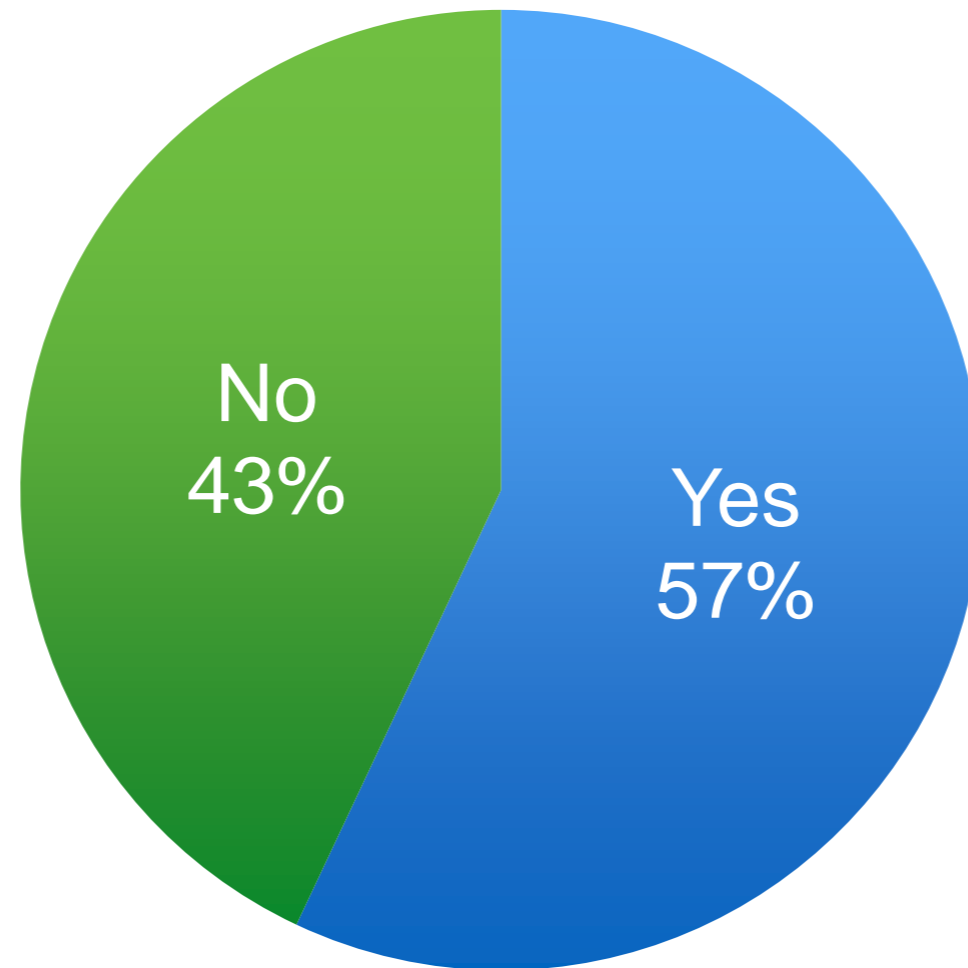
For Purchase



For Rent

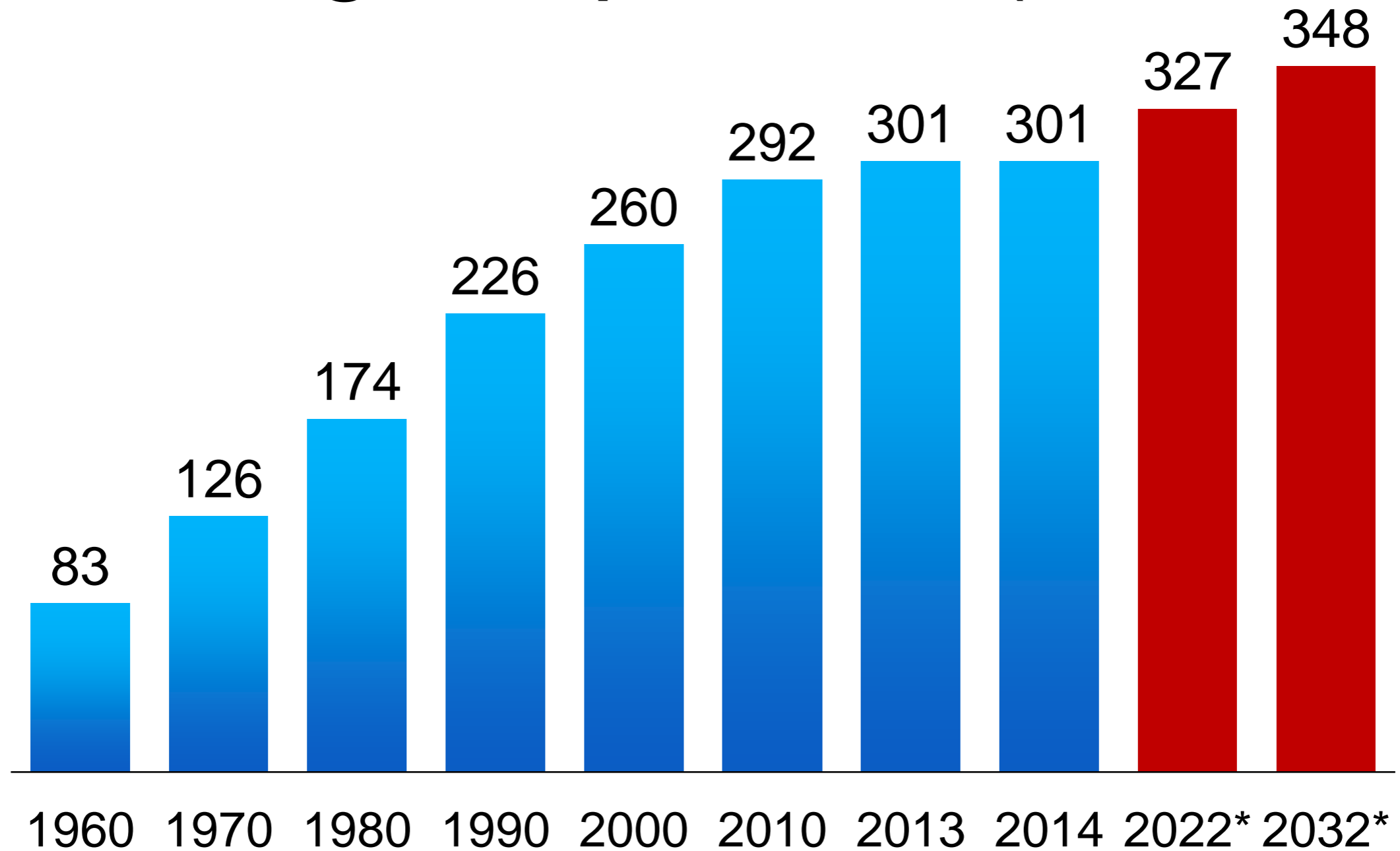
Source: Random sample survey of more than 350 Anchorage households conducted by Ivan Moore Research in 2014.

# Is housing affecting your ability to retain and recruit employees?



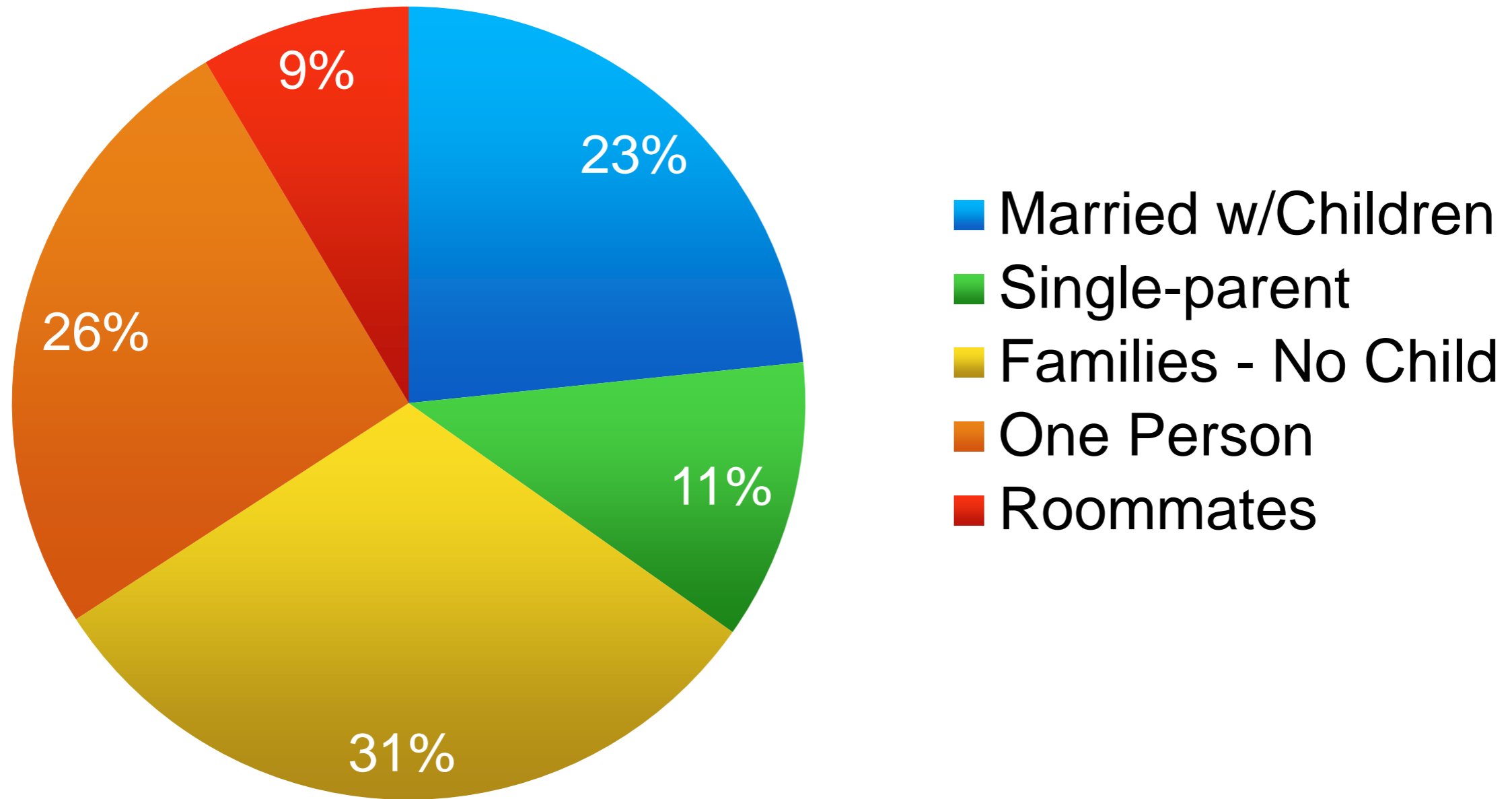
*Source: AEDC 2015 Annual Business Confidence Index Report. Prepared by McDowell Group.*

# Anchorage Population (in 1000s)



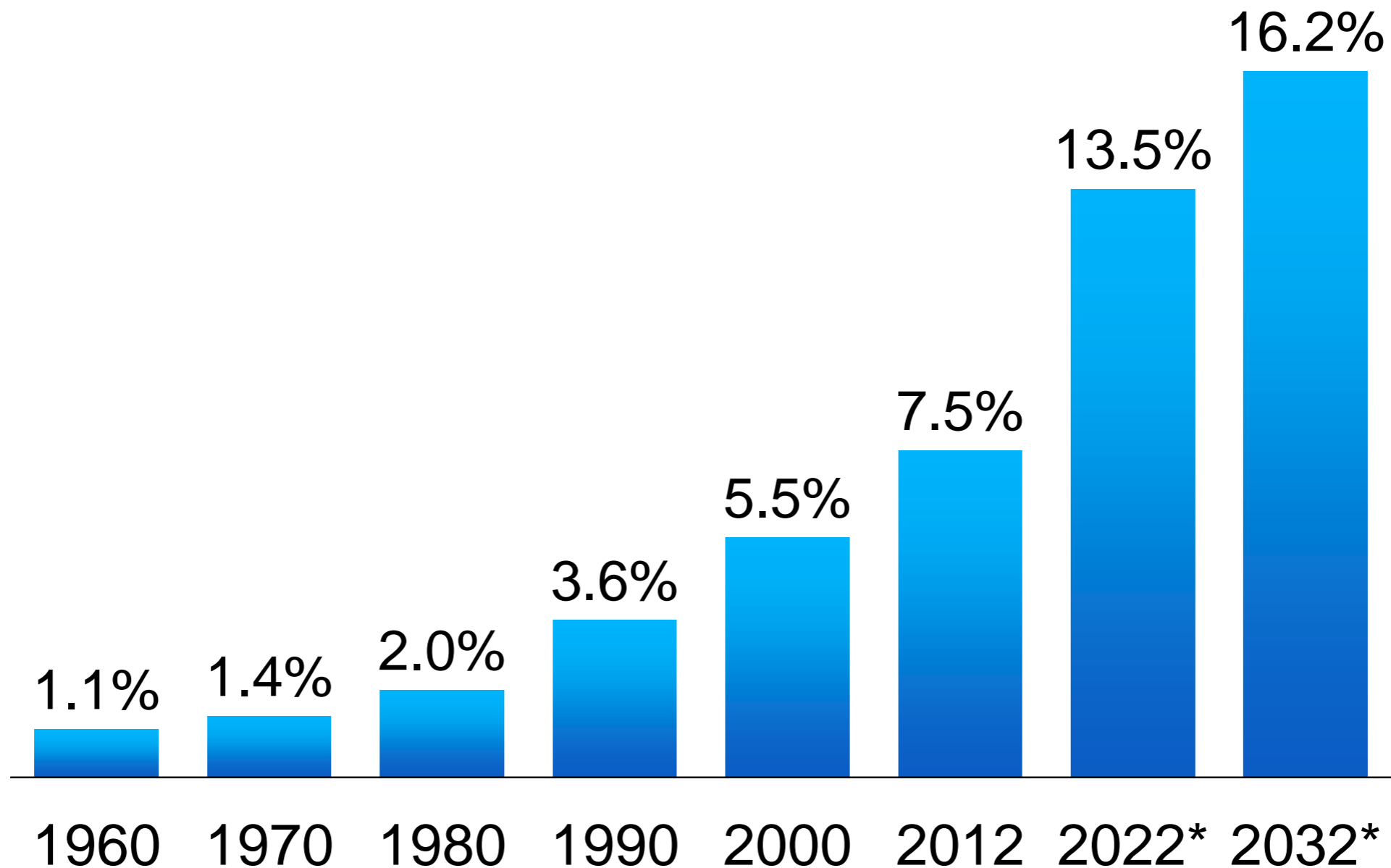
Source: U.S. Census and \*Alaska Department of Labor projection.

# Households by Type



Source: U.S. Census Bureau. American Community Survey 5 yr average 2008-2012.

# Growing Senior Population

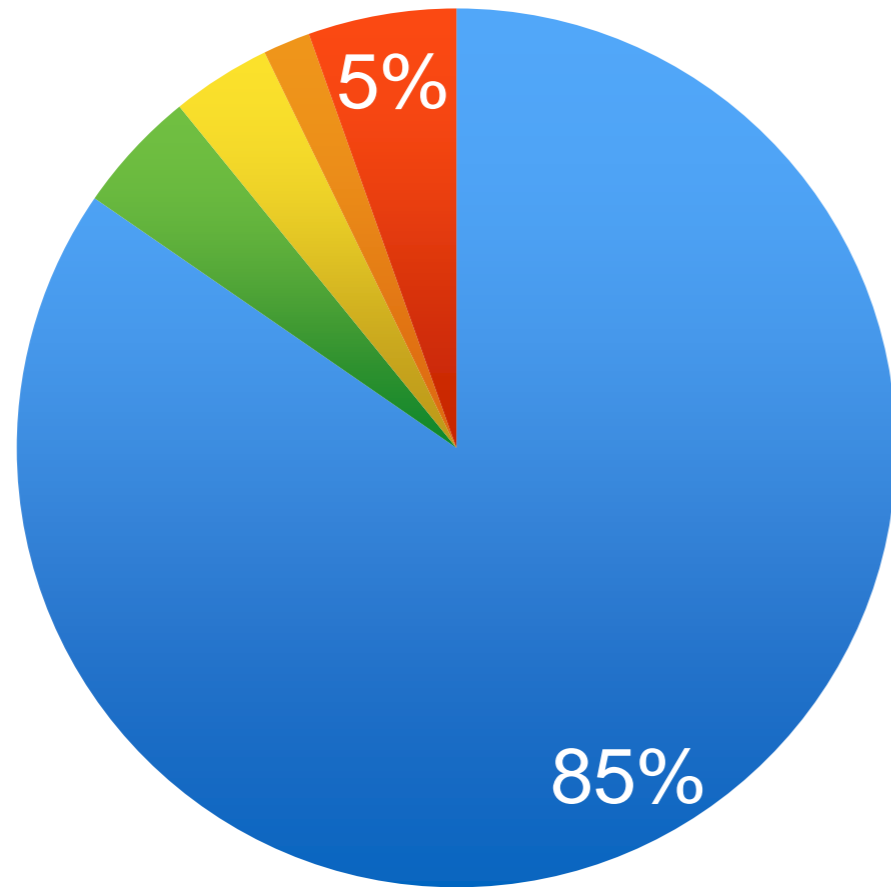


Source: U.S. Census and \*Alaska Department of Labor projection.

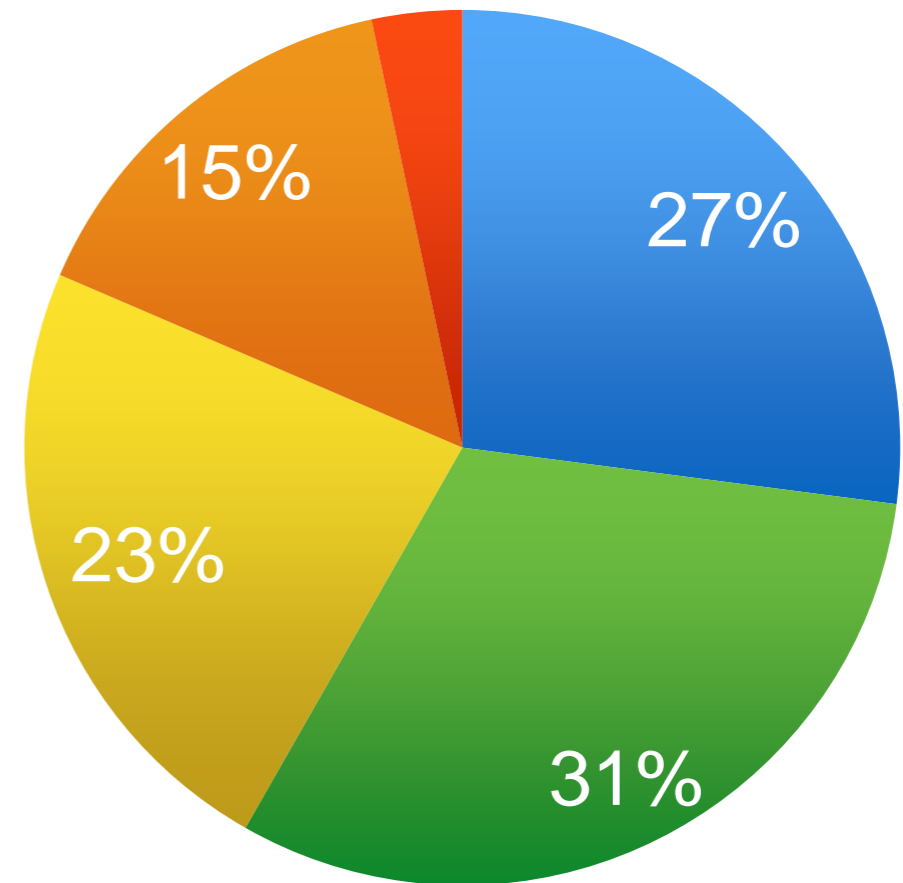


# Type of Occupied Housing Units

■ Single-Family   ■ 2-4   ■ 5-19   ■ 20 or + Units   ■ Mobile Homes



Owner Housing



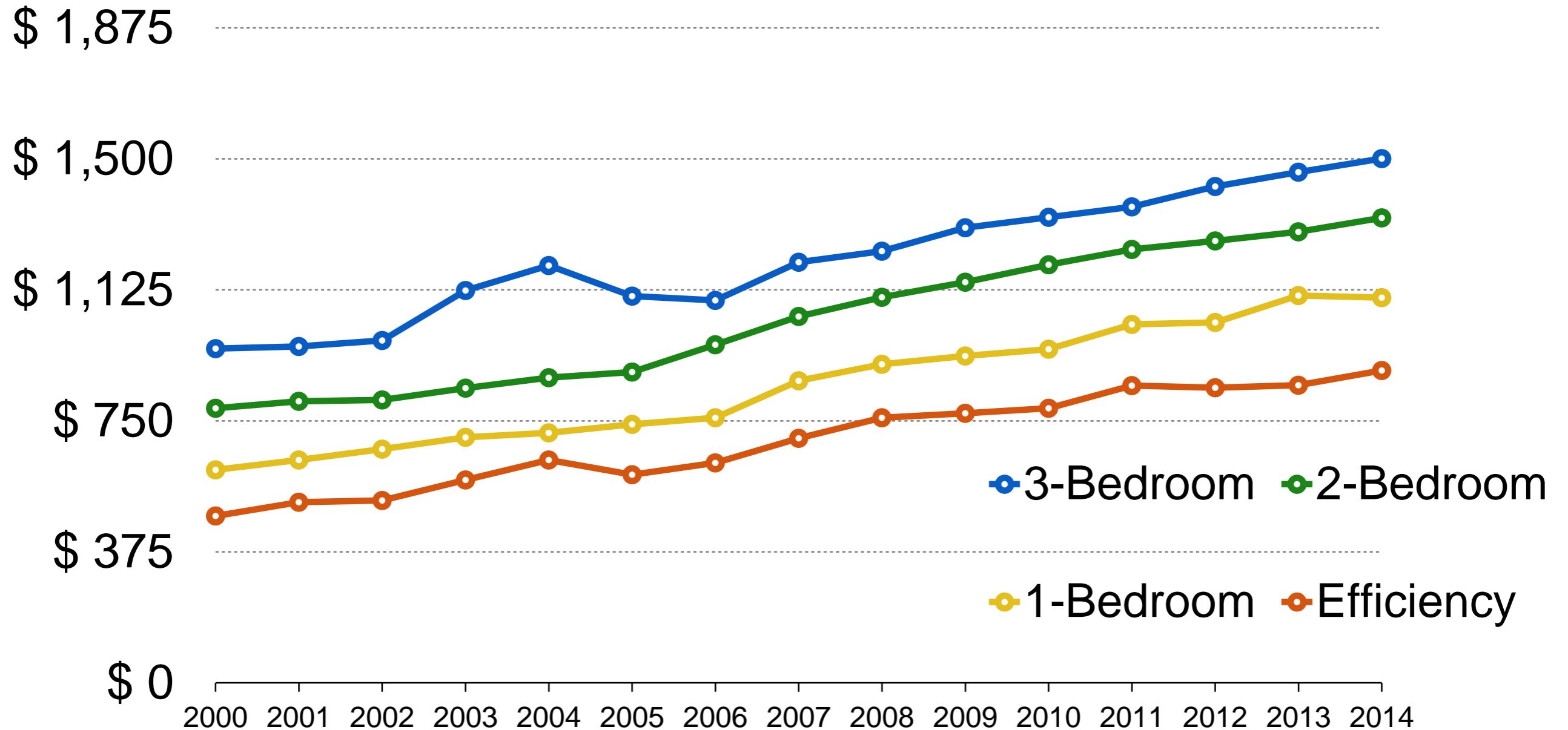
Rental Housing

Source: U.S. Census American Community Survey 5 yr average 2008-2012.



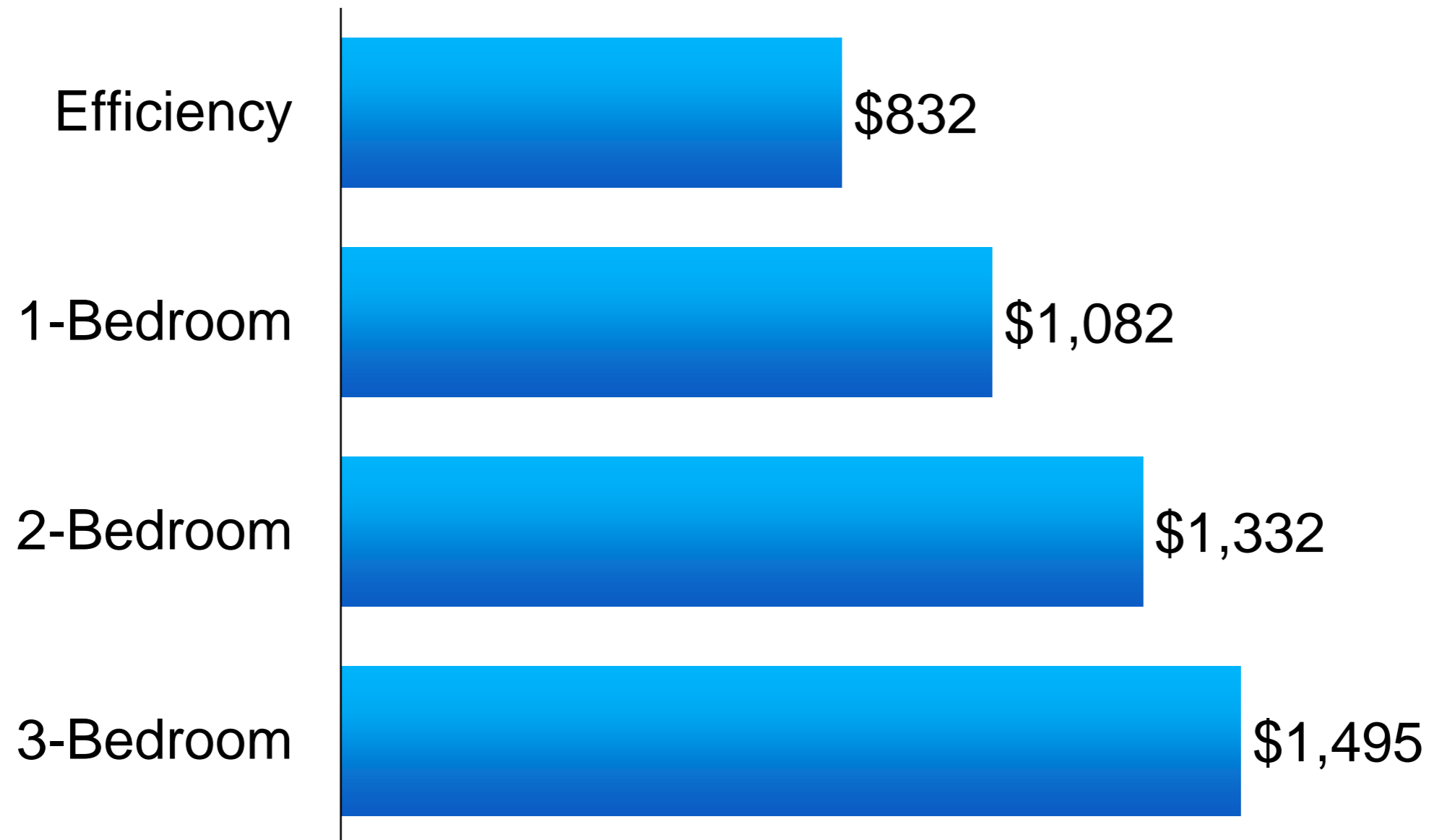
# Anchorage Housing Affordability & Economics

# Average Adjusted Rents



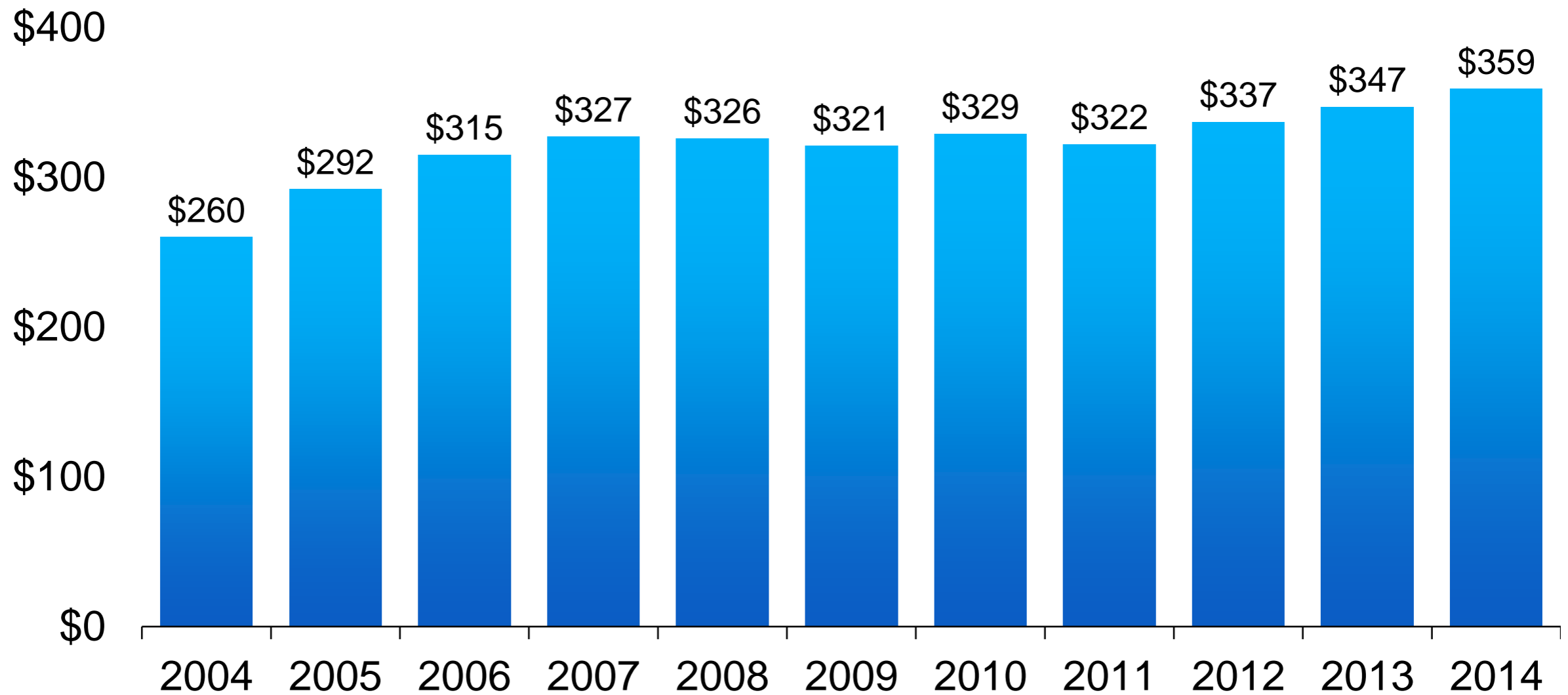
Source: Rental survey by AK Dept of Labor for Alaska Housing Finance Corporation.

# Anchorage Median Rents - 2014



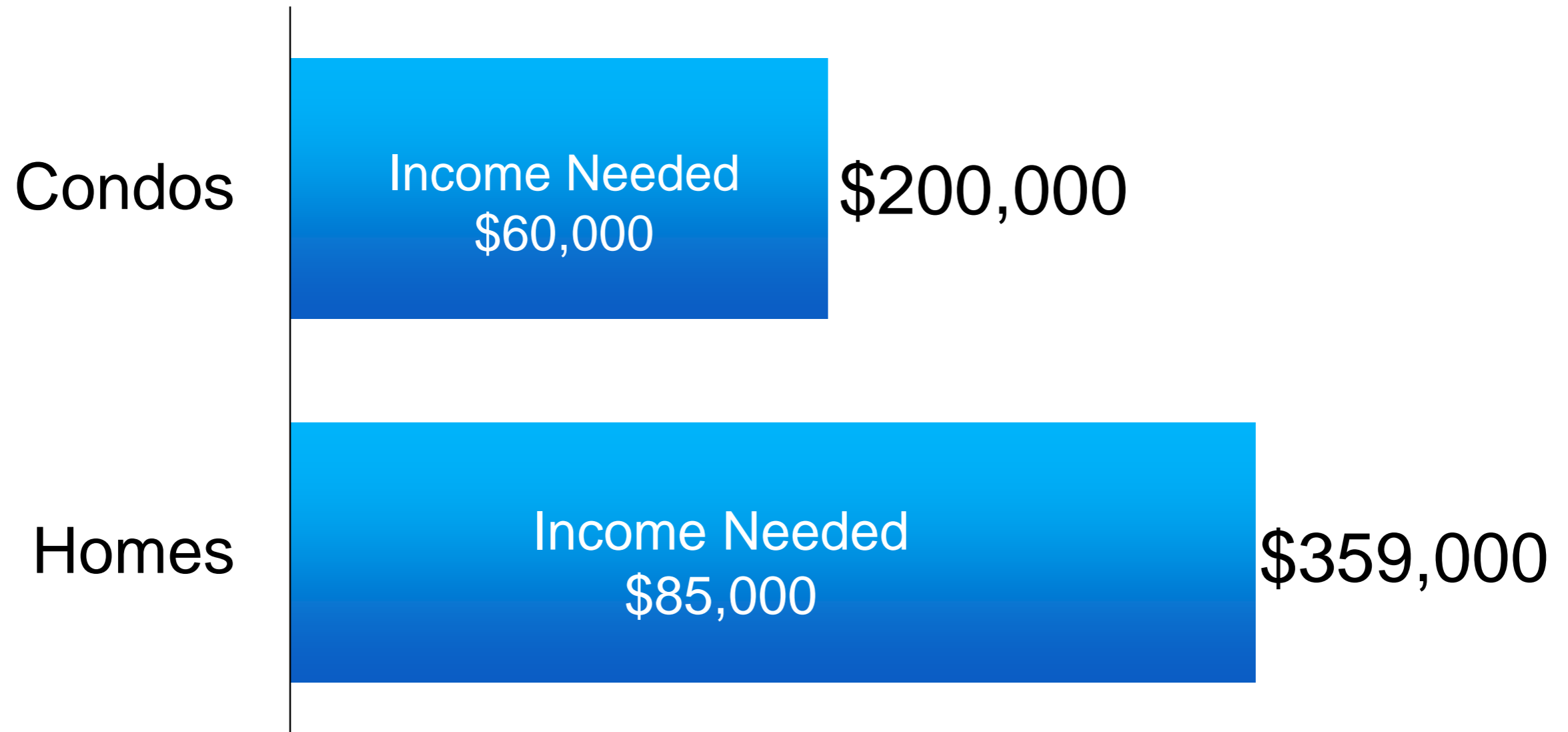
*Source: Rental survey by AK Dept of Labor for Alaska Housing Finance Corporation.*

# Average Single-Family Home Sale Price (in 1000s)



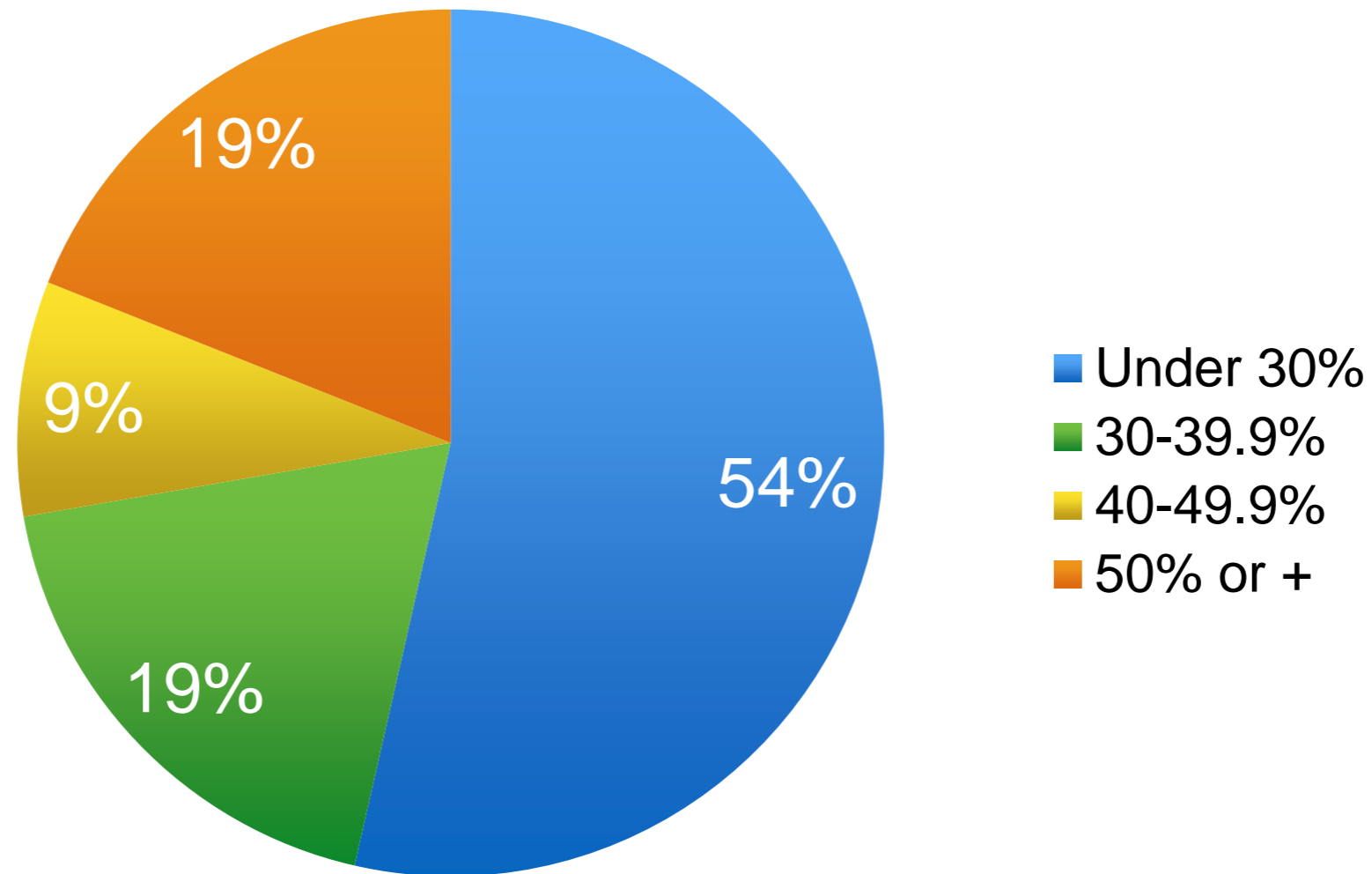
Source: Alaska Multiple Listing Service (MLS).

# Home & Condo Average Prices Anchorage - 2014



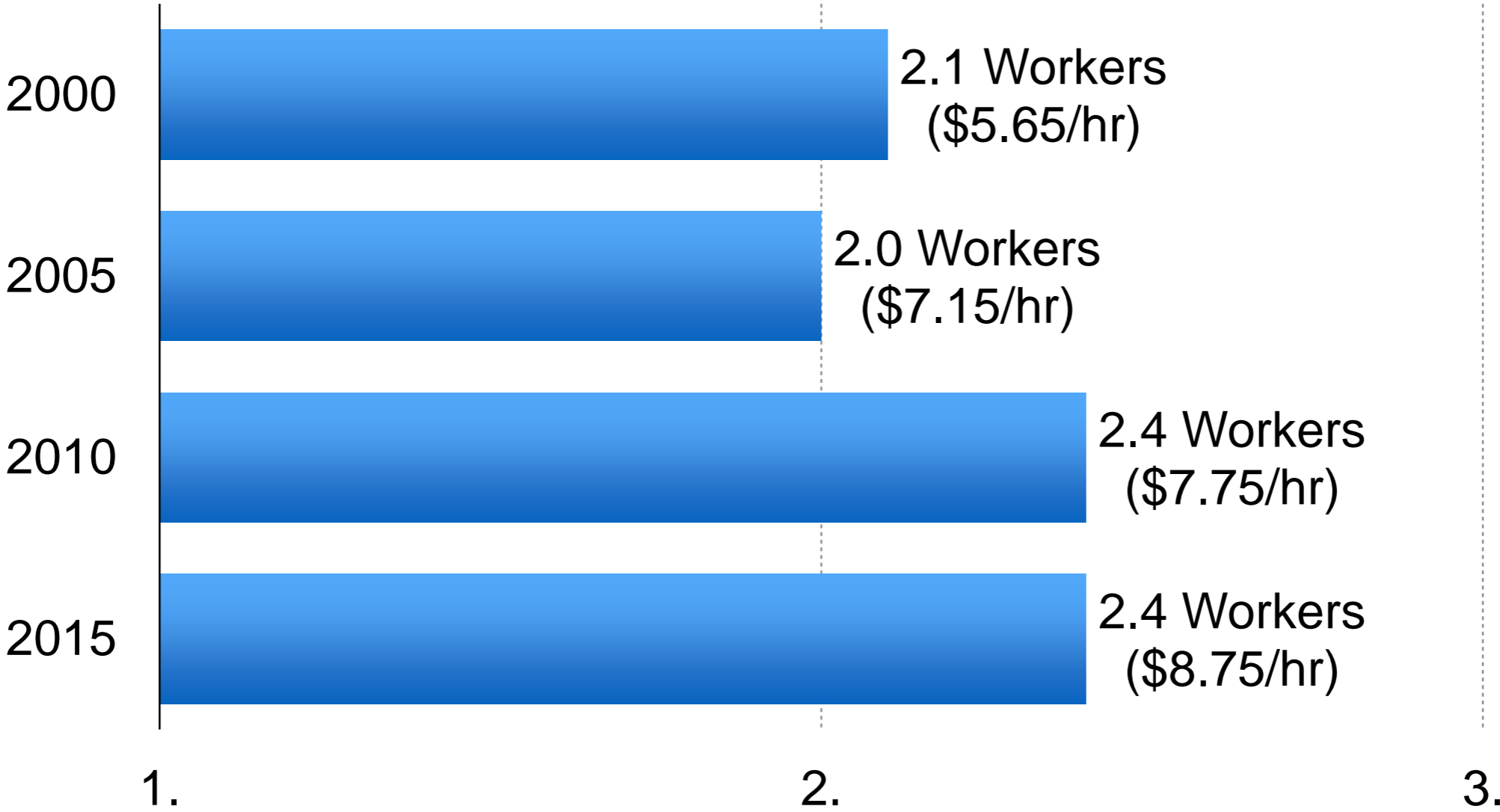
Source: Alaska Multiple Listing Service (MLS) and local banks.

# Anchorage Rent as % of Gross Household Income



Source: U.S. Census American Community Survey 5 yr average 2008-2012.

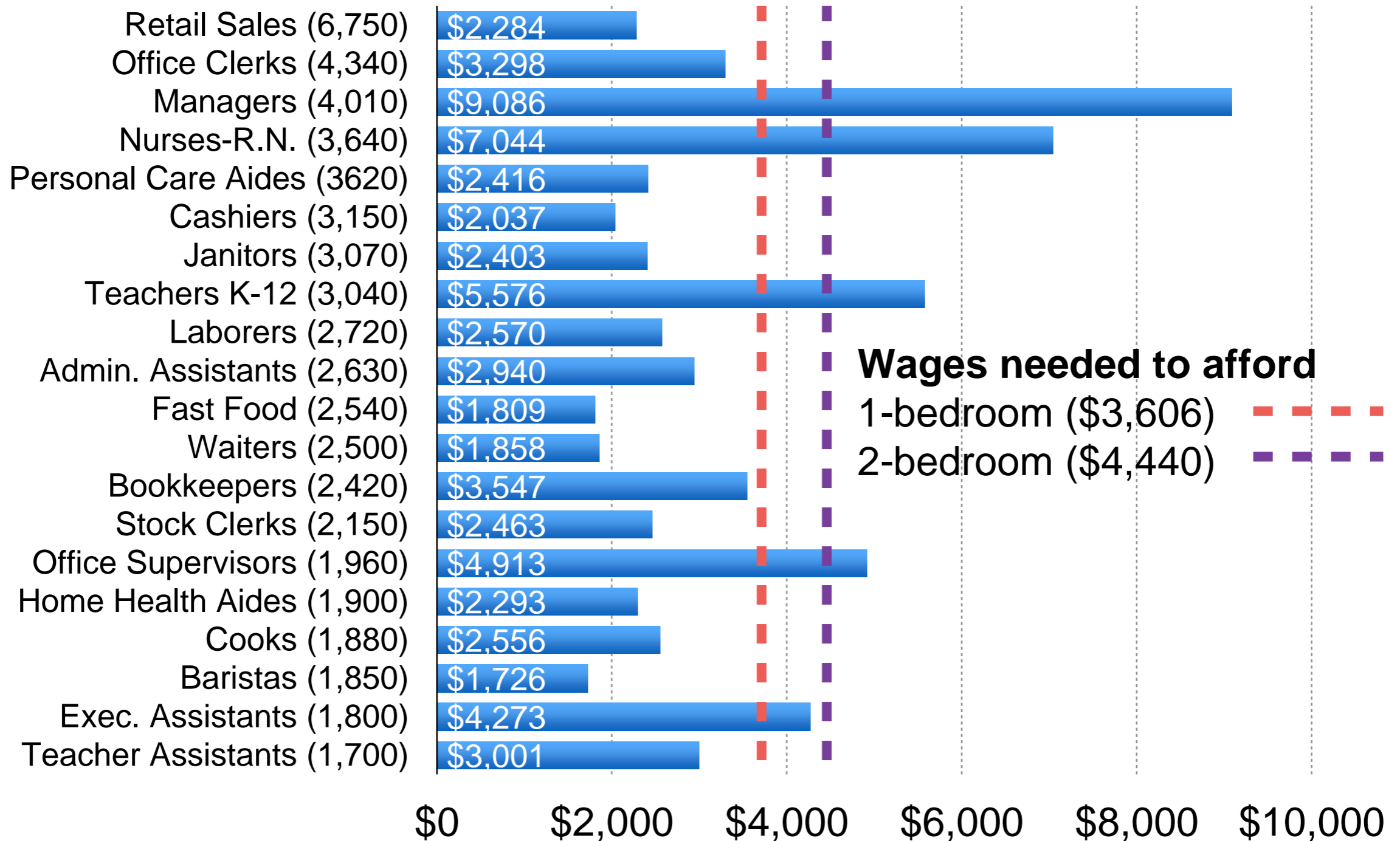
# How Many Minimum Wage Workers to Afford a One-Bedroom Apartment?



Sources: U.S. Bureau of Labor Statistics; Alaska Dept of Labor rental survey for AHFC.

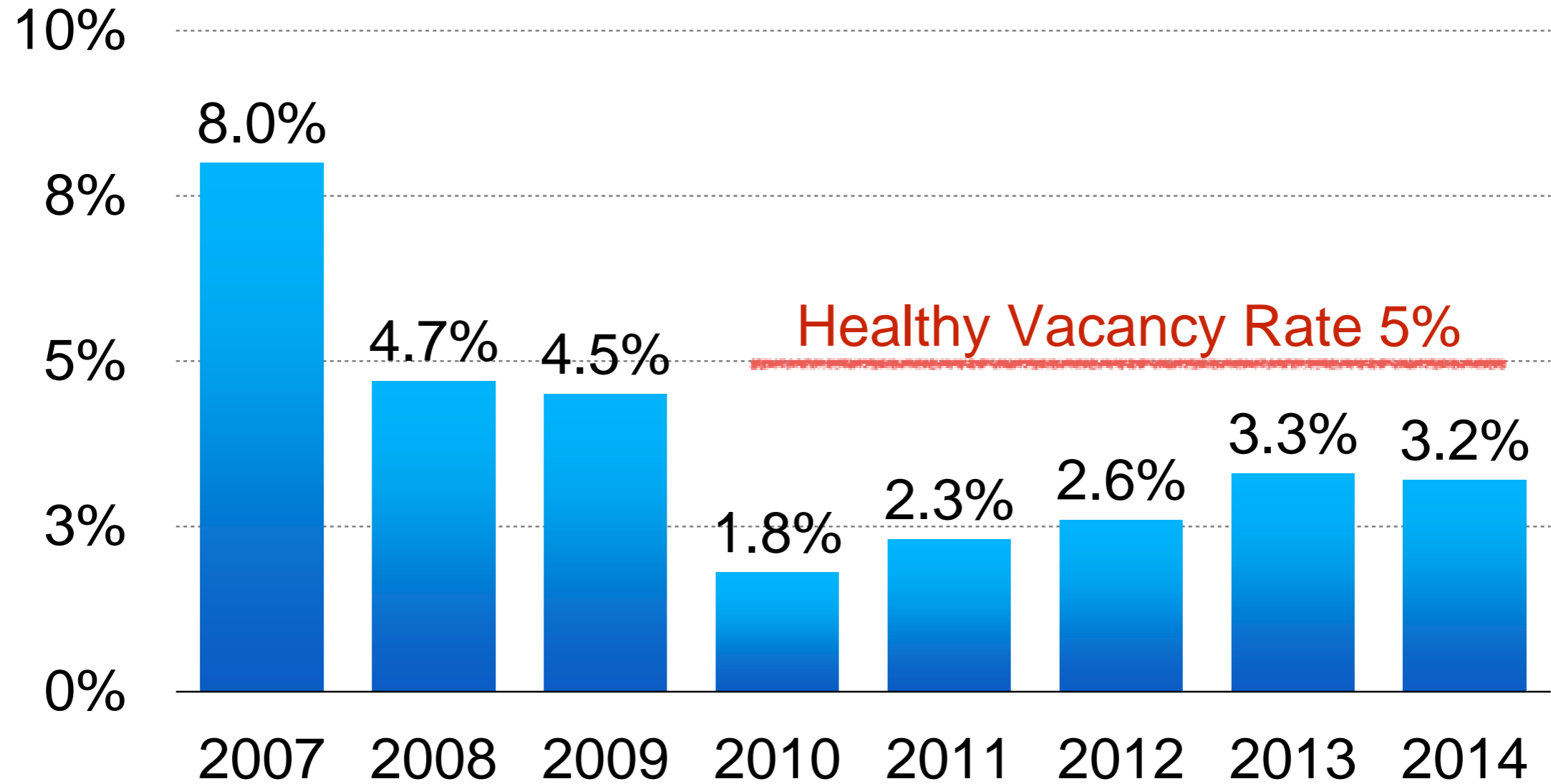


# Monthly Income to Afford Rent



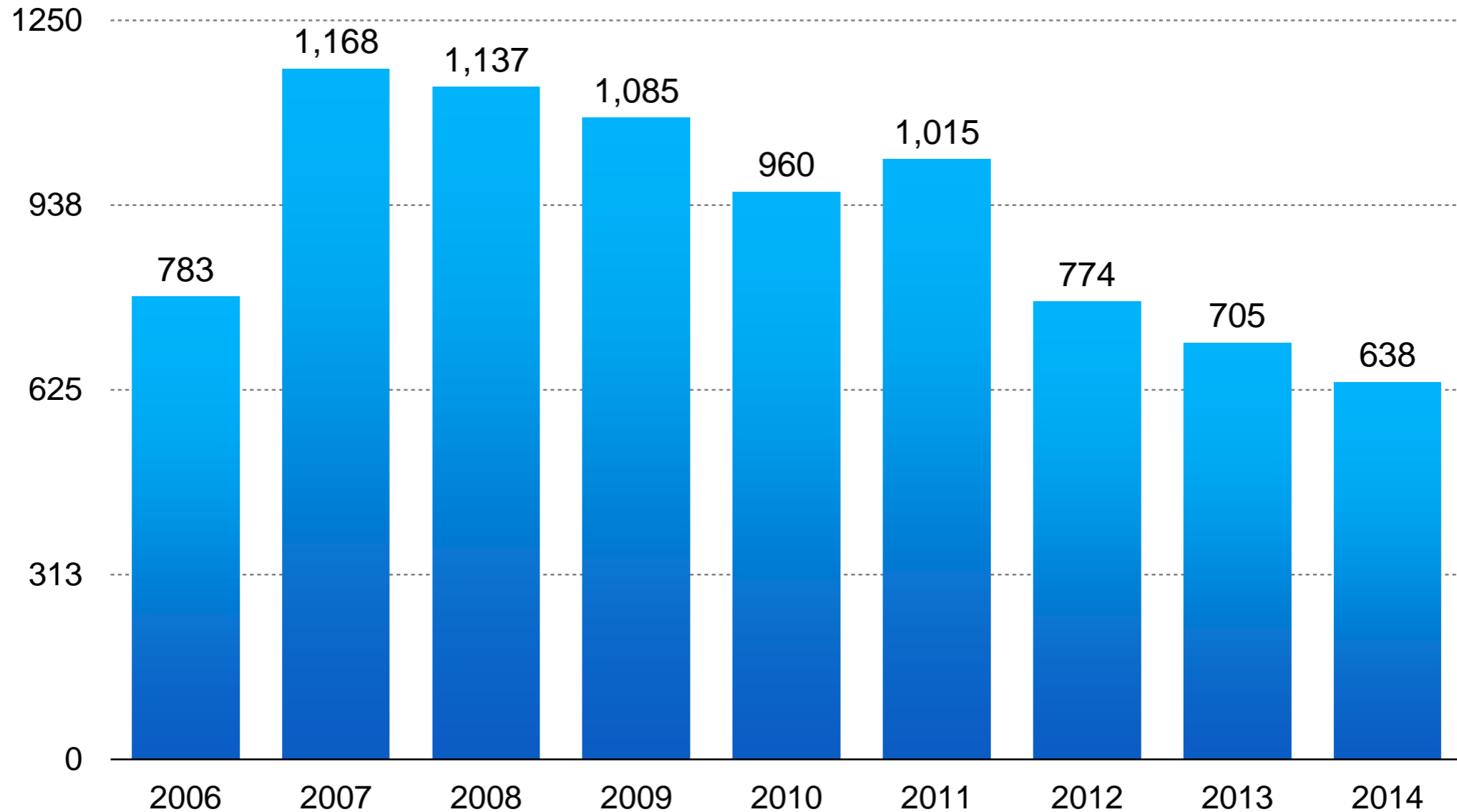
Note: numbers in parentheses = number employed in occupation; dollars show monthly wage. Wages needed assumes 30% of income will be spent on housing. Source: Bureau of Labor Statistics 2013.

# Average Apt. Vacancy Rate



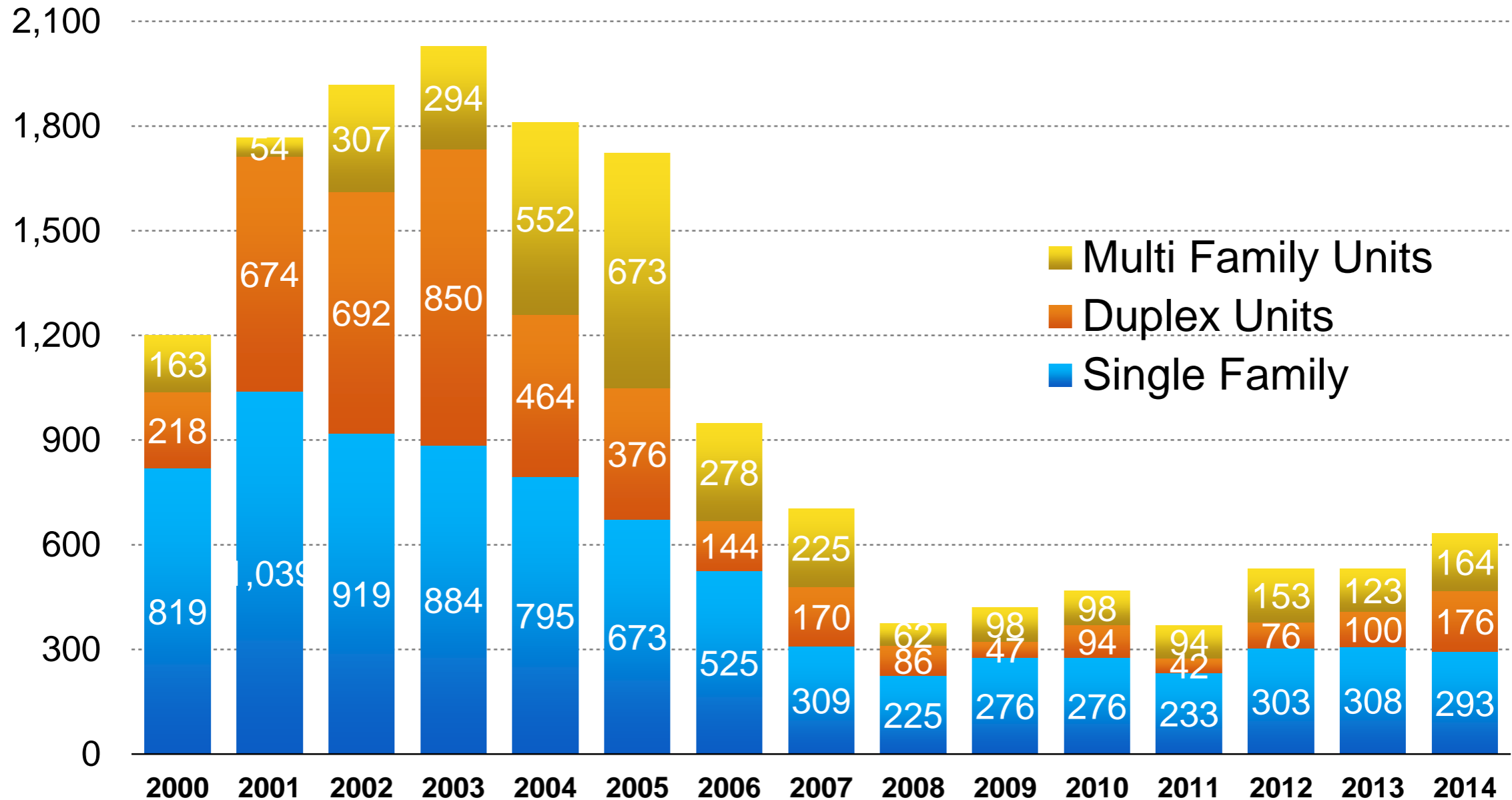
Source: Rental survey by AK Dept of Labor for Alaska Housing Finance Corporation.

# MLS Home Listings for May 2006-2014



Source: Alaska Multiple Listing Service (MLS).

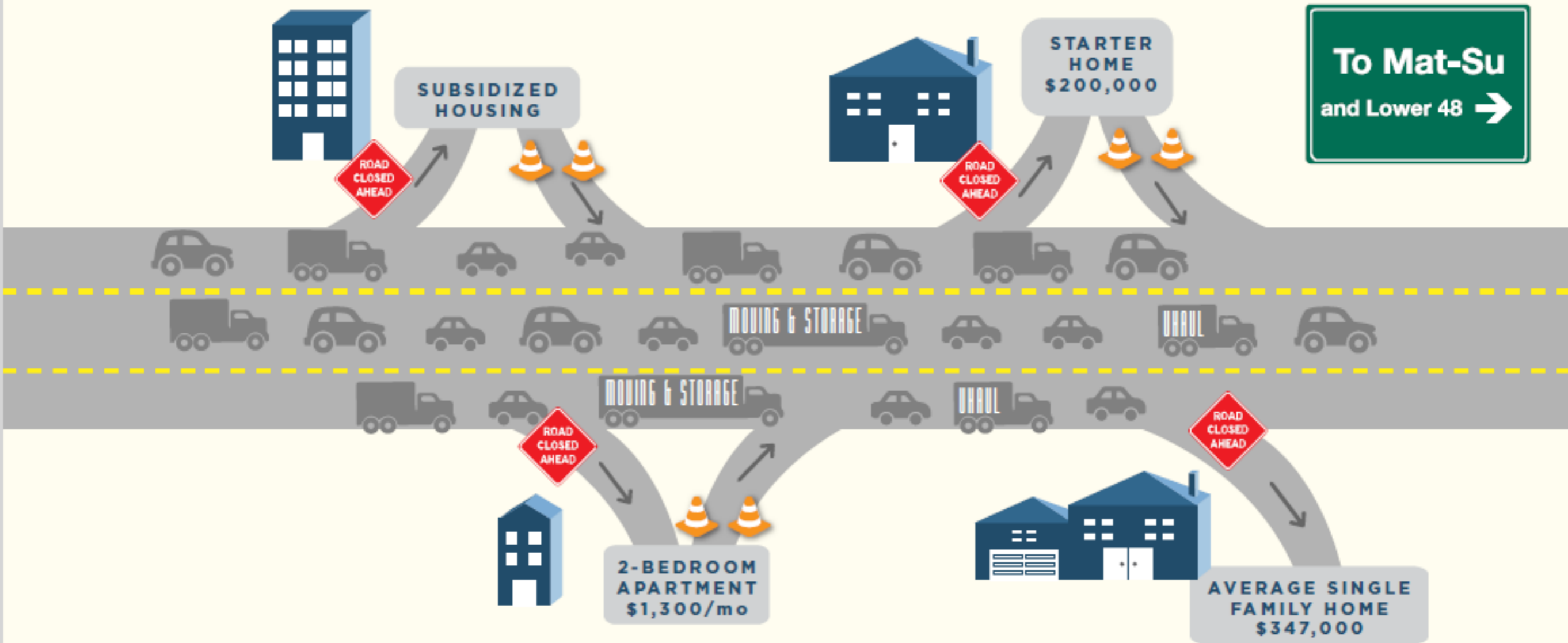
# New Housing Units by Type



Source: Municipality of Anchorage Building Permit reports. Totals are for entire Municipality which includes the Anchorage Bowl, Chugiak-Eagle River & Turnagain Arm.

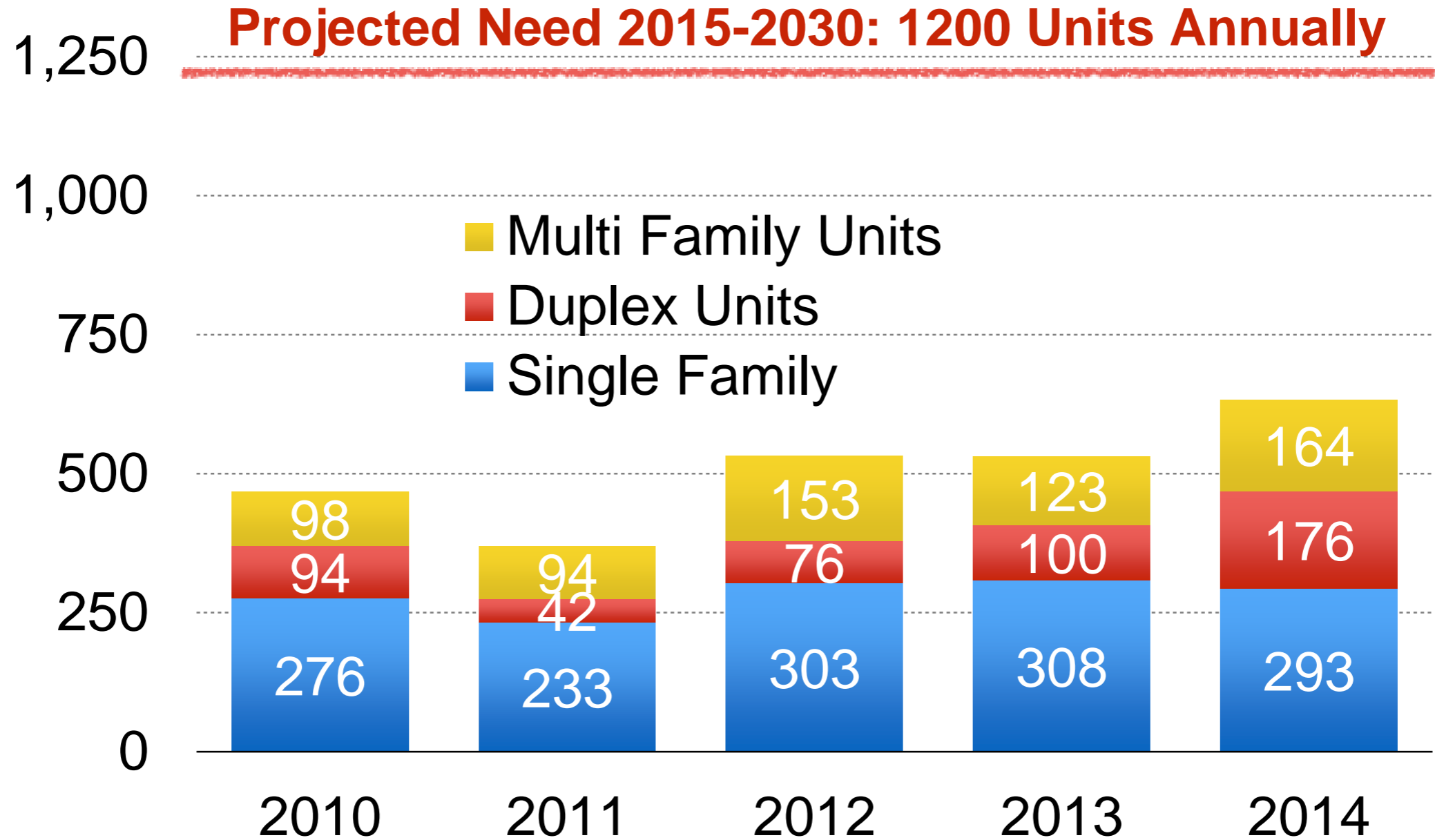
# HOUSING GRIDLOCK

A shortage of housing at every level means people can't afford to move up and free units for other households.



Housing gridlock stifles upward mobility at every level and inhibits economic growth, affecting all of us.

# New Housing - Municipality of Anchorage



Source: Municipality of Anchorage Building Permit Activity reports.



Grass Creek Village, Muldoon – Mixed Income



Mixed Use, Mountain View



Tax-credit multi-family



Rustic Goat, Turnagain

# Market rate



Aurora Square Condos, East Anchorage



Coronado Park, Eagle River, Seniors Mixed Income

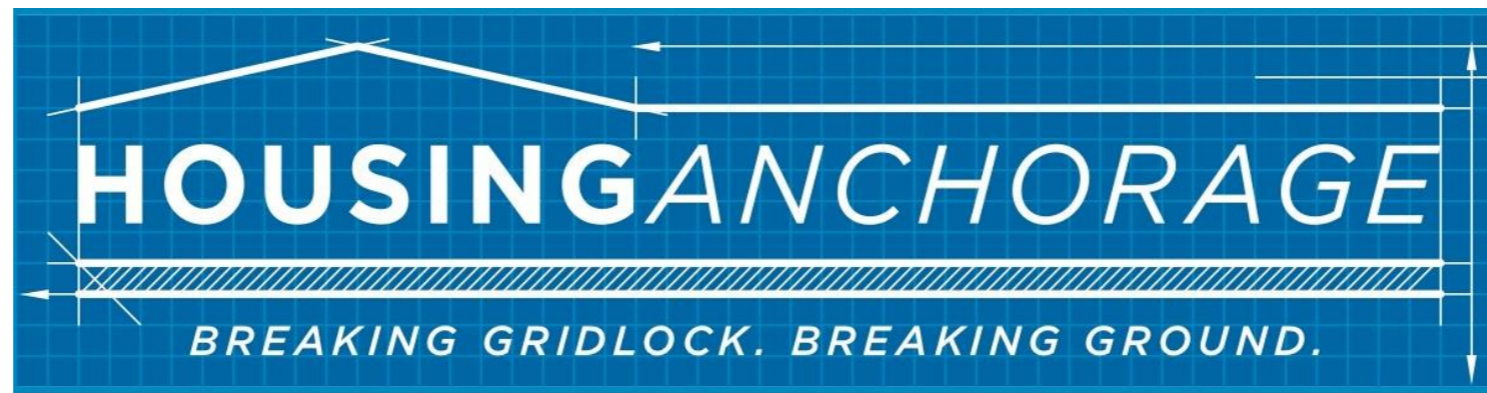


Single-family to duplex, South Addition



Park Plaza Apartments, A and 14th





**Financial:**

- Invest in infrastructure to support housing development
- Public private partnership for infrastructure financing
- Tax code efforts to encourage rehabilitation and new development

**Regulatory:**

- Increase land use efficiency through re-development and zoning
- Streamline the planning and permitting processes

**New ways of thinking and working:**

- MOA comprehensively focuses on and organizes around housing goals.
- We can have livable, quality neighborhoods with affordable housing at higher densities
- Empower an existing entity, such as the Anchorage Community Development Authority, to coordinate comprehensive housing development.
- Innovative design.

# Get involved!



Live Work Play  
Housing area of focus

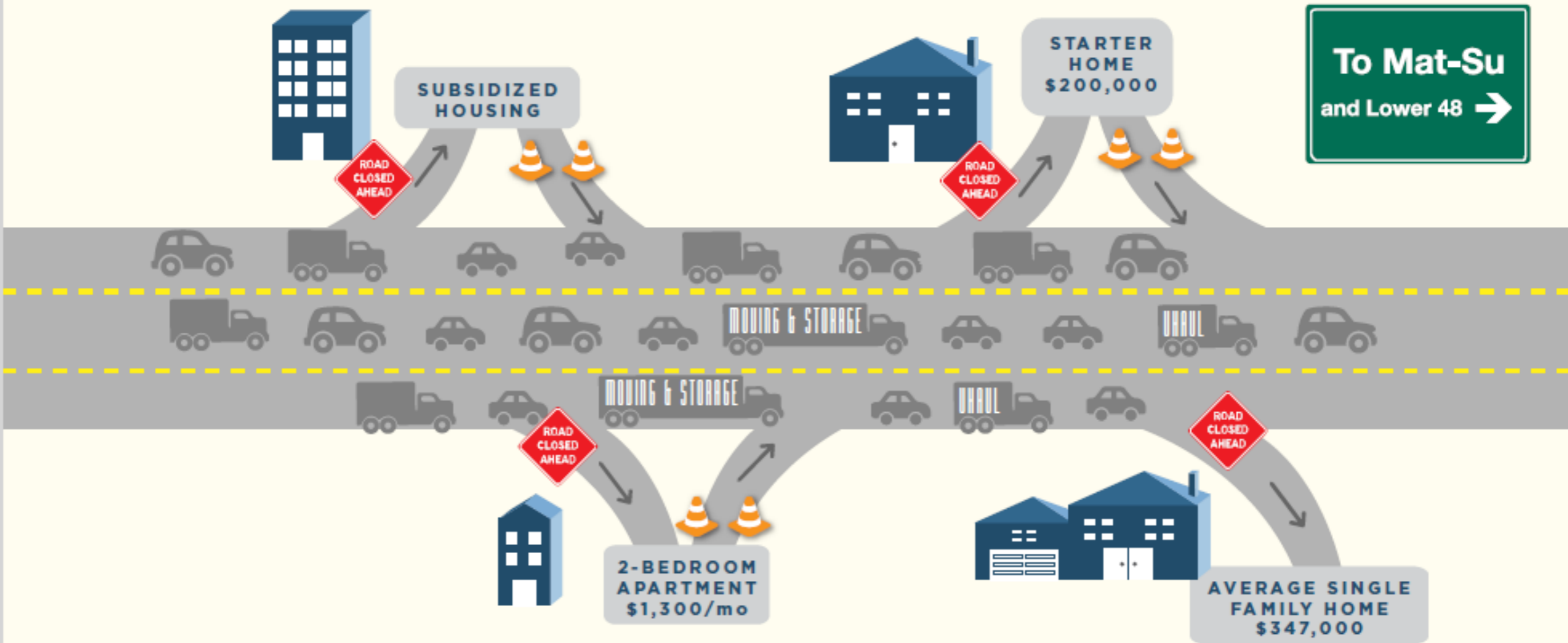
[housinganchorage@ak.org](mailto:housinganchorage@ak.org)

[www.facebook.com/HousingAnchorage](https://www.facebook.com/HousingAnchorage)



# HOUSING GRIDLOCK

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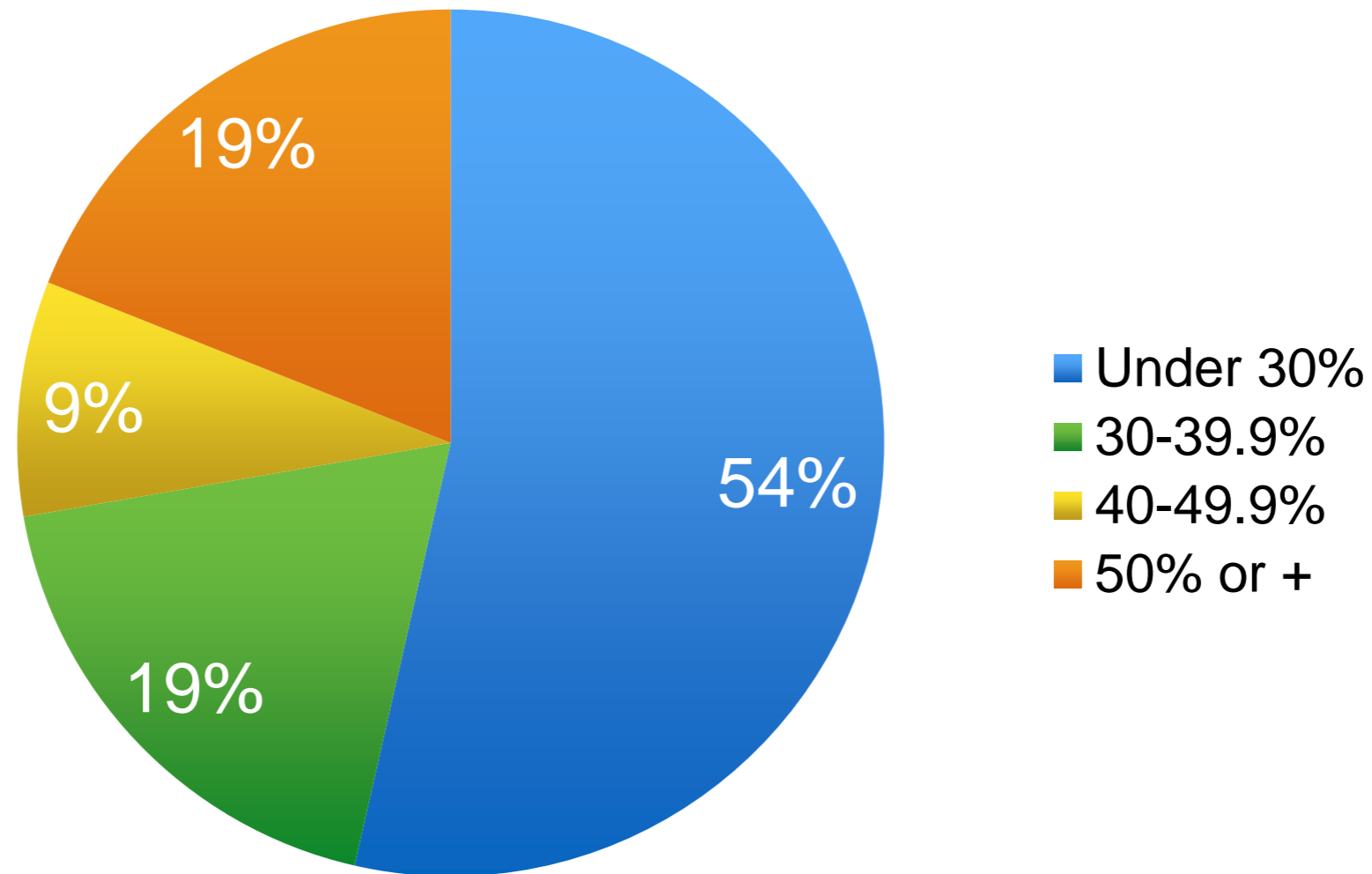


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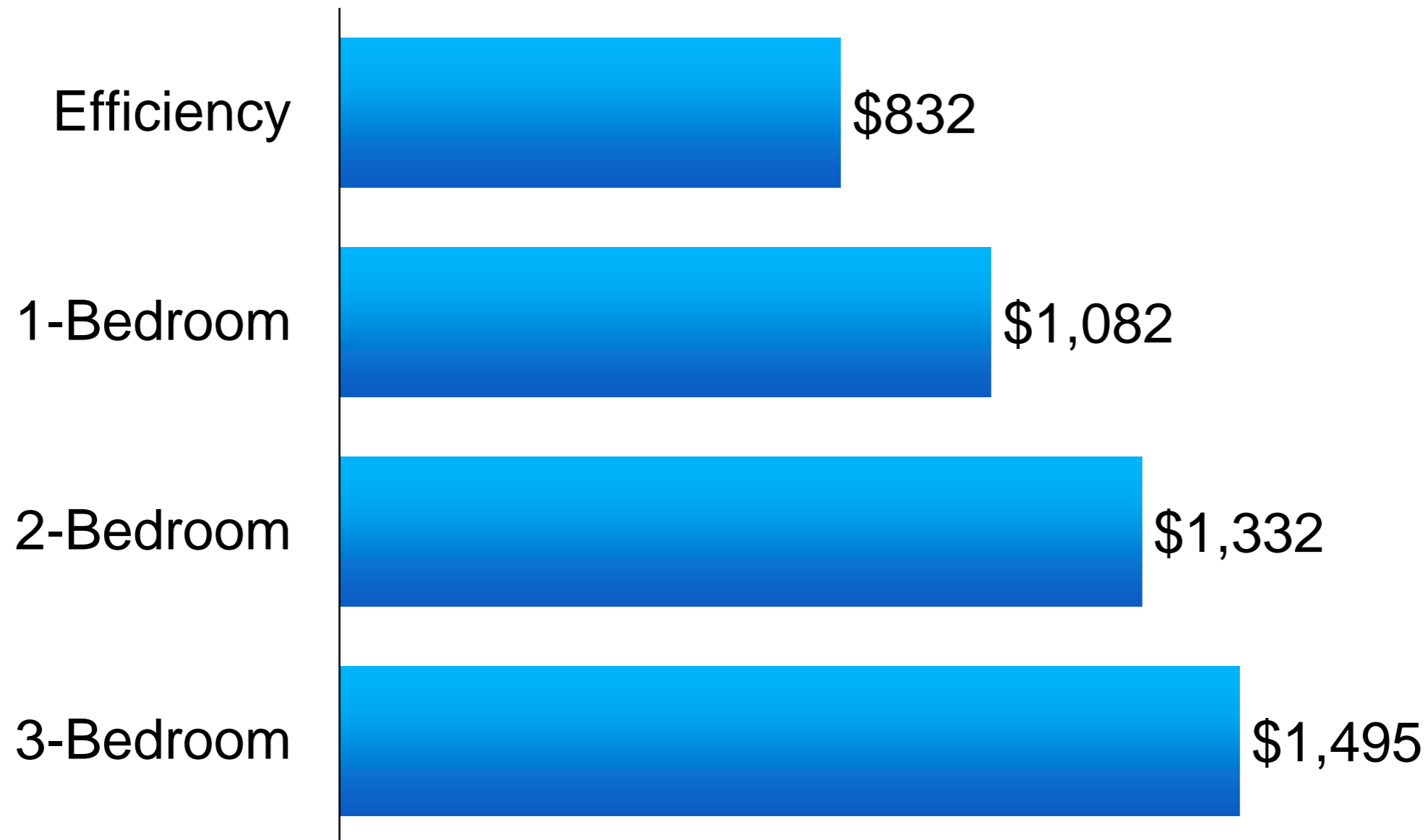
# Anchorage Housing Affordability & Economics

# Anchorage Rent as % of Gross Household Income



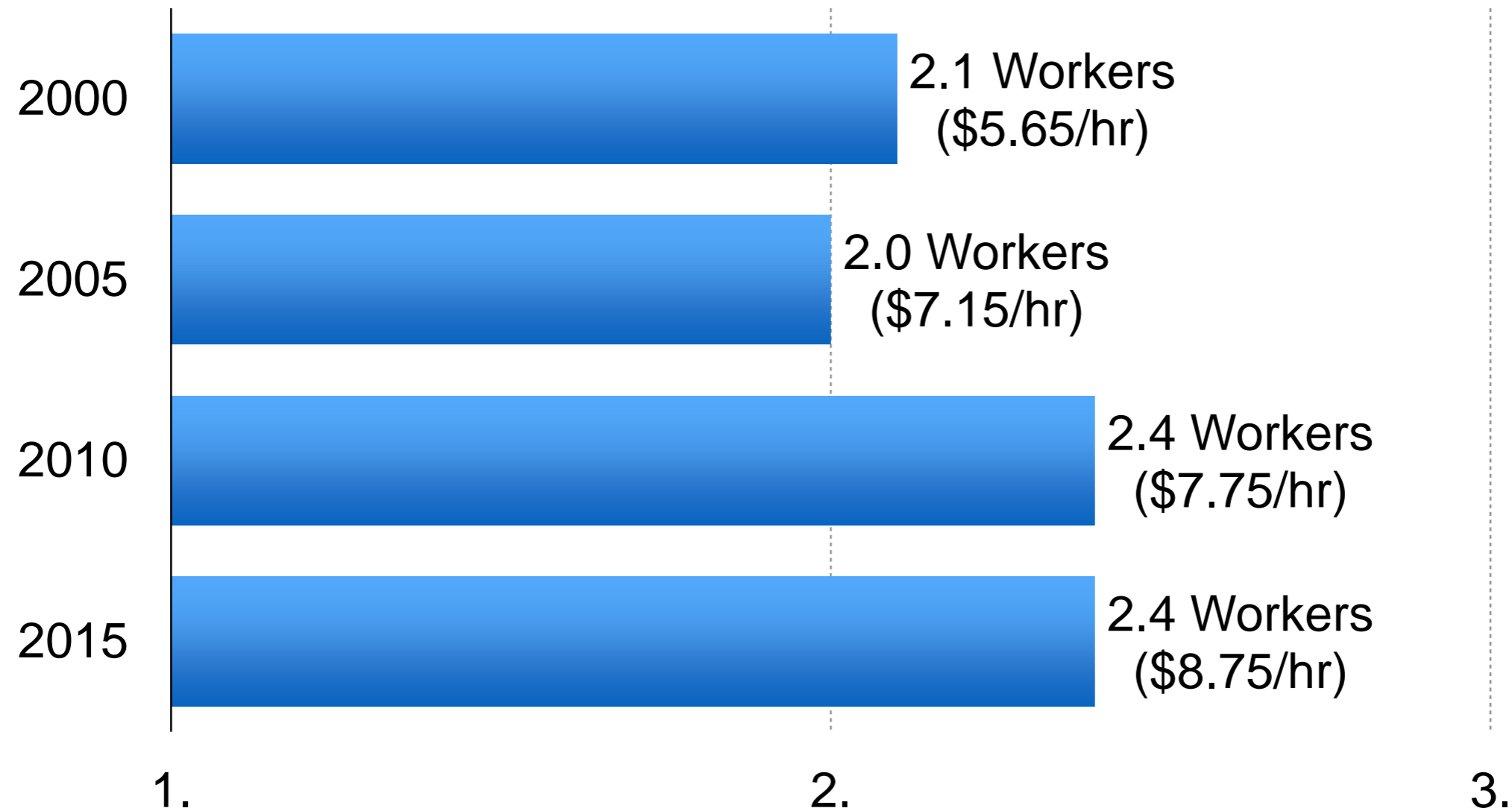
Source: U.S. Census American Community Survey 5 yr average 2008-2012.

# Anchorage Median Rents - 2014



*Source: adjusted rents - survey by AK Dept of Labor for Alaska Housing Finance Corp.*

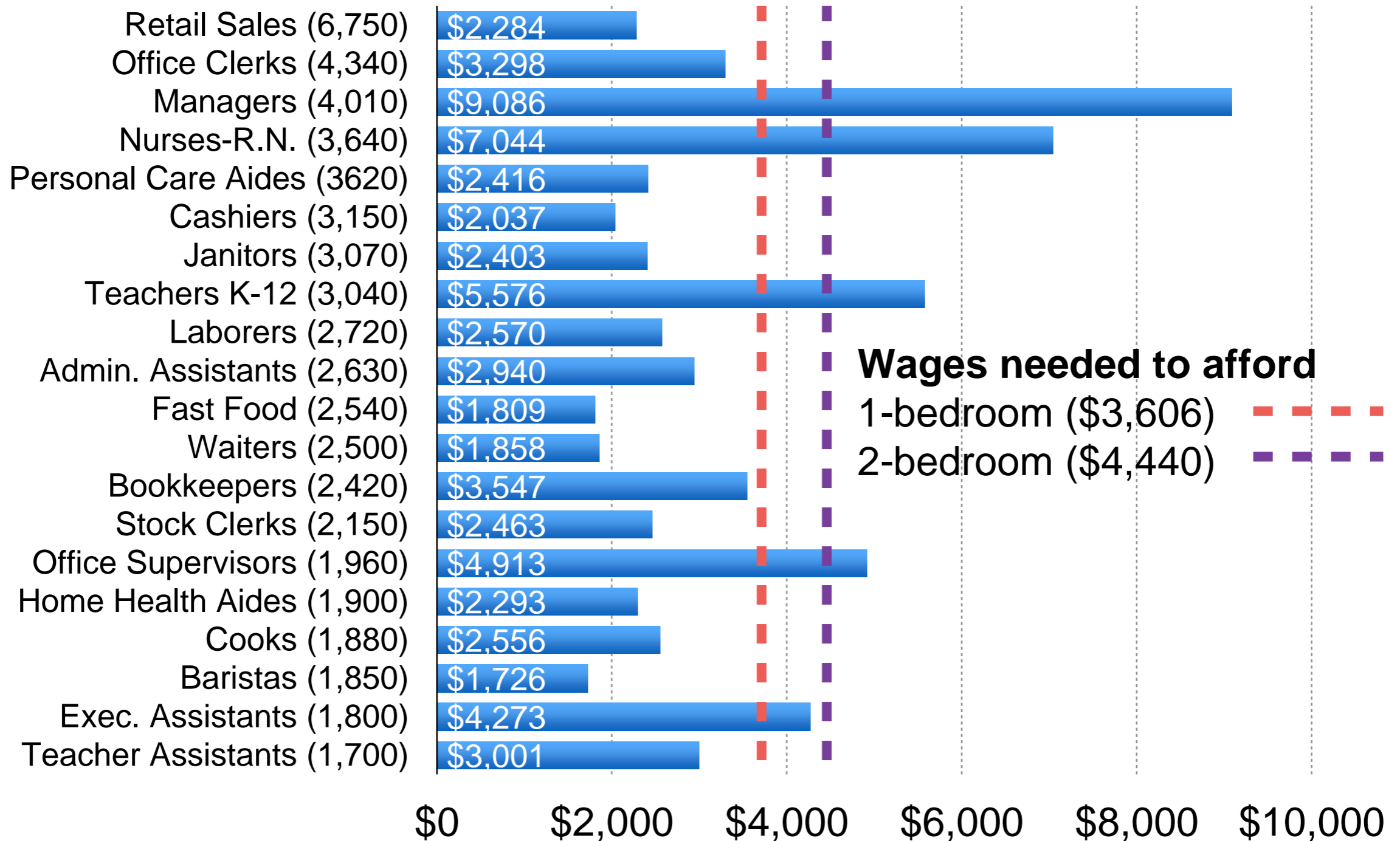
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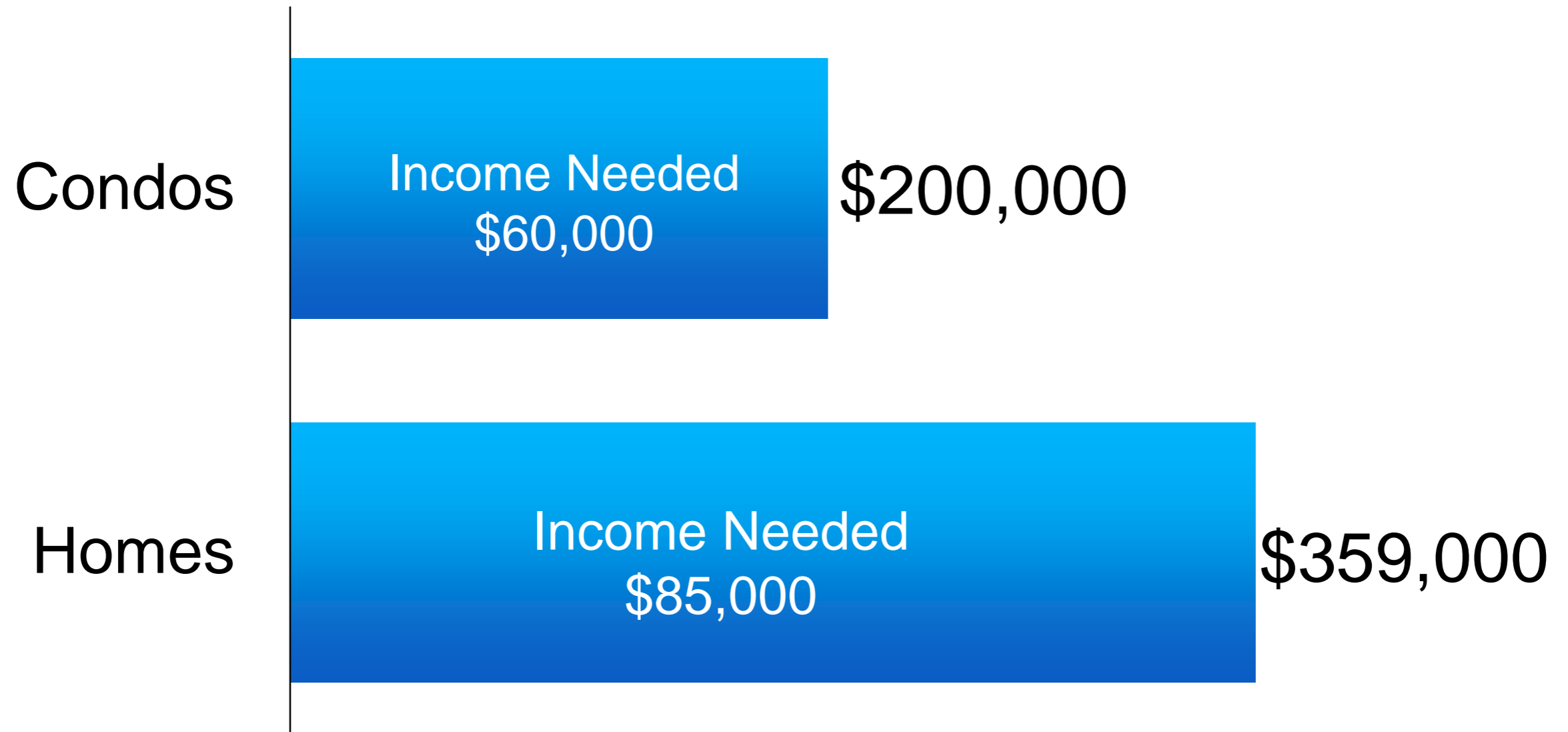


# Monthly Income to Afford Rent

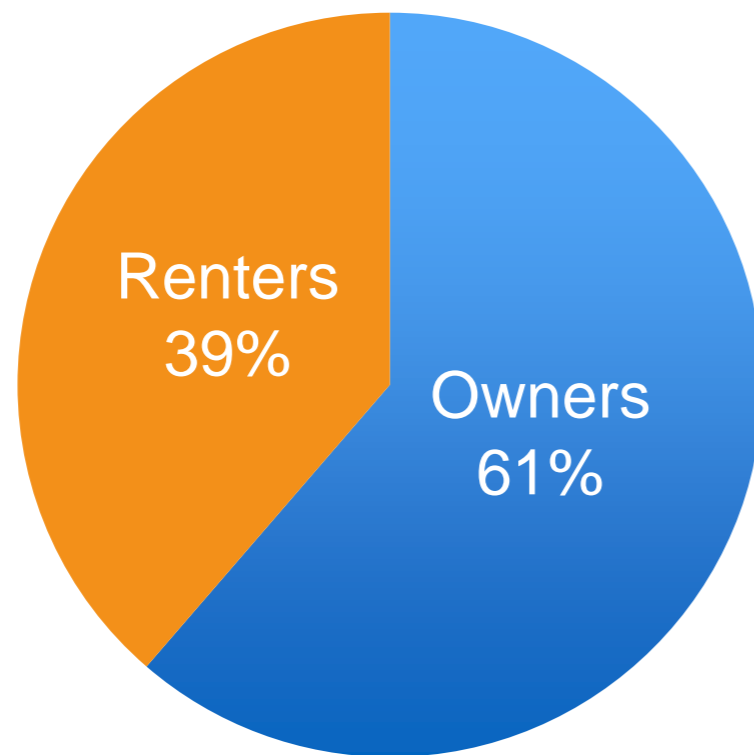


Note: numbers in parentheses = number employed in occupation; dollars show monthly wage. Wages needed assumes 30% of income will be spent on housing. Source: Bureau of Labor Statistics 2013.

# Home & Condo Average Prices Anchorage - 2014



Source: Alaska Multiple Listing Service (MLS) and local banks.

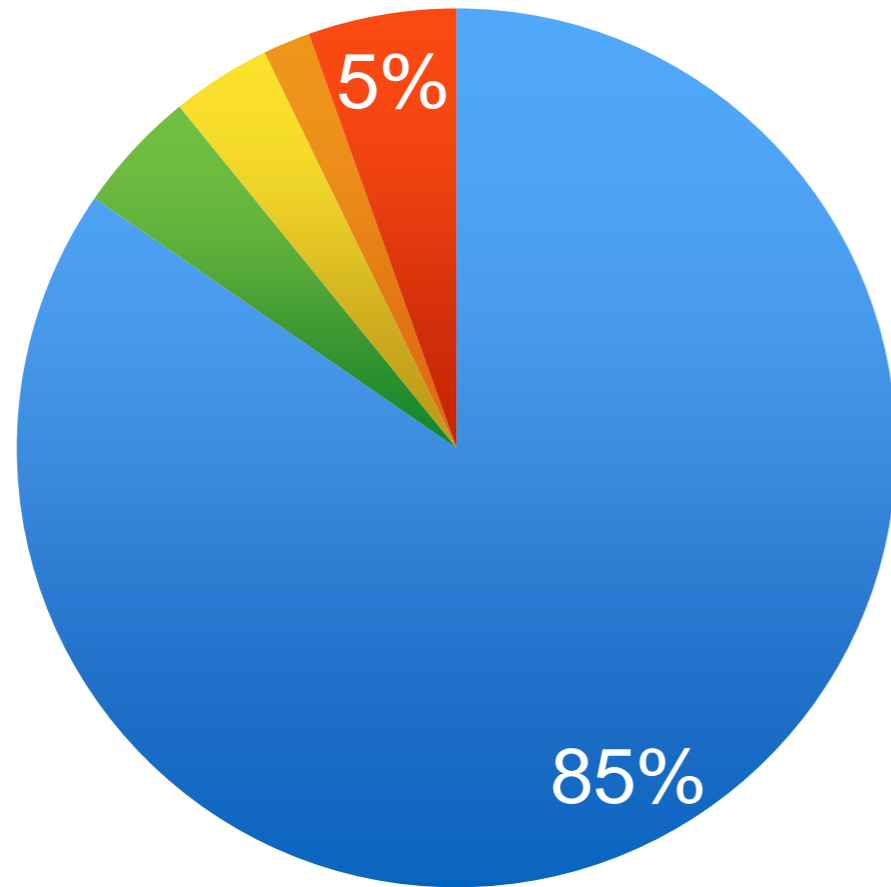


2012:  
105,517 Households

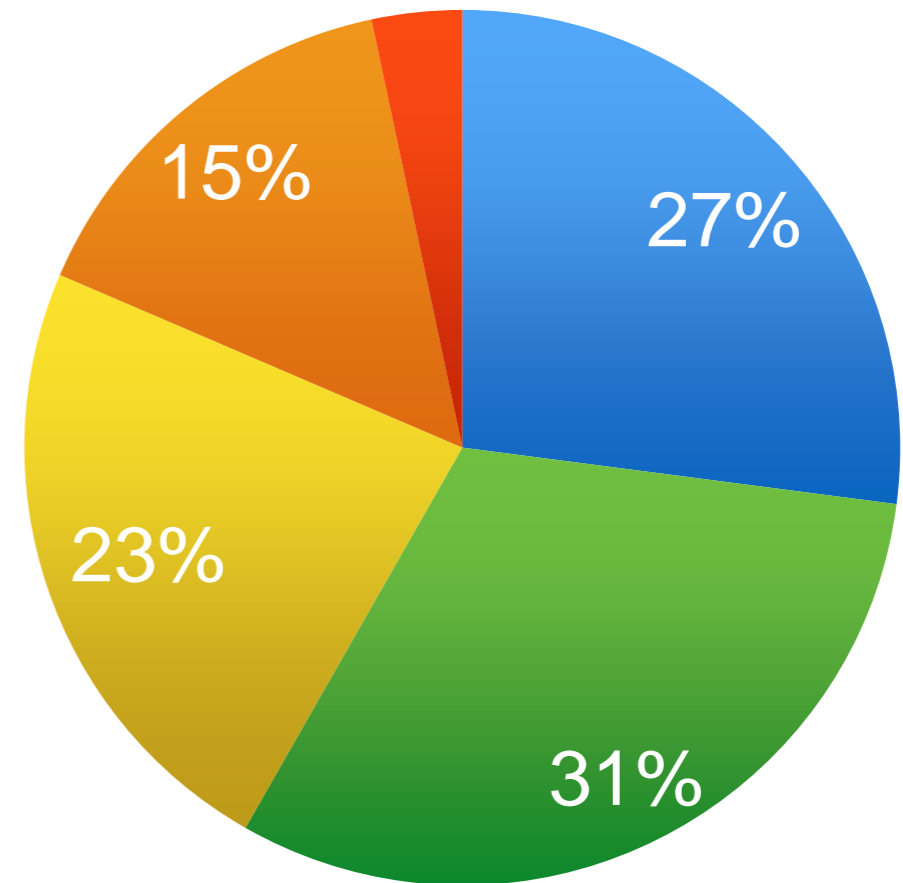
# Anchorage Housing Market

# Type of Occupied Housing Unit

■ Single-Family   ■ 2-4   ■ 5-19   ■ 20 or + Units   ■ Mobile Homes



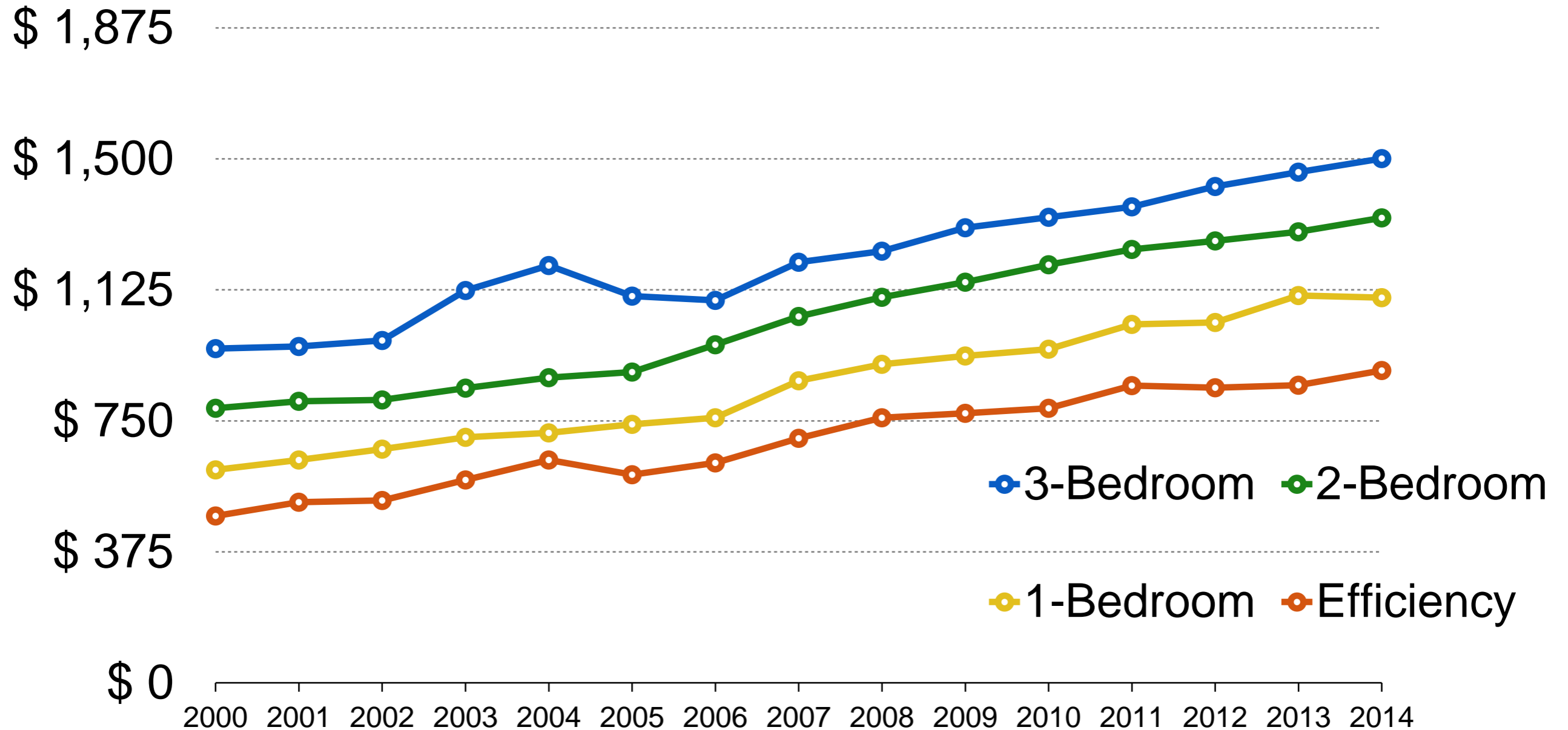
Owner Housing



Rental Housing

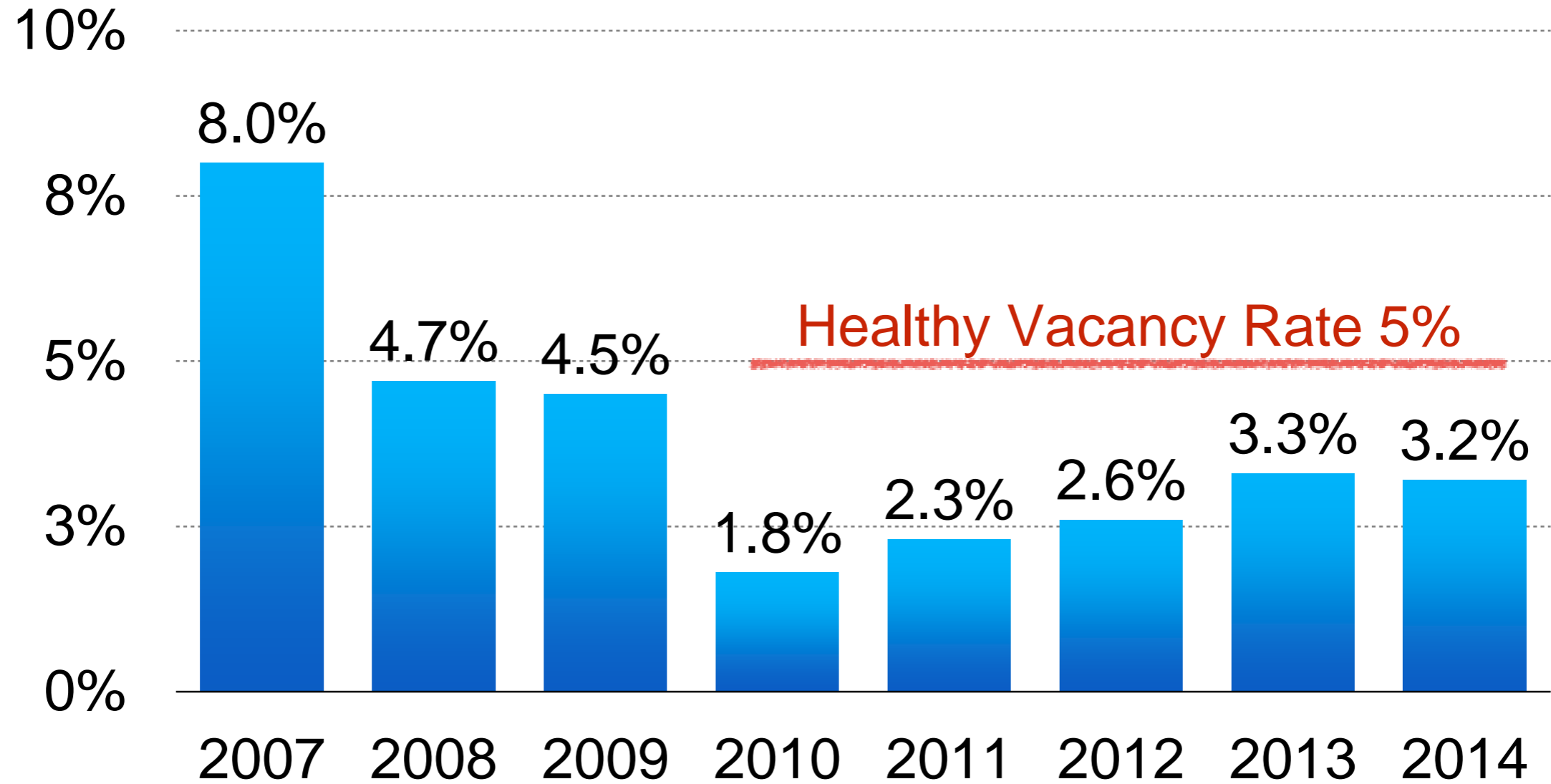
Source: U.S. Census American Community Survey 5 yr average 2008-2012.

# Average Adjusted Rents



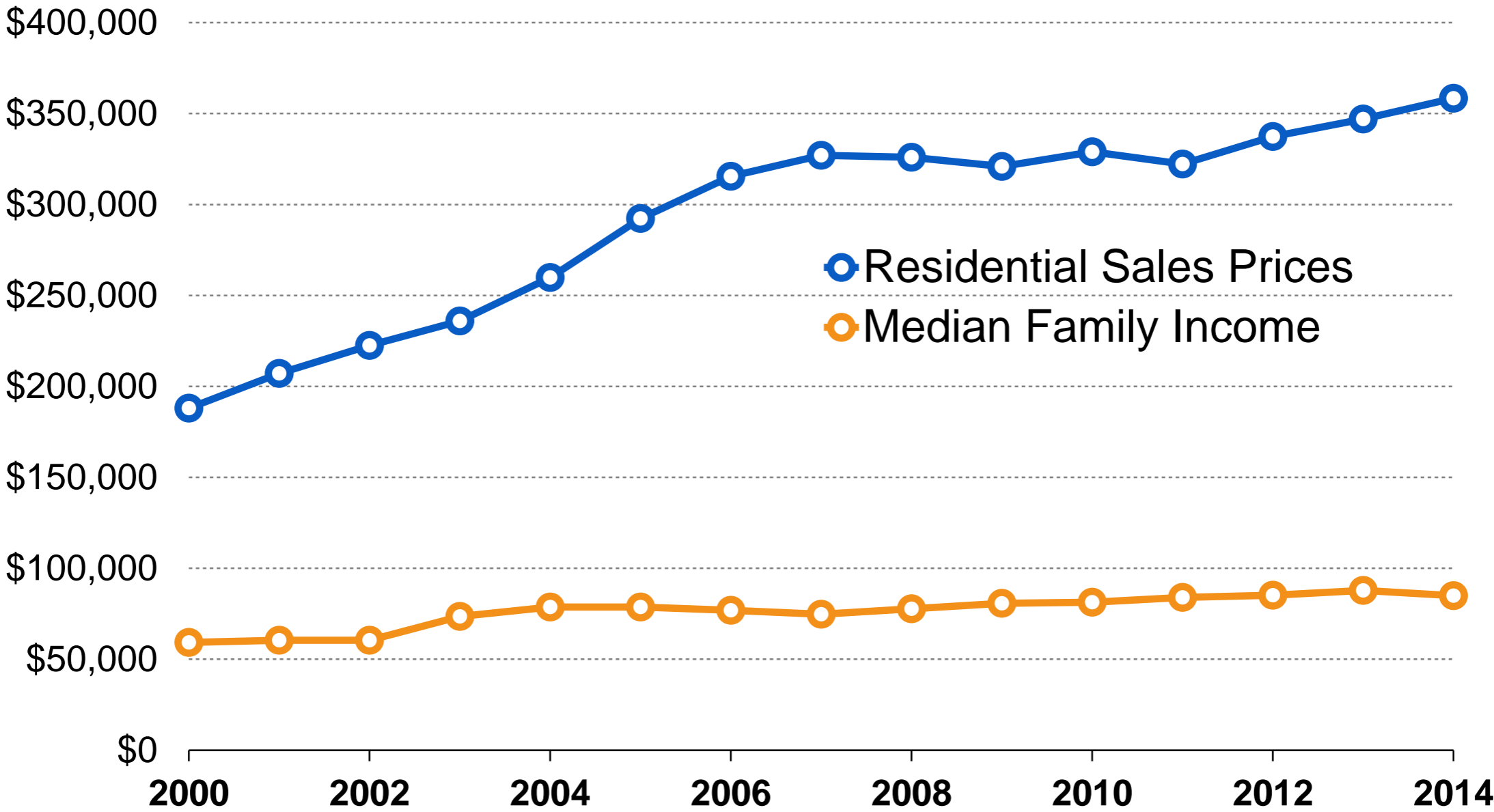
Source: Rental survey by AK Dept of Labor for Alaska Housing Finance Corporation.

# Average Apt. Vacancy Rate



Source: Rental survey by AK Dept of Labor for Alaska Housing Finance Corporation.

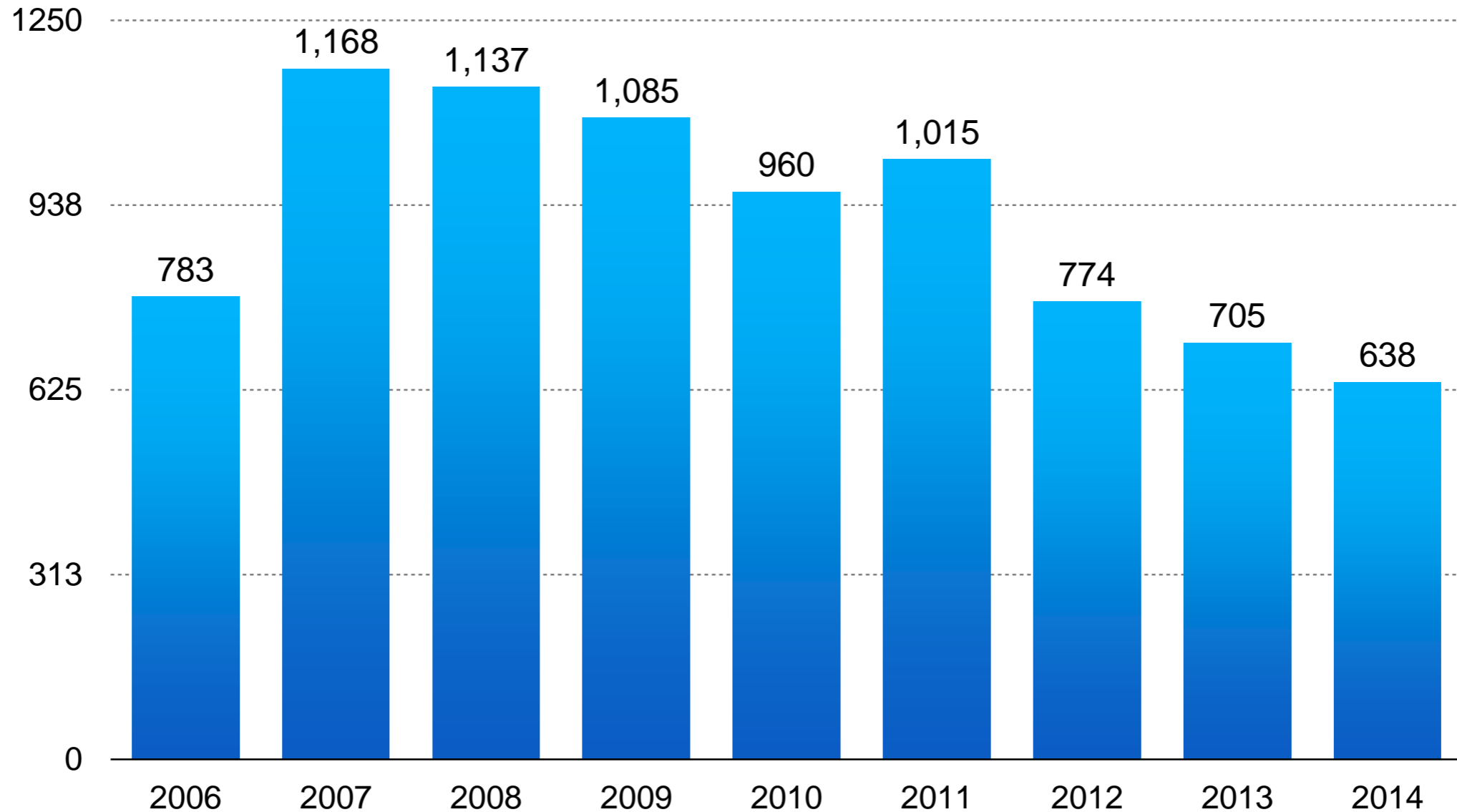
# Median Family Income compared to Single-Family Home Price



Sources: income family of four-HUD; single family residential sales prices - MLS



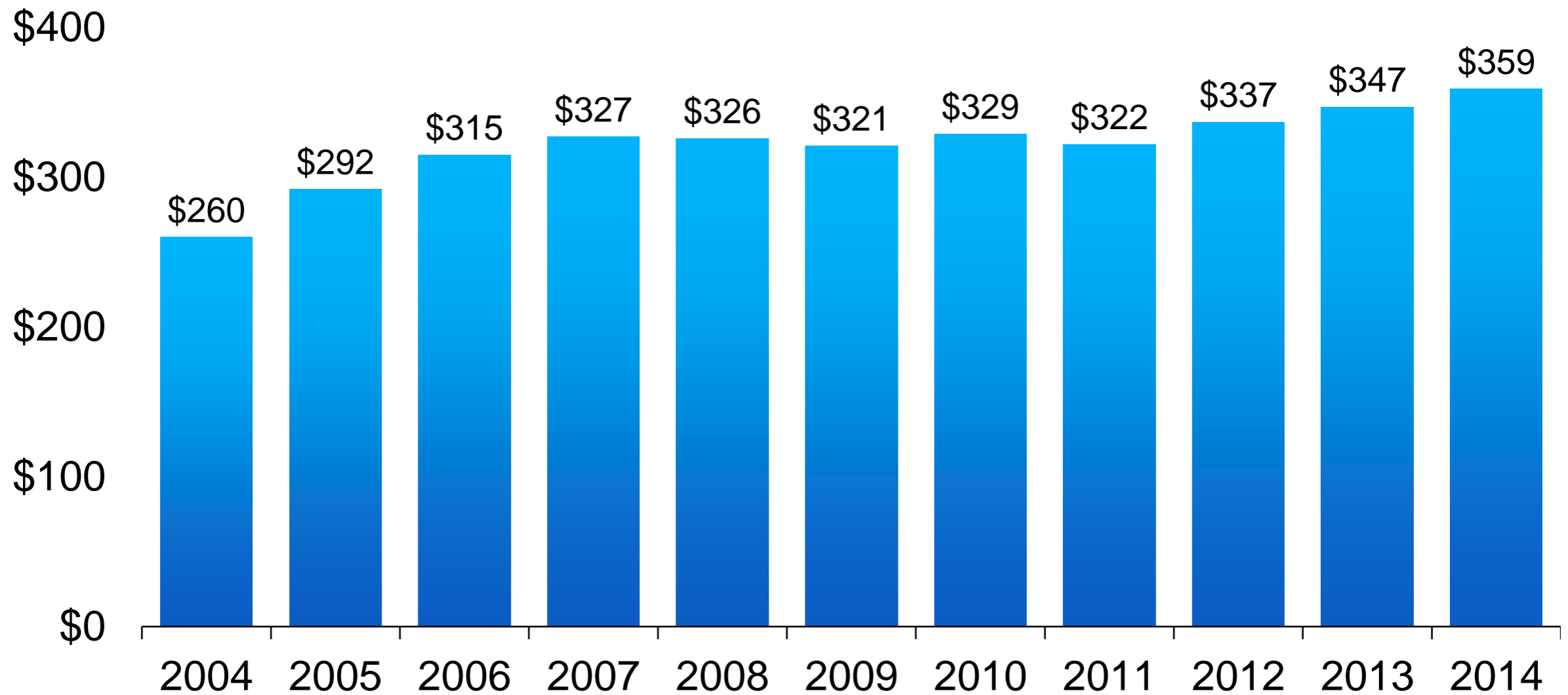
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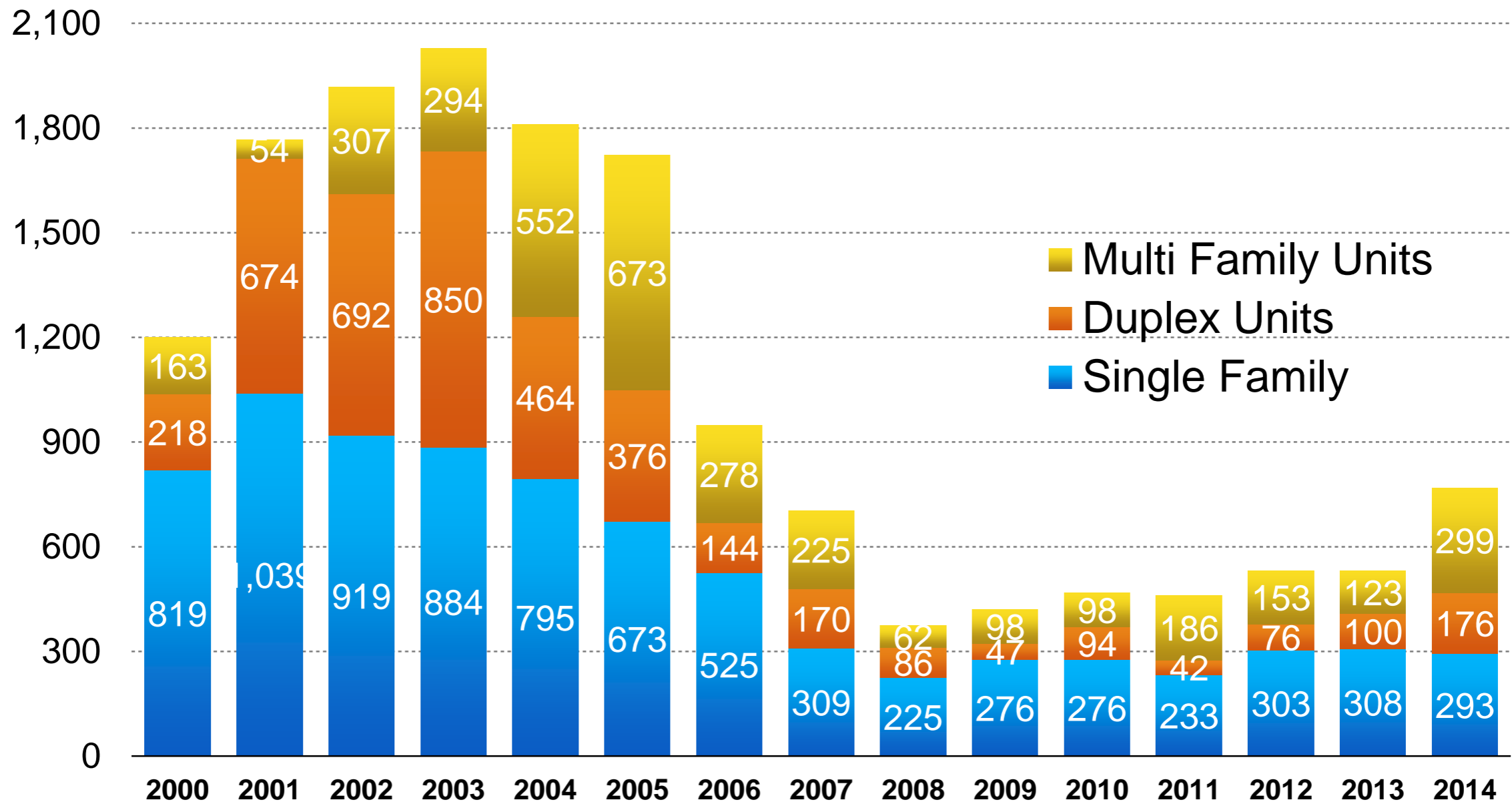


# Average Single-Family Home Sale Price (in 1000s)



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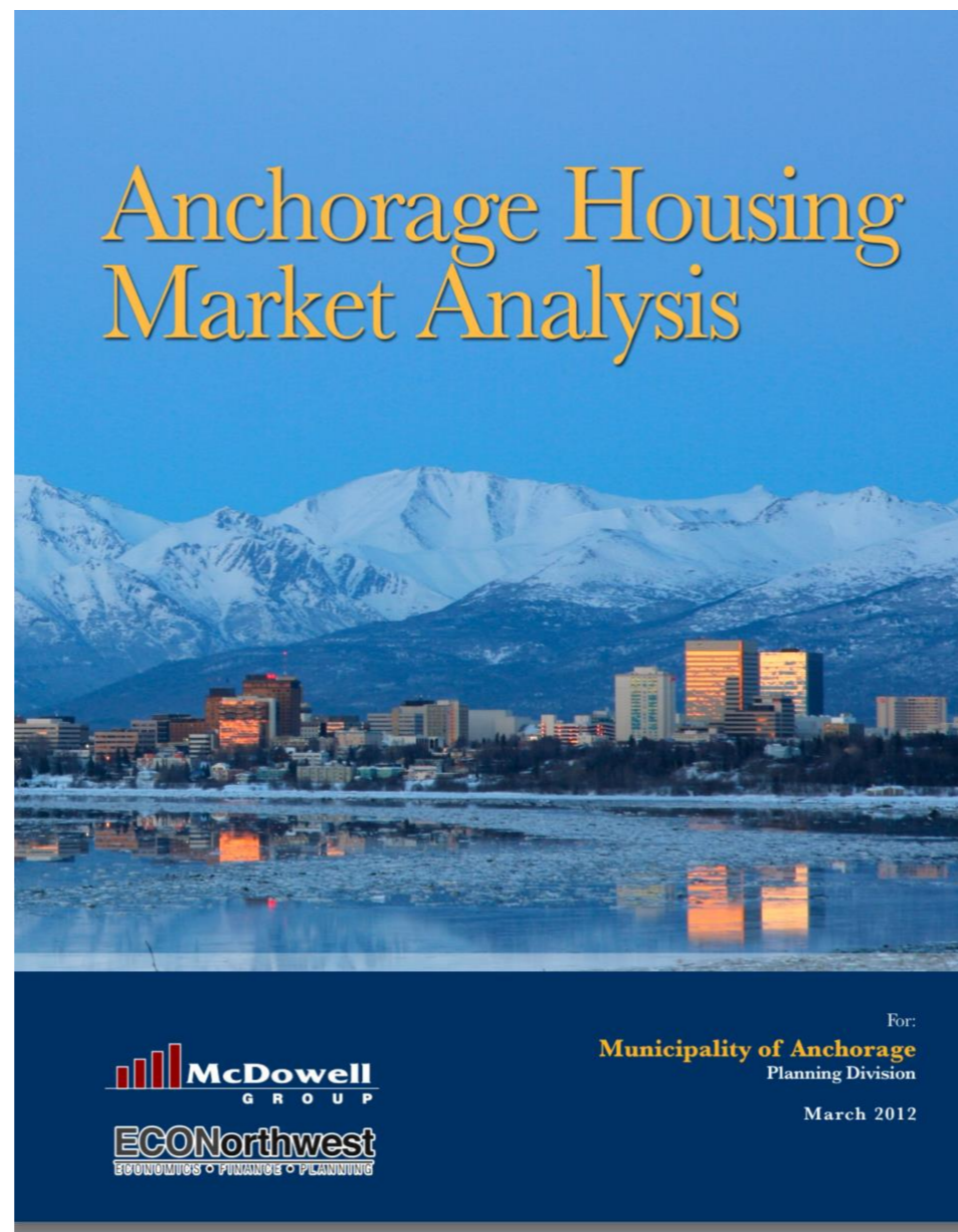
# New Housing Units by Type



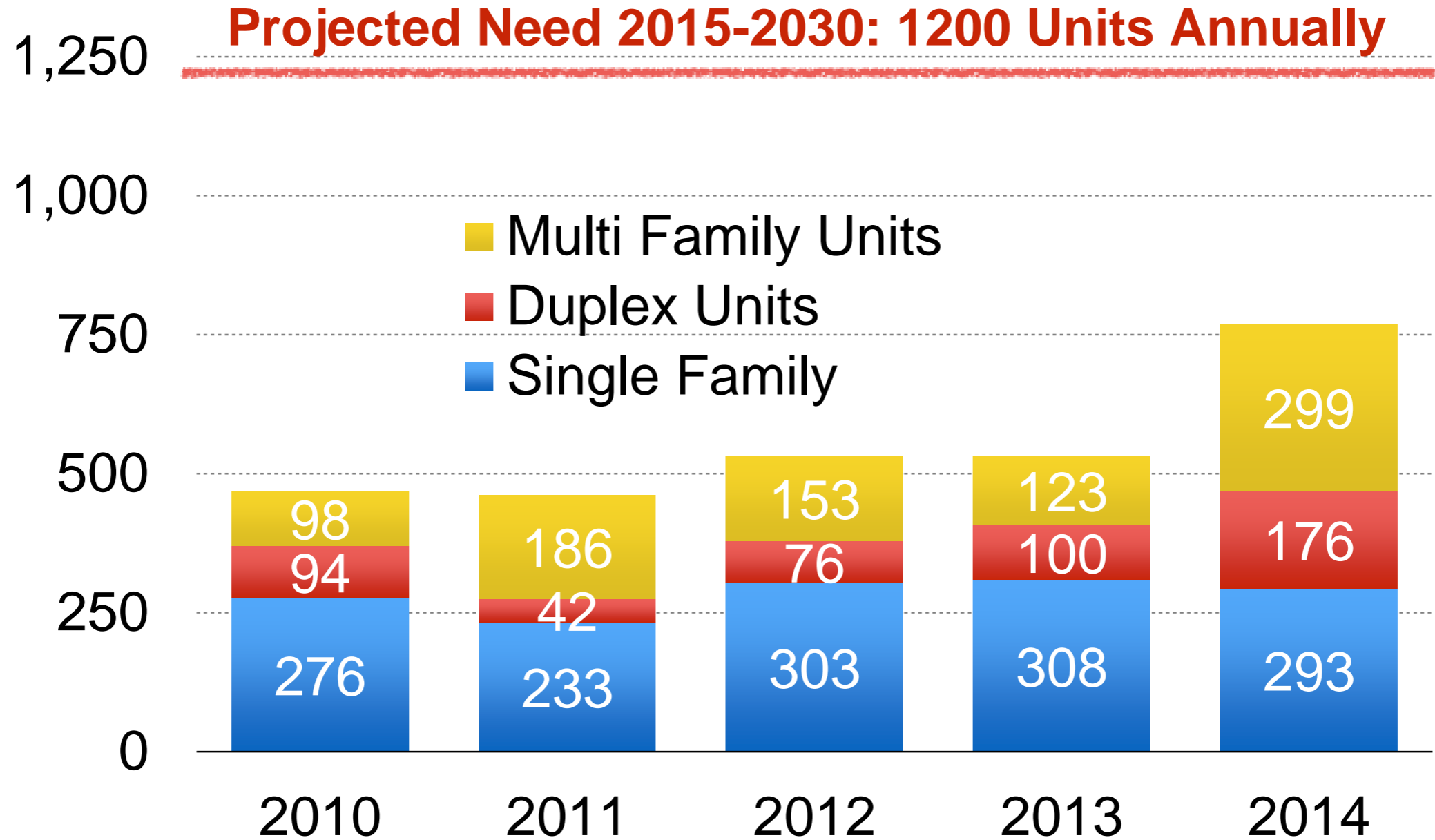
Source: Municipality of Anchorage Building Permit reports. Totals are for entire Municipality which includes the Anchorage Bowl, Chugiak-Eagle River & Turnagain Arm.

# Residential Construction

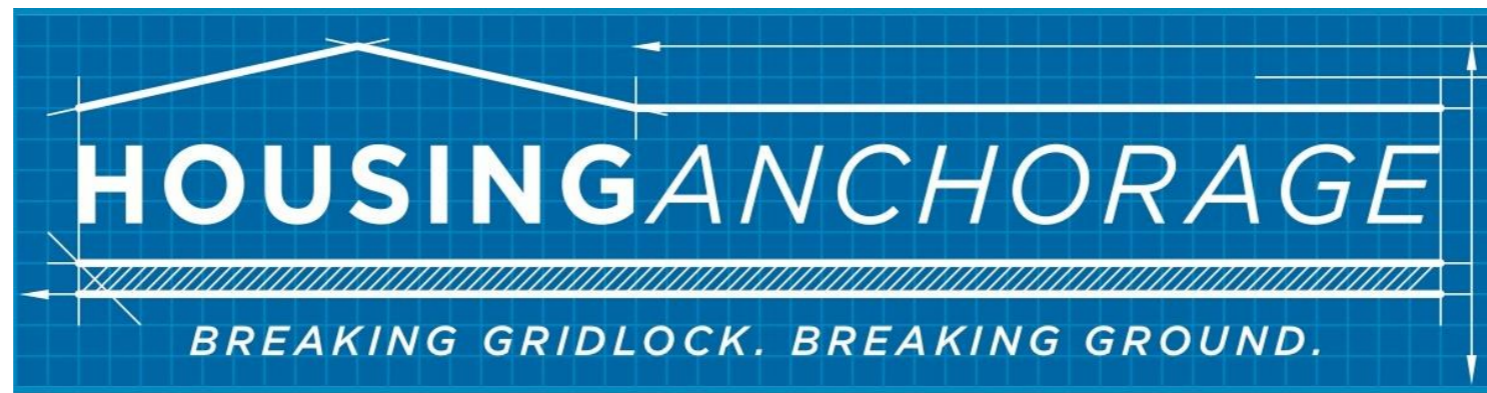
How much housing does Anchorage need?



# New Housing - Municipality of Anchorage

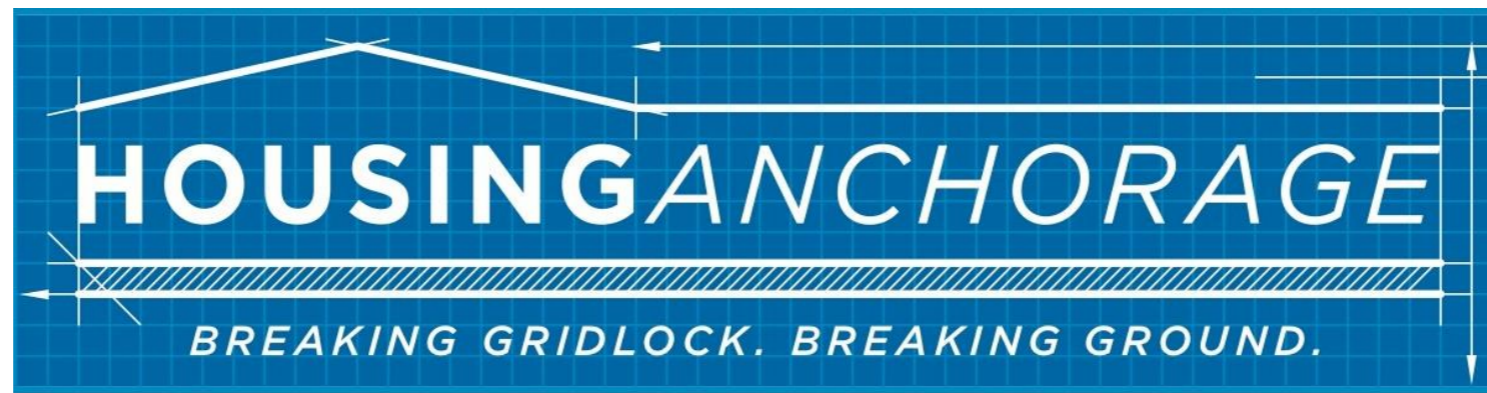


Source: Municipality of Anchorage Building Permit Activity reports.



# Goals

- Build 18,000 net new units of housing by 2030
- Reduce percentage of households spending more than 30% of income on housing
- Build community acceptance of the necessity of quality, affordable workforce housing as the foundation of a healthy community.



# Solutions

## **Financial:**

- Invest in infrastructure to support housing development
- Explore tax code-based efforts to encourage rehabilitation and new development

## **Regulatory:**

- Increase land use efficiency through re-development and zoning
- Streamline the planning and permitting processes

## **New ways of thinking and working:**

- We can have livable, quality neighborhoods with affordable housing at higher densities
- Empower an existing entity, such as the Anchorage Community Development Authority, to coordinate comprehensive housing development.

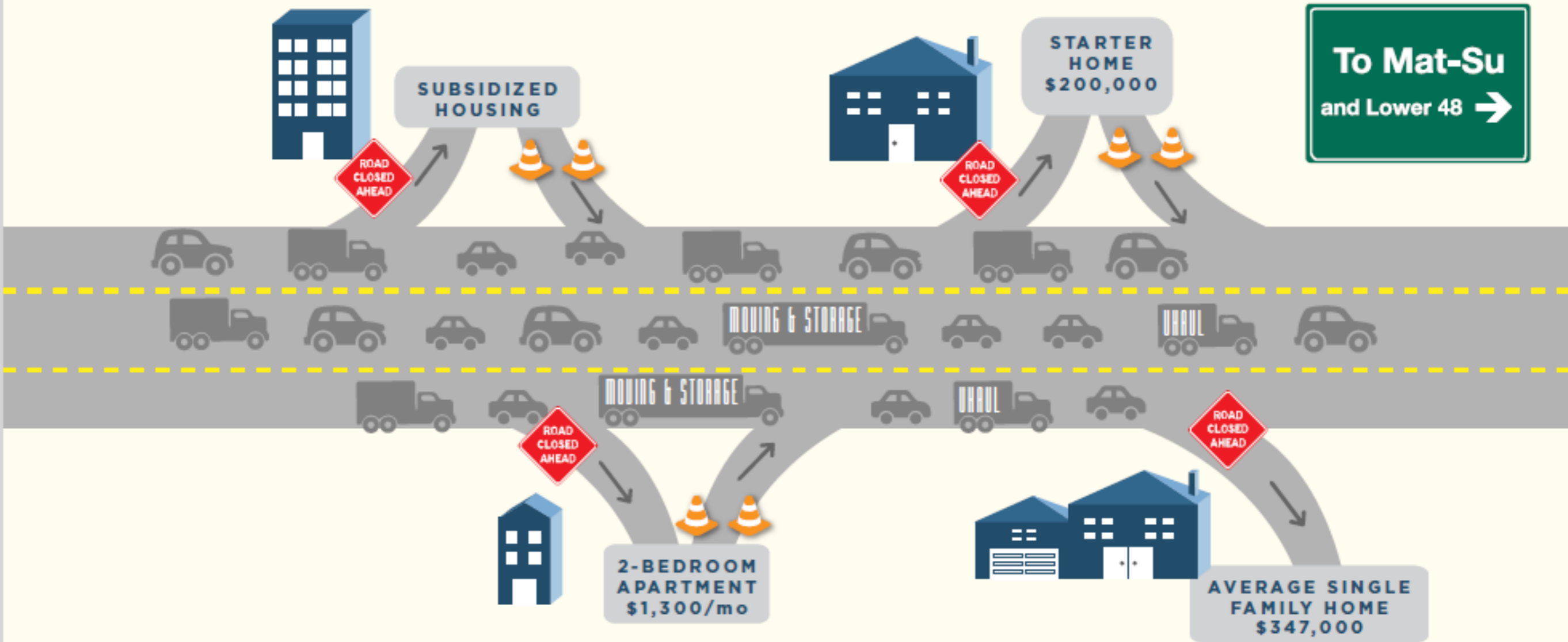
**HOUSING ANCHORAGE:** working together to spur development of quality, affordable housing in Anchorage by seeking broad-based solutions to improve housing options.

**Partners:**

- Alaska Housing Finance Corporation
- Anchorage Community Development Authority
- Anchorage Downtown Partnership
- Cook Inlet Housing Authority
- Rasmuson Foundation
- United Way of Anchorage

# HOUSING GRIDLOCK

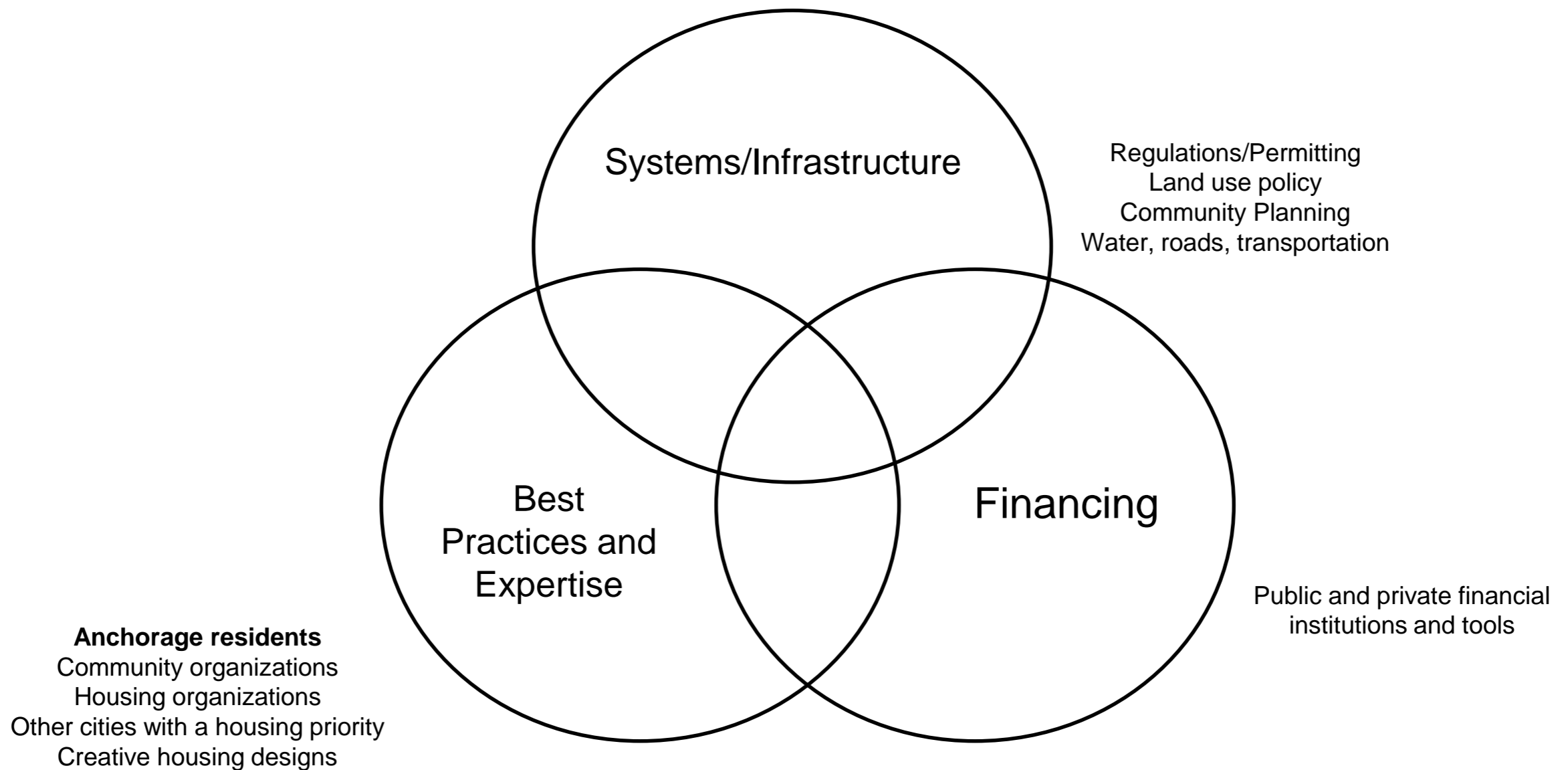
A shortage of housing at every level means people can't afford to move up and free units for other households.



Housing gridlock stifles upward mobility at every level and inhibits economic growth, affecting all of us.



# Build Public Will / Make Decisions Based on Data



# Challenges/Issues to Think About

Zoning, housing density (number of homes per unit of land), mixed use housing (combining residential with other uses)

Limited available undeveloped land in Anchorage Bowl

Permitting process and infrastructure requirements could mean that some projects don't 'pencil out'

High cost of construction affected by climate and distance

Possible sources of available capital for development

Demographics (e.g. growth in Millennials or retirees) may affect housing preferences