

HOUSING IN SITKA

UNDERSTANDING CHALLENGES, WORKING TOWARDS SOLUTIONS

Presented to the Sitka Chamber of Commerce

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OVERVIEW

- Housing Needs
- Housing Challenges
- Land & Development
- Development Case Study
- How to Move Forward

HOUSING NEEDS

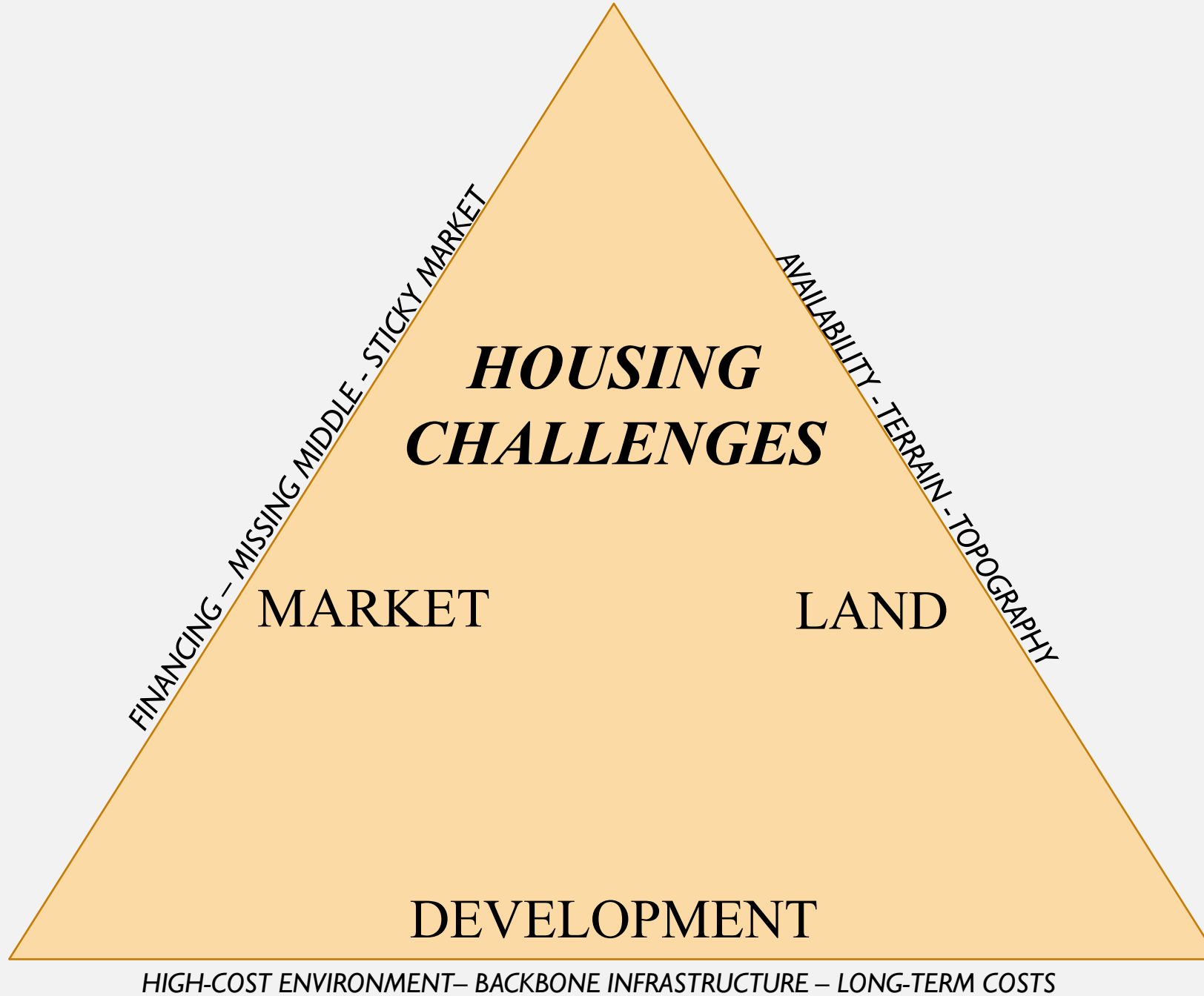
- High Prices & Housing Cost Burden*
 - 31% of all households across SE AK
 - 52% of Sitka renters
 - 10 years: Single family homes up 45%, wages up 22%
- Demographic Changes**
 - 8% population decline over 10 years
 - 65+ increased 34%
 - 20-64 decreased 13%
 - 19 & under decreased 18%
- Workforce Challenges*
 - Lack of workforce significant threat to growth
 - Houses are too expensive for employees to afford
 - Not enough rentals to meet housing needs
 - Family housing & future workforce***
 - 80% of Alaskans who turned 18 in state stayed 5 years or more, 50% stay for 15 years or more

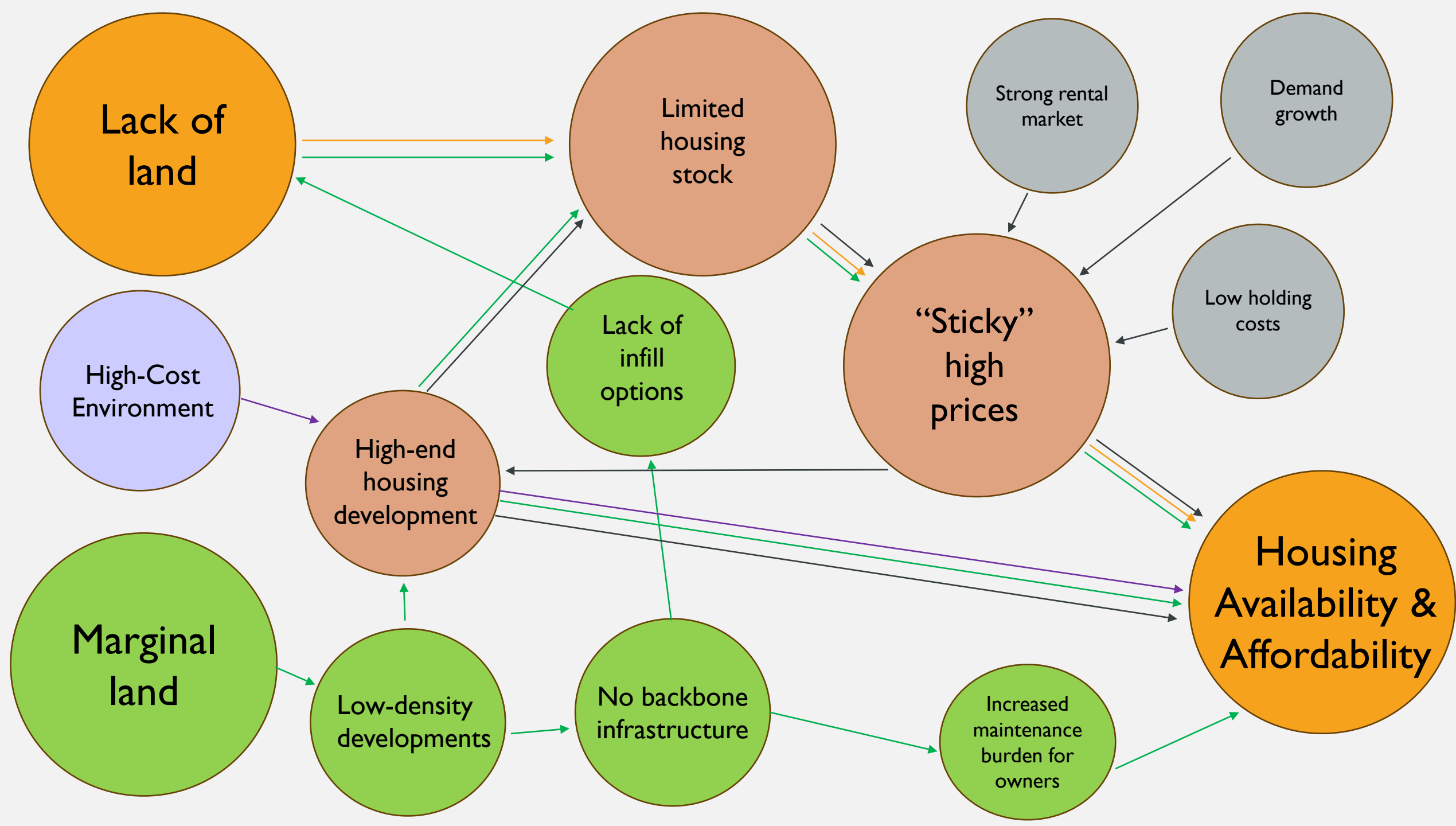


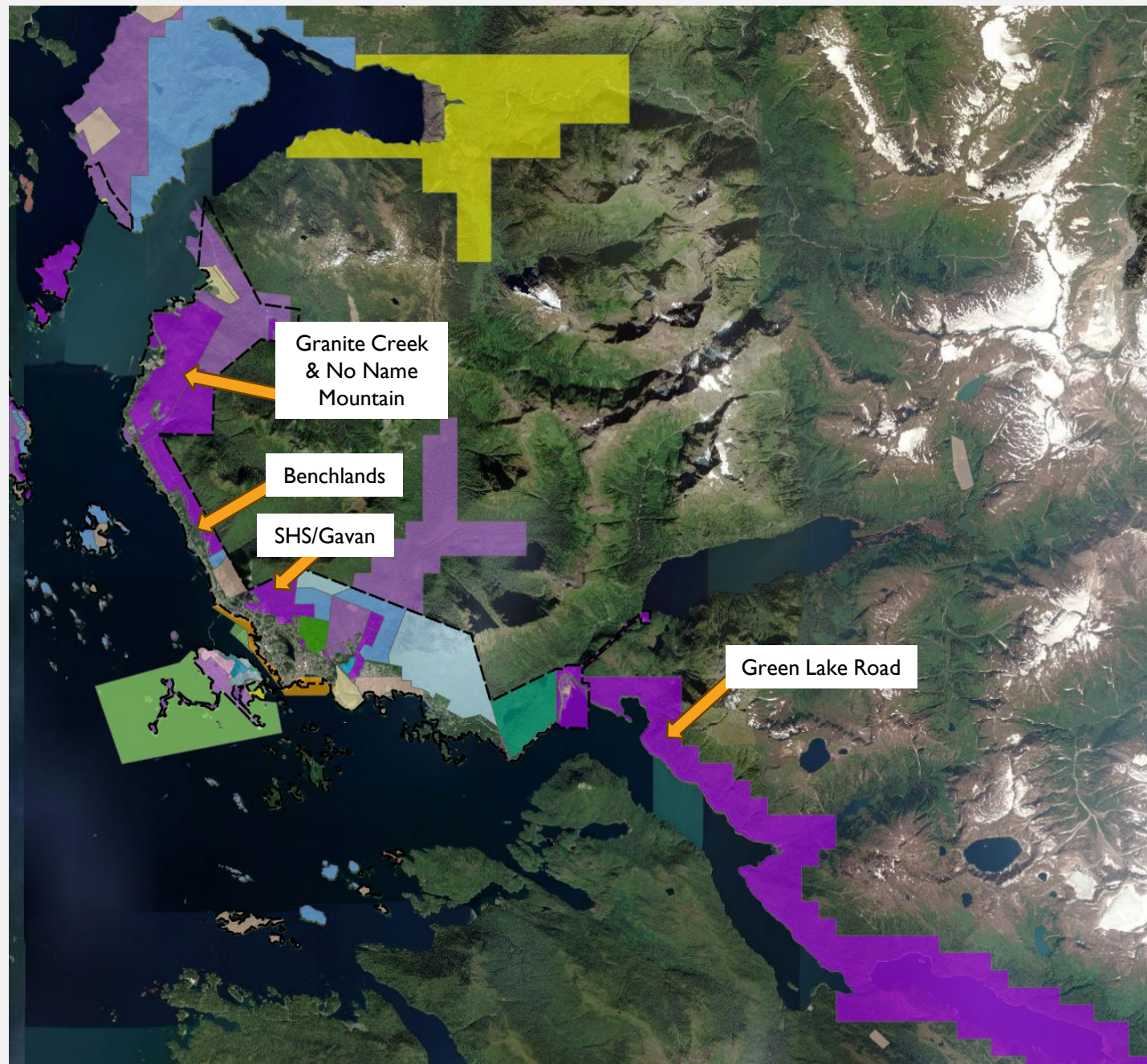
*Southeast Alaska by the Numbers 2023 – Southeast Conference, Tlingit & Haida, Raincoast Data

**2023 State of Sitka's Economy Presentation – Sitka Economic Development Association, McKinley Research

***Alaska Economic Trends August 2022, "Movers Aren't Staying As Long" – David Howell







CASE STUDY

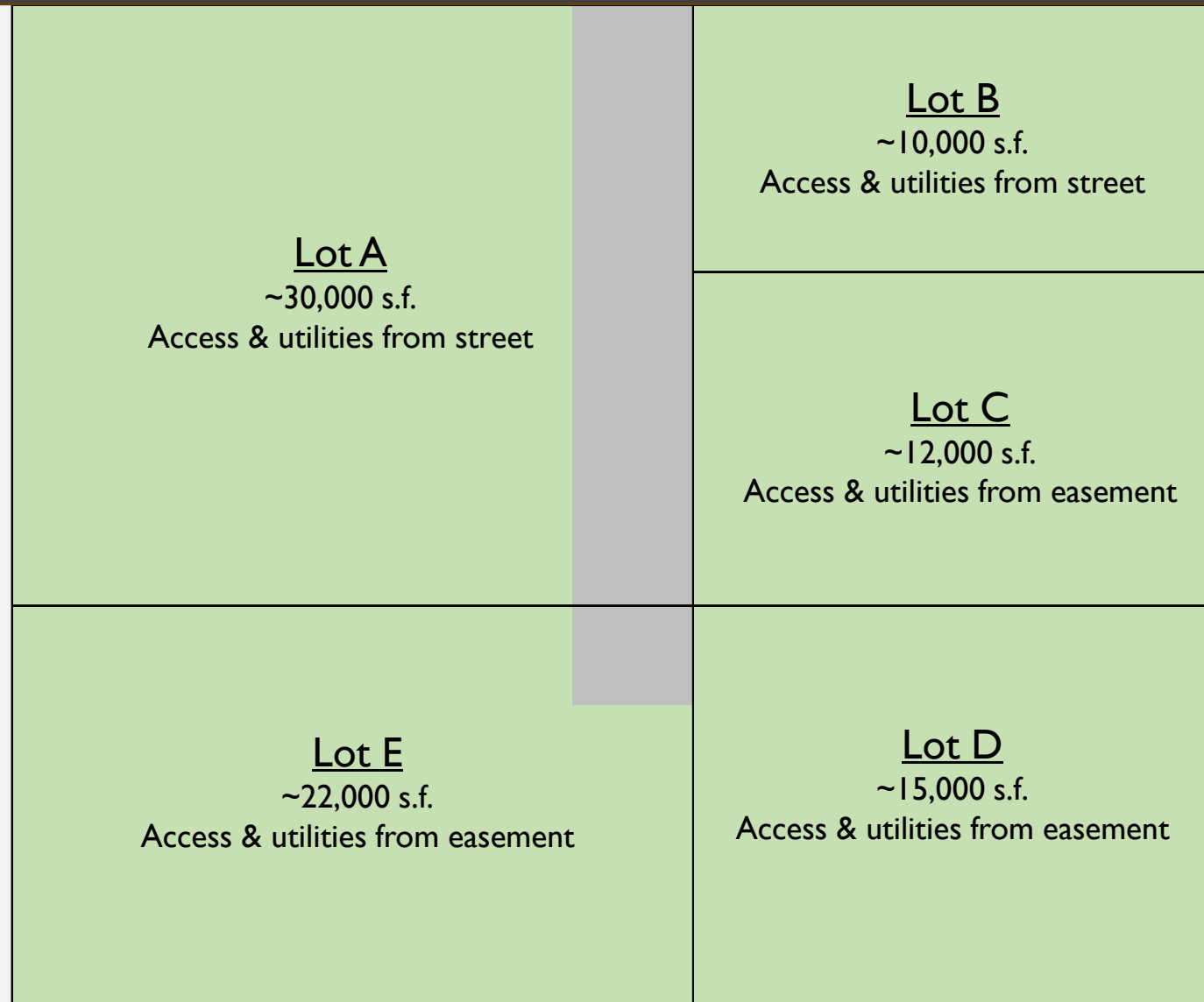
Unplanned development
lacking backbone
infrastructure results in
fewer buildable lots and
lower housing density
potential

Parent Lot
~89,000 s.f.

Minimum lot size: 6,000 s.f.
Potential 10-12 lots

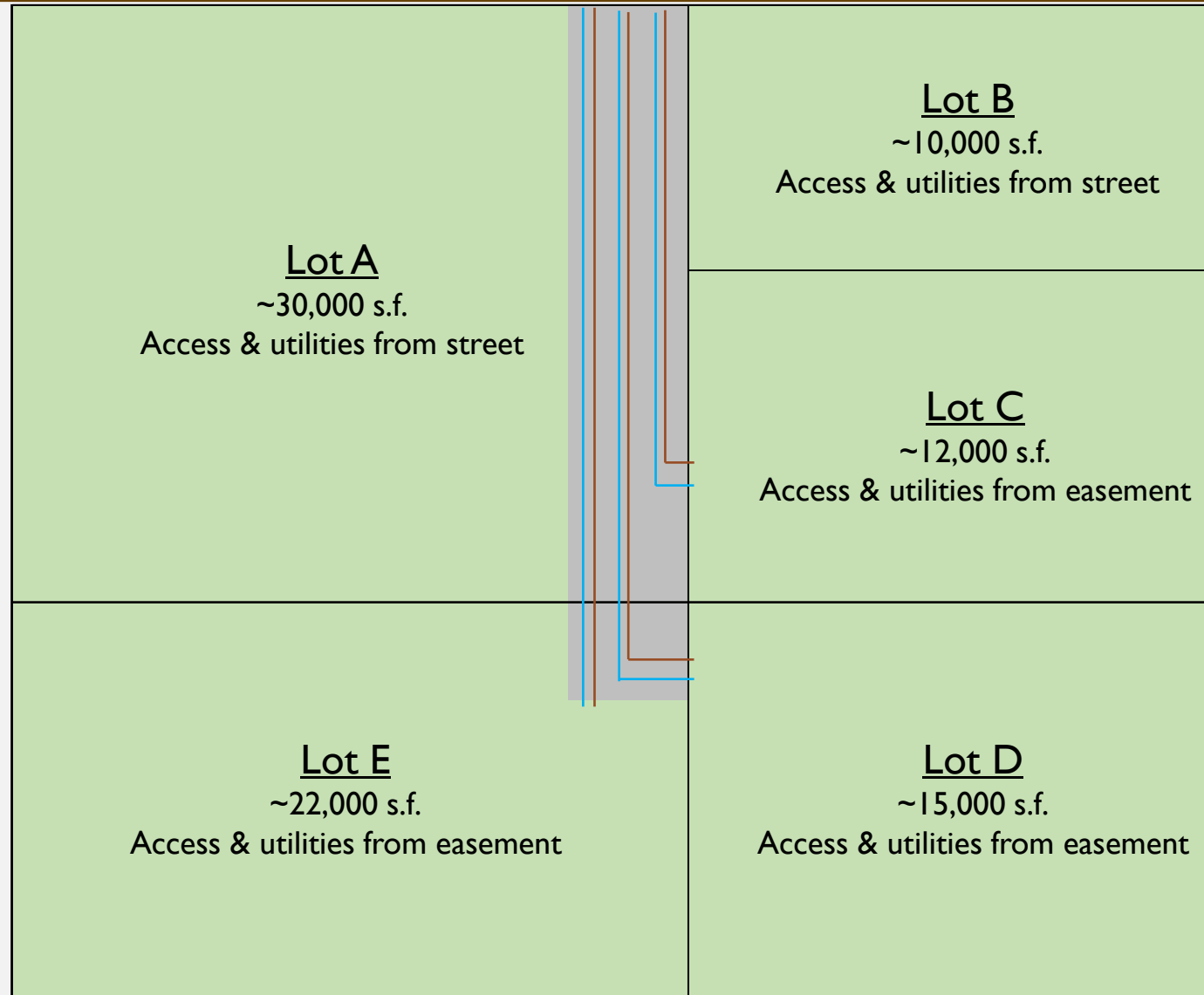
1st Subdivision

- 5 lot minor subdivision
- 3 lots served by an easement for access and utilities



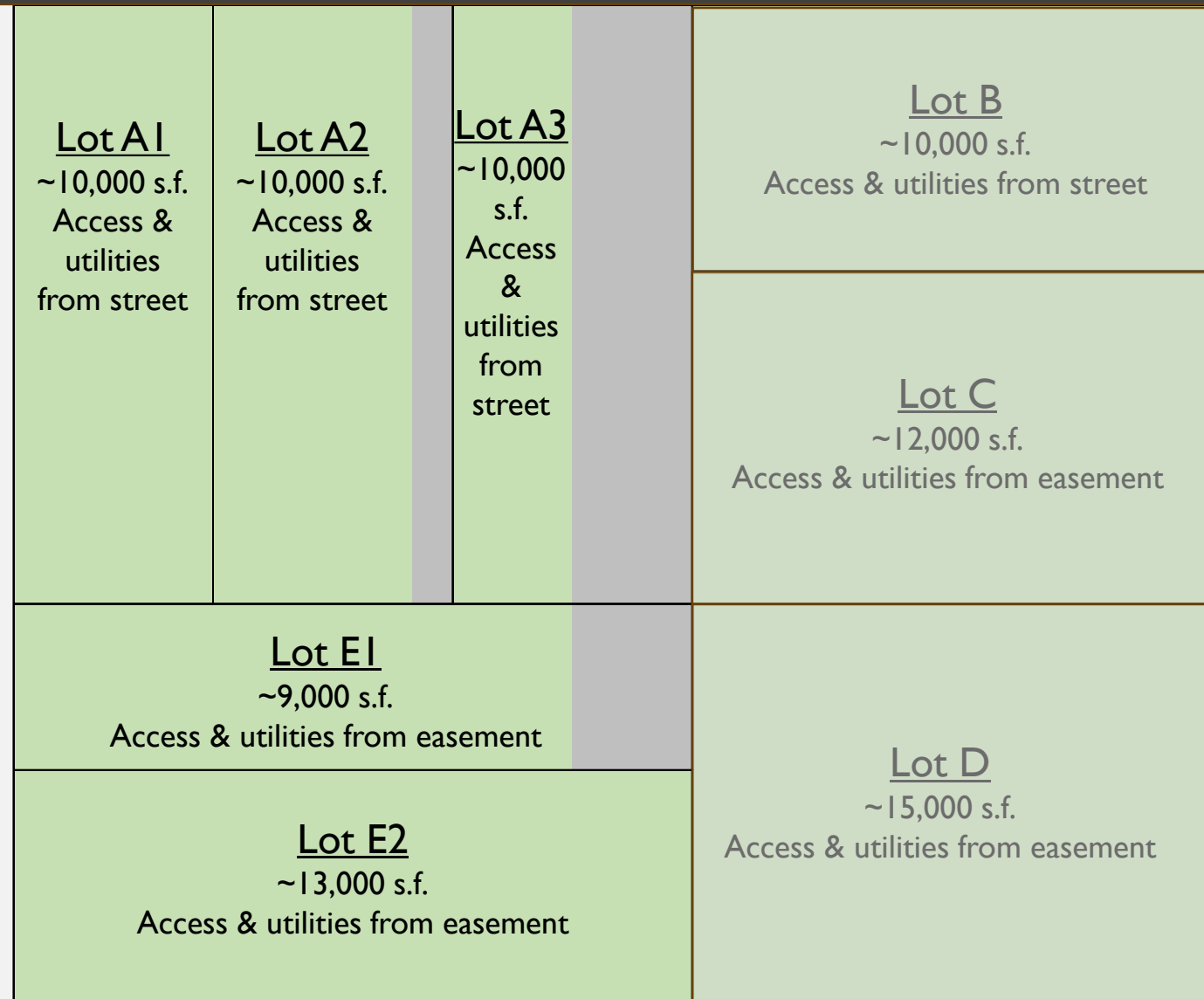
Development

- Lots A and B have driveways and utilities from city street
- Lots C, D, & E install their utilities in the easement, easement becomes roadway for access to lots



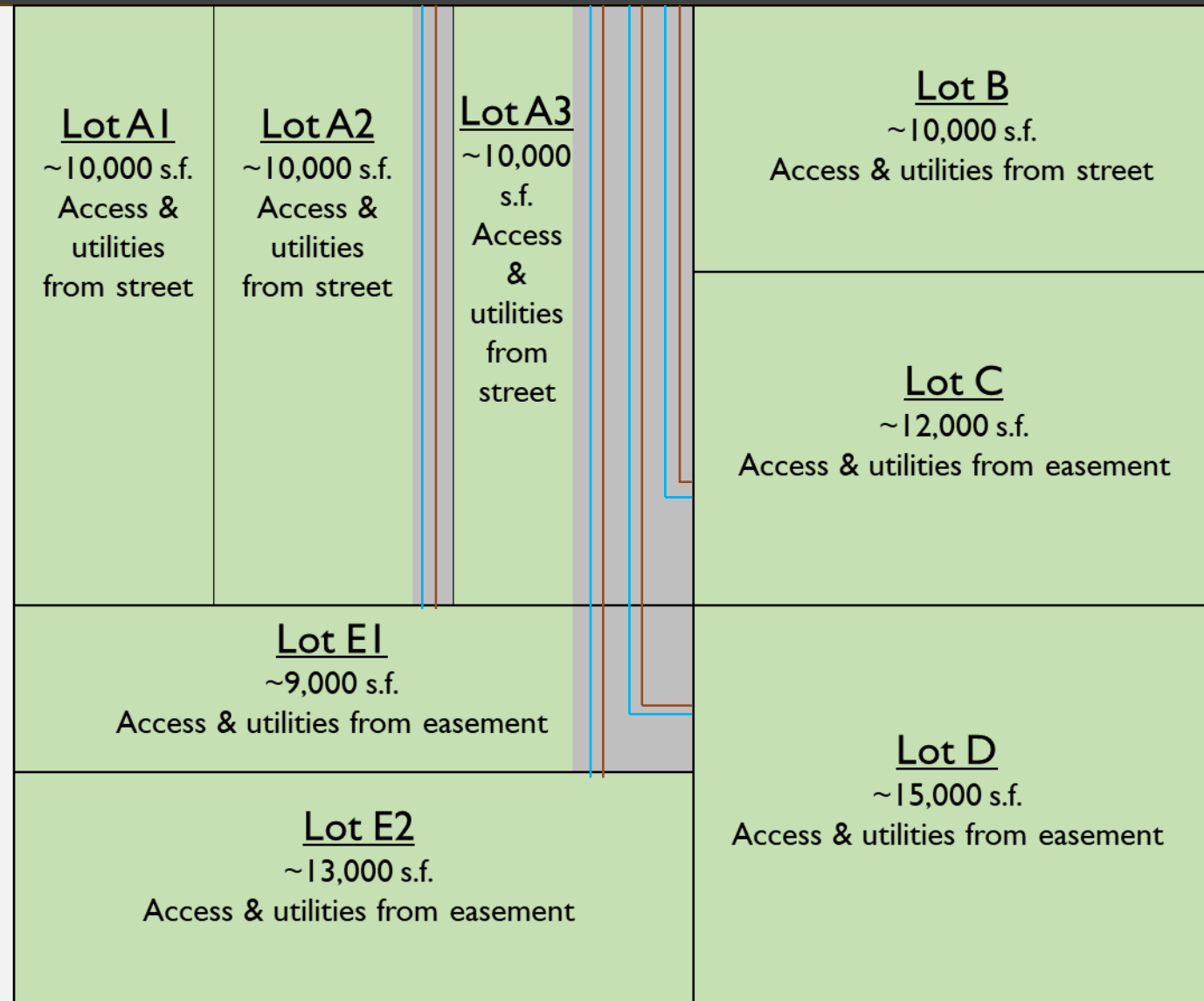
2nd Subdivision

- 5 lot minor subdivision of Lots A & E
- 2 lots served by an easement for access and utilities (total of 4 now)



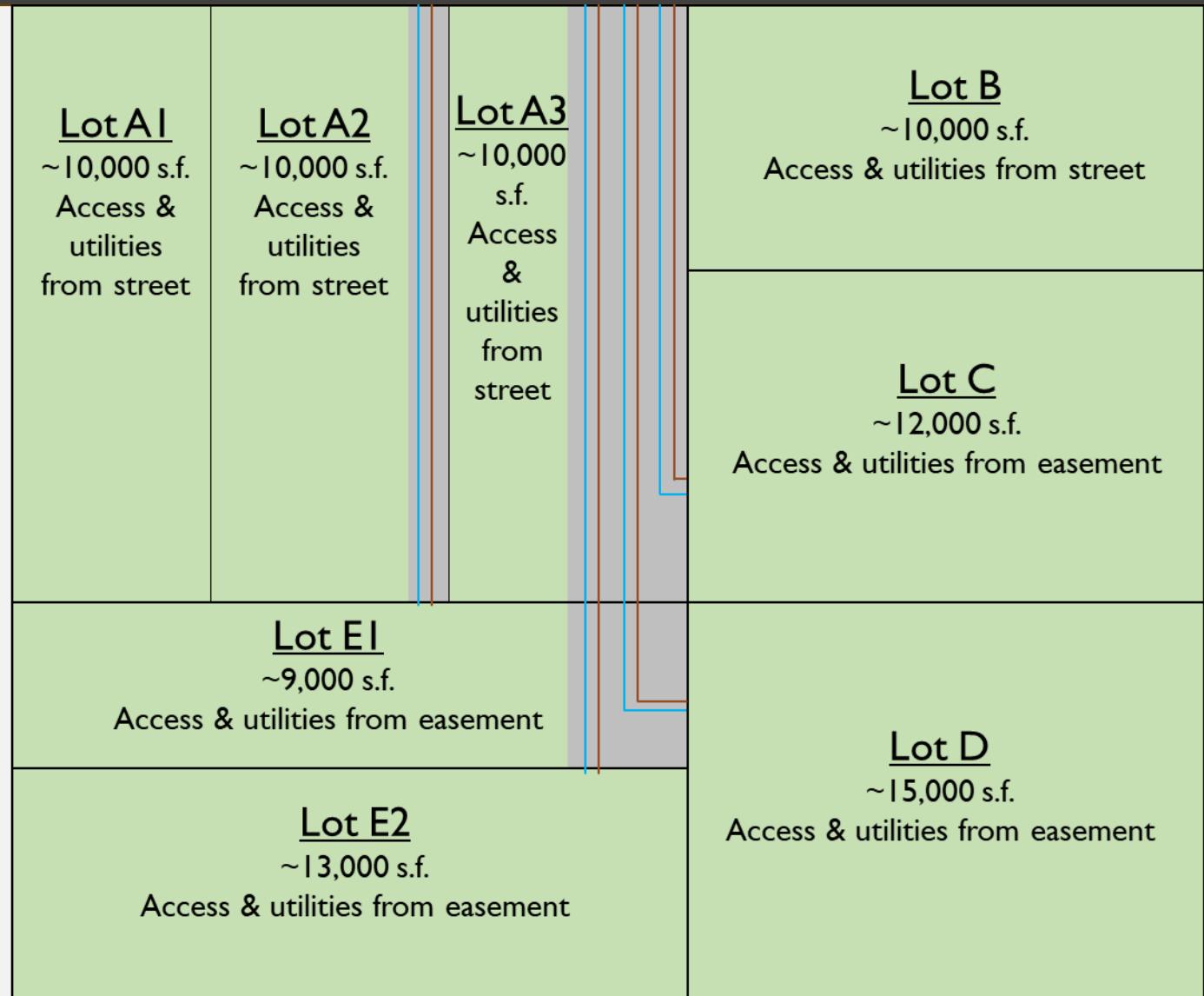
Development

- Lots A1, A2, A3, and B have driveways and utilities from the city street
- Lots C, D, E1, & E2 rely on easements for access and utilities
- Lacking space in the big easement for E2's utilities, an additional easement running through A2 is needed



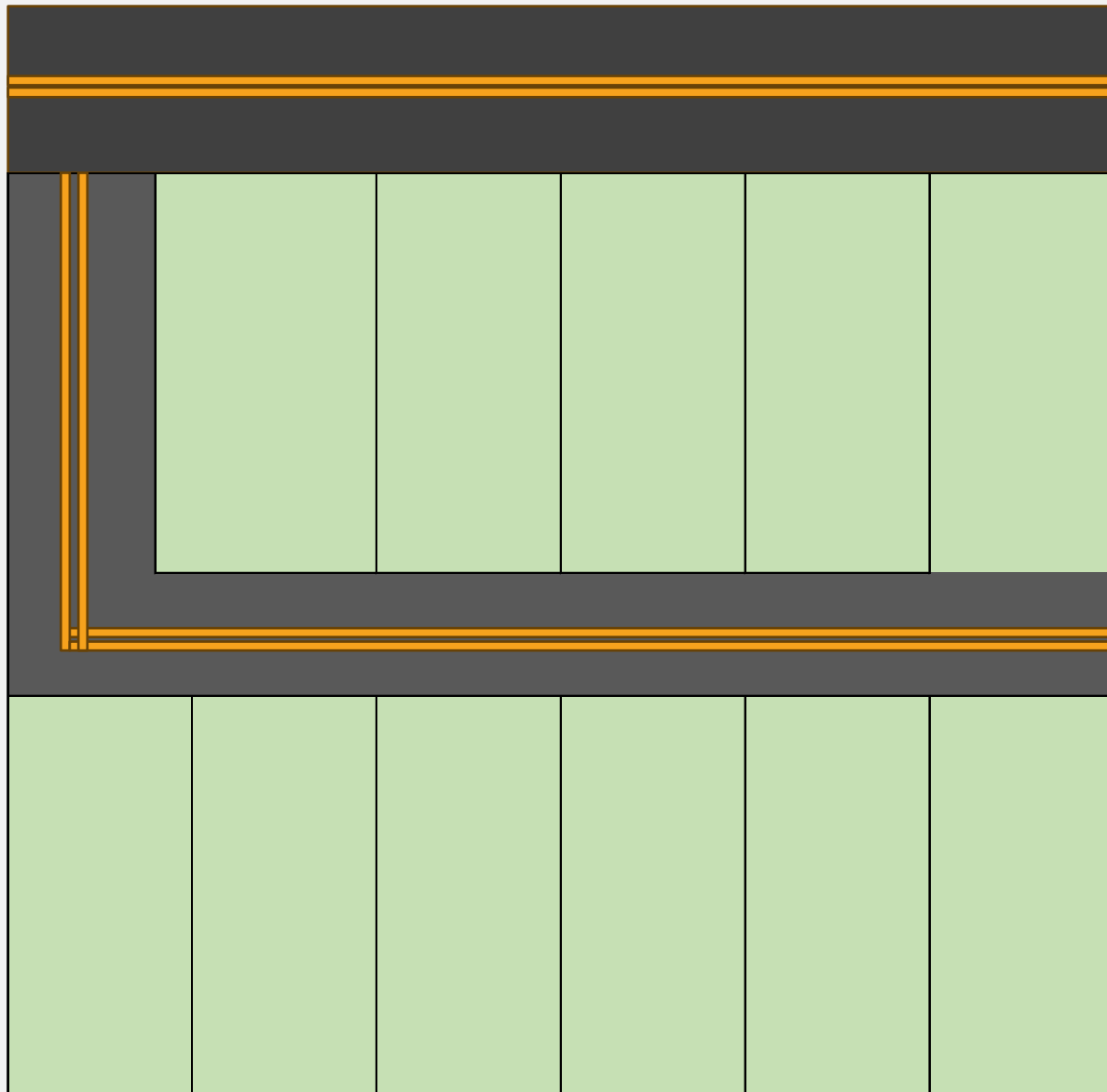
Stuck!

- Lots C, D, and E2 are large enough to subdivide, but there's not enough room in remaining easements for more utility lines or to provide access to more lots
- Private property owners of lots A1-B would have to agree to add more easements through their properties
- There is inadequate power infrastructure to support increased lots/housing units
- Ended with 8 properties, 2/3 of potential, with some properties having higher owner-burden for utility maintenance



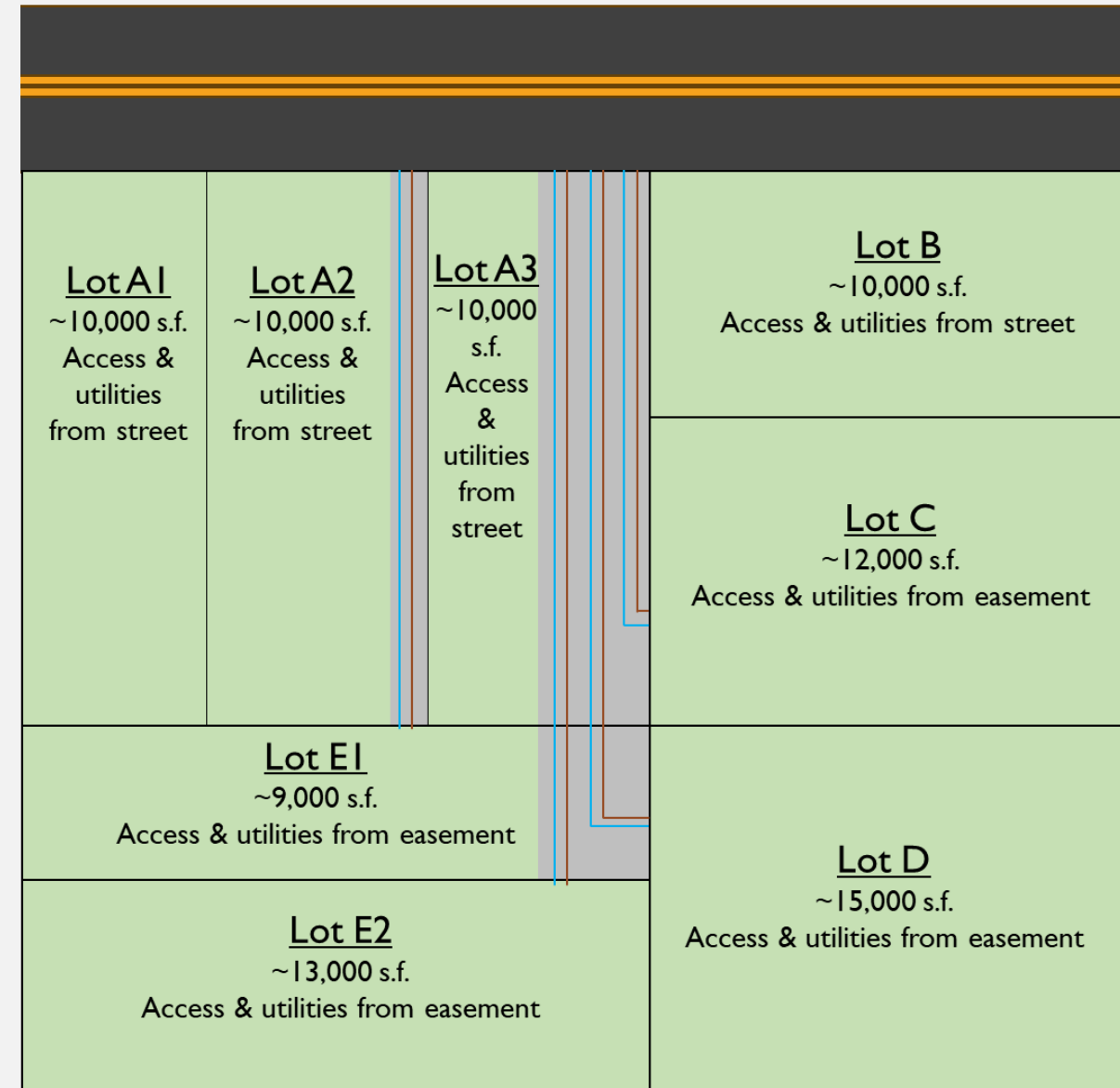
PLANNED

More lots, more density potential, more city services, less owner-burden for maintenance



UNPLANNED

Fewer lots, less density potential, more private services, more owner-burden for maintenance



“In today’s market, land disposal does not miraculously transform into housing affordability, directly or indirectly, without effort. Once disposed, it will be gone from the public realm forever... As such, Sitka should take a proactive role to control the outcome of its properties, and each piece of city-owned land disposed should carry a distinct purpose and serve a community need with intent.” - 2007 Sitka Housing Report

**Land-use
regulations**
(current planning)

- Match land-use regulations to development goals
- Protect housing stock

LAND

DEVELOPMENT

MARKET

HOUSING
AVAILABILITY &
AFFORDABILITY

**New housing
development
on municipal
land**
(land management)

- Make suitable land available for specified purpose
- Ensure development meets specified purpose
- Plan development to enable future growth
- Find ways to reduce development costs
- Reduce upfront and long-term costs for homeowners
- Protect long-term/perpetual affordability

CURRENT PLANNING

- Amending development standards
- Tiny houses
- Short-term rental regulation



LAND MANAGEMENT

- Housing Land Study
 - Geotechnical analysis
 - Engineering cost estimates
- Answer 3 key questions:
 - Where are our best housing opportunities?
 - How much housing can the land support?
 - How much will it cost to develop?

