



CITY AND BOROUGH OF SITKA

Minutes - Final

Planning Commission

Chris Spivey, Chair
Darrell Windsor, Vice Chair
Debra Pohlman
Randy Hughey

Wednesday, October 5, 2016

7:00 PM

Harrigan Centennial Hall

I. CALL TO ORDER AND ROLL CALL

Chair Spivey called the meeting to order at 7:00 PM.

Present - Spivey, Windsor, Pohlman, Hughey

II. CONSIDERATION OF THE AGENDA

III. CONSIDERATION OF THE MINUTES

Approval of the September 20, 2016 meeting minutes.

Pohlman/Windsor moved to APPROVE the September 20, 2016 meeting minutes.

Motion PASSED 4-0.

IV. REPORTS

V. THE EVENING BUSINESS

Sitka's Housing and the Comprehensive Plan. Activities to include a discussion of the current status of housing, discussion of housing goals, and a small group mapping exercise.

Bosak provided a brief introduction to the comprehensive plan and introduced consultant Barb Sheinberg.

Sheinberg outlined the comprehensive plan schedule. The planning process is intended to outline steps to take to reach future goals for the community. The focus is on what the city can do to achieve these goals. Sheinberg outlined the evening's agenda regarding housing.

Sheinberg explained Alaska Division of Labor and Workforce Development (ADOLWD) statistics that project that Sitka's population will begin to decline in coming years. Fair market rents in Sitka have increased 10% during the past 2 years. A smaller percentage of people own the home they occupy than in Alaska as a whole. 1/3 to 1/2 of Sitkans make \$50,000 a year or less.

Sitka has approximately 4105 housing units. 14% of housing units are vacant. These vacancies can be due to seasonal occupancy and dilapidation, among other reasons. 53% of housing units are single-unit detached.

Spivey and Pohlman asked about the classification of zero lot lines and mother-in-law apartments. Bosak stated that a zero lot line would be 1-unit attached, and a mother-in-law apartment would likely mean that a property is a duplex.

Clyde Bright stated that he is skeptical that 700 dwelling units are vacant in town. Sheinberg states that the data is the best that we can get, but the American Communities Survey (ACS) states that 14% of Sitka's housing units are vacant. Sheinberg stated that a housing inventory may prove to be helpful.

Bright stated that the city has recently conducted a land inventory. Bosak stated that this inventory does not address vacancy, but identifies inconsistencies between the land use code and reality.

Sheinberg reported that 42% of Sitka's dwelling units are renter occupied. Millennials head 8% of Sitka's owner-occupied households, and 32% of the renter-occupied households.

Pohlman stated that 15-34 years old is a broad range, and it would be helpful to have a breakdown of the age range. Pohlman asked people to raise their hands if they owned a home before 25, and 1 audience member raised a hand. Sheinberg stated that she can obtain more focused data.

Sheinberg showed data exhibiting that housing construction has plummeted in Sitka over the last few years.

The average sale price in 2016 thus far is \$357,573 according to the MLS. These are single-family homes only. Audience member asked for data to be broken down by square footage. Mim McConnell stated that Alaskans are not required to share their home sale prices. The ACS estimated that the median Sitkan home value was \$335,800 in 2014. This is the highest across Alaska.

ADOLWD reported in March 2016 that the median rent including utilities was \$1163, which is near the state median. ADOLWD reported that 8.33% of Sitkan rental units were vacant. Spivey asked about the study's methodology. Sheinberg reported that property owners are surveyed.

HUD subsidies are based on fair market rents.

ADOLWD conducts an annual market basket comparison of construction materials. In 2015, these materials were comparable to other southeast Alaska communities. Pohlman stated that she finds it hard to believe that building materials are comparable in Ketchikan, as Ketchikan has a mill. Spivey and Pohlman stated that they don't believe the data. Attendee stated that the barging system is flawed.

30% of a family's income can be spent on housing without becoming cost burdened. The median household income in Sitka is \$81,059, resulting in \$2702 available monthly for housing. The average employment wage is \$42,865, resulting in \$1072 per month available for housing.

Sheinberg asked about good goals for housing in Sitka. Some possibilities are more units that millennials and young families can rent and buy, and units suitable for seniors. Sheinberg suggested four housing gaps: starter homes, higher end homes, mobile homes in need of upgrades to manufactured, and transitional housing for homeless and down-on-their-luck Sitkans. Challenges include the limited supply of undeveloped buildable land, and higher development costs. Opportunities include infill opportunities, BIHA's 200 acres purchased, and financing opportunities such as through USDA. One possible action step is an annual housing fair.

Mark Gorman stated that an opportunity is the possibility of float homes via a code amendment that was passed a few years ago. Perhaps incentives could be offered such as free moorage for a year.

Michelle Putz clarified that we are discussing long-term housing. Sheinberg stated yes.

Jerry Neel asked if Habitat for Humanity is on the table. Another attendee stated that with Habitat for Humanity, home recipients must invest sweat equity and will own the land.

Scott Saline asked if Sheinberg had identified if Sitka's last Comprehensive Plan got us to where we are. Sheinberg stated that staff want to look hard at the code and consider changes. Sheinberg stated that she's not looking at the past but looking for ways to move forward.

Charles Bingham stated that it is important to have accessible housing for elders.

Clyde Bright stated that city needs to implement a mechanism to condemn housing to open it up for redevelopment. Bright stated that the city needs to open up more land for development.

Randy Hughey stated that the Community Land Trust will work well in Sitka because if a developer gains a huge profit from land acquired from the city, people will call foul. Lot development is expensive, but selling off a few lots would help pay for the development of the other lots.

Clyde Bright stated that the state has a successful land lottery system.

Mim McConnell stated that the land trust is a permanently affordable model.

Sheinberg showed photos of BIHA's development, mixed use development, accessory dwelling units, cottage housing, community land trusts, tiny homes, manufactured homes, modular homes, and co-housing.

Sheinberg introduced a mapping activity.

Sheinberg asked for take-away thoughts. Pierson stated the need to look at other communities who have made some of these changes. Bosak stated the need for incentives on mobile home park redevelopment. Pohlman stated interest in inviting Habitat for Humanity. Windsor stated the need to get a more accurate count of accessory dwelling units. Attendee stated that designers are

not being utilized well in the process. Saline stated that the code needs thrown out. Bingham stated the need for accessible housing for seniors and rentals that allow pets. Putz stated that she wants to put a tiny home on her lot. McConnell stated that rural development programs are available. Adam Chinalski stated that flexibility is needed. Clyde Bright stated that minimum lot sizes should be reduced. Attendee stated that there was a real housing crunch in 1960, and we need smaller lot sizes. Attendee stated that housing is expensive everywhere. Kevin Knox stated that the dialogue is the biggest piece. Michael Laguire stated that he's excited about the dialogue. Jerry Neel stated that he wants to see work with Habitat for Humanity. Attendee stated that he appreciates the non-profit nature of the community land trust. Lillian Owens stated that apartment structures should develop upward. Spivey stated that he wants to see sweat equity in development, and clarified statistics. Hughey thanked Sheinberg for her work in gathering and summarizing data.

VI. PLANNING DIRECTOR'S REPORT

Bosak reported that the next two meetings would be held on Wednesday, October 19 and Wednesday, November 9.

VII. PUBLIC BUSINESS FROM THE FLOOR

VIII. ADJOURNMENT

Hughey/Windsor moved to ADJOURN at 9:16 PM.

Motion PASSED 4-0.

ATTEST: _____
Samantha Pierson, Planner I