Alaska Common Ground: A Conversation on Housing

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Housing-related trends

- Aging housing stock
  - Over 50% of housing stock was built before 1980

- Aging infrastructure
  - C- infrastructure rating from the American Society of Civil Engineers

- Energy inefficiency
  - 20,000 homes in Alaska would receive a one-star energy rating

- Growing senior population
  - Fastest growing population in Anchorage; will hit 16% in 2032
AEDC’s Live.Work.Play. Housing Area of Focus

“Good housing is the foundation on which Anchorage can build a stronger economic future.”
L.W.P. Housing Focus Area

- To understand feasibility of housing development in Anchorage
- To discuss what tools or incentives can promote development in a context of a “feasibility gap”
- To push for design to match our city’s housing needs
  - ADU/unit lots
    - ADUs now permitted in all residential zones in Anchorage
  - Unit-lot subdivisions
Affordability challenges

$19.90
Housing wage needed to afford a one-bedroom apartment in Anchorage

81
Hours of work per week at minimum wage to afford a one-bedroom unit

32,000
households in Anchorage are considered cost-burdened, paying over 30% of their monthly income to rent
Affordable & available homes per 100 renter households

Anchorage has just 35 affordable homes per 100 extremely low income households

- At 30% AMI ($31,380): 35
- At 50% AMI ($49,600): 63
- At 80% AMI ($71,900): 97
- At 100% AMI ($99,500): 106

*AMI based on family of 4 in Anchorage
Feasibility gap: One-bedroom example

Result = 1 market-rate, multi-family development constructed in Anchorage during the 10 years leading up to the recession
Elizabeth Place: 50-unit downtown development

- **Market Rate**
  - $12,419,000
  - **Financial gap**: $12,841,000
  - Required a 77% owner contribution that came from 9 different sources

- **Affordable Mixed Income**
  - $12,841,000

The market rate project is left with more than a $4 million feasibility gap.
“Problems can become opportunities when the right people come together.”

- Robert Redford
Path to Independence

A collaborative housing pilot to address homelessness in Anchorage by engaging private landlords as partners and investors.

Progress to date:

- 20 households (30 individuals) housed with 2 participating landlords
- 20 more households to be housed in Year 1

+20 funding partners
Senior housing
Innovative infill projects
Reflecting culture in design
“People coming together as a community can make things happen.”

Jacob Rees-Mogg