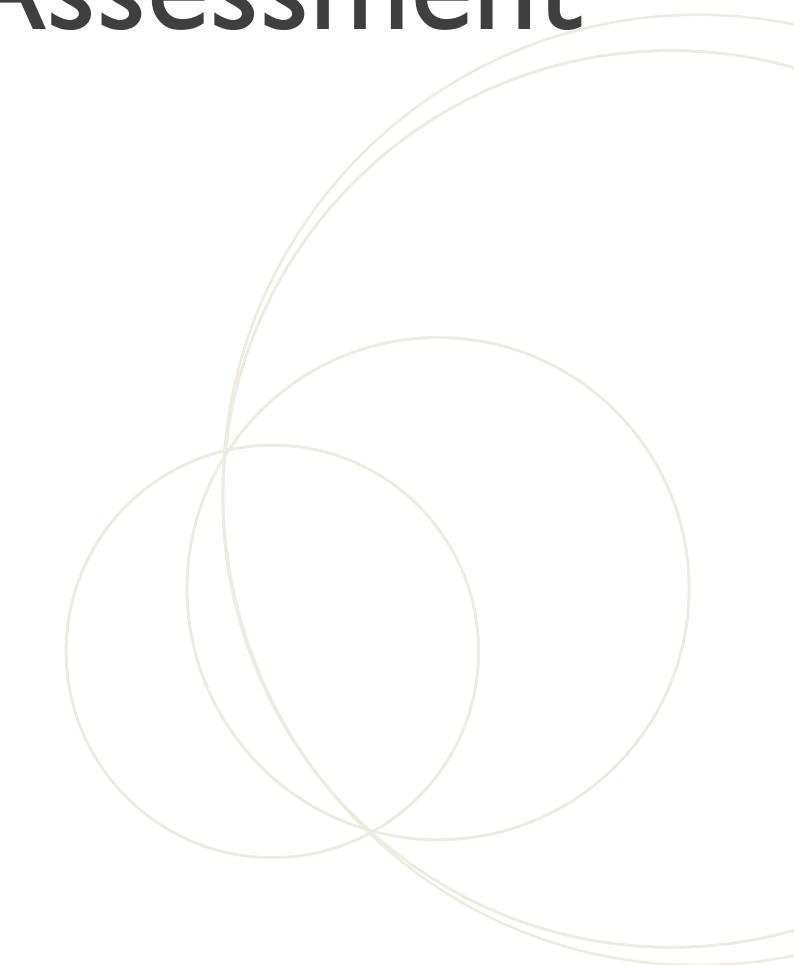


City of Valdez Housing Needs Assessment

Presentation of Key Findings

Presenters: Michelle Bowlds and Shanna Zuspan

February 3, 2026



Engage Plan Implement  AGNEW
::BECK

Introductions



Shanna Zuspan
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Michelle Bowlds
Senior Analyst,
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Specialist

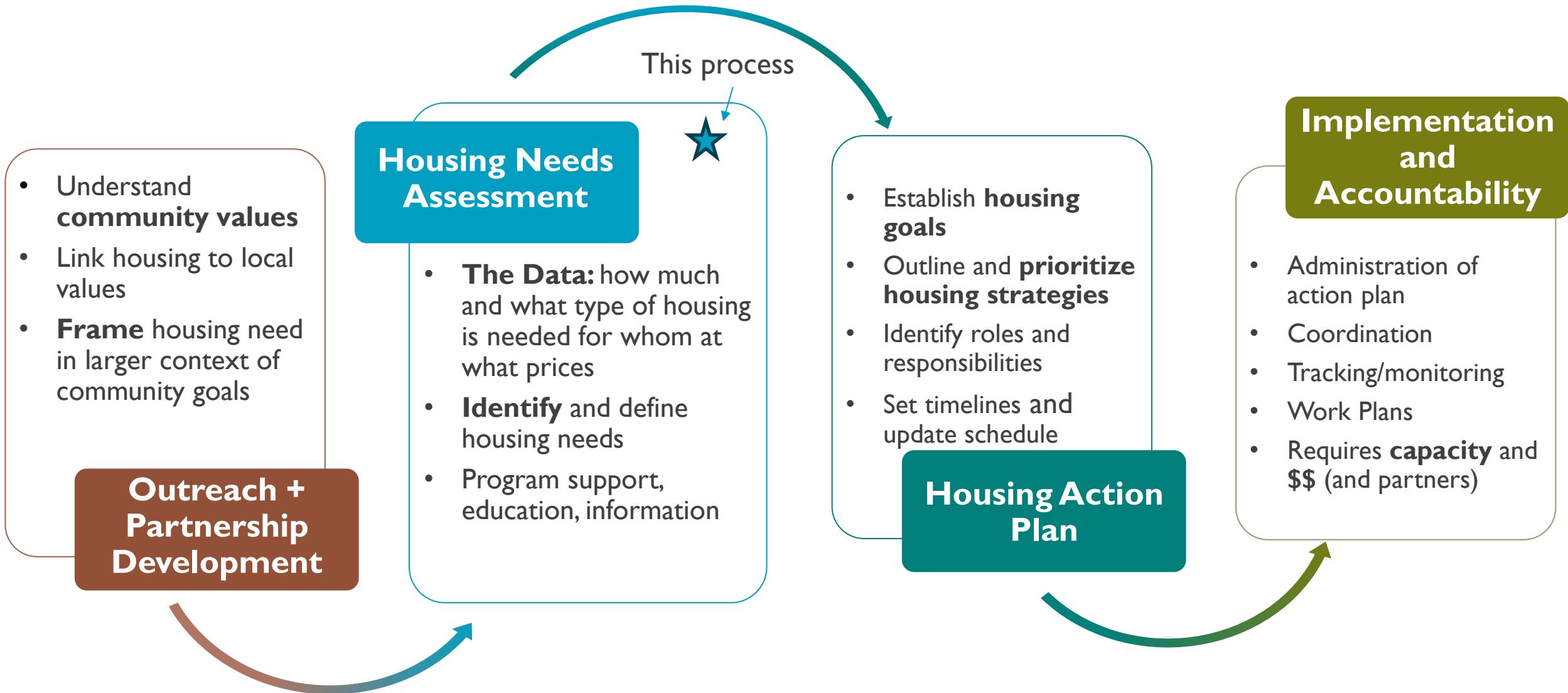
TODAY

- Welcome and Introductions
- Housing Needs Assessment Overview
- Summary of Key Findings
- Questions and Discussion



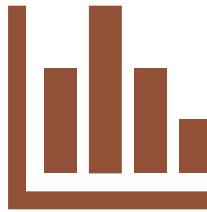
Housing Needs Assessment Overview

Housing Action Process



Housing Needs Assessment Process

STEP 1: Identify your community's goals and desired outcome of the assessment



STEP 2: Data Collection

Combine available secondary and local data sources to understand demographics, economic forecasts, and housing needs.



STEP 3: Collaborate

Work with local stakeholders to check secondary data, update findings and tailor the information to better suit the needs of your community. Includes key informant interviews, surveys and presentations.



STEP 4: Share Findings

Combine findings and present to key partners and community

Step I: Identify your community's goals and desired outcome of the assessment

Identified Goals

- Compile and understand city and regional housing data.
- Identify housing opportunities and challenges throughout the region.
- Learn from the people living and working in your communities.
- Understand housing market conditions and economic development goals.
- Begin to identify recommendations and strategies.

Assessment Considerations



Population projections



Housing and household characteristics



Affordability and market conditions



Labor markets and regional employment trends



Development environment, land uses, constraints and policy

Desired Outcome: This housing needs assessment provides information that will help refine the city's housing efforts and future investments by projecting housing need by household income and type over the next 10 years, analyzing existing housing market conditions and identifying barriers to housing development.

Step 2: Data Collection

Statewide + National Sources

- Alaska Department Of Labor and Workforce Development
 - Population estimates and projections
 - Migration and demographics
 - Alaska Rental Market Survey
- U.S. Census American Community Survey (5-Year Estimates)
 - Housing and household characteristics
- U.S. Bureau of Labor Statistic
 - Employment and earnings
- Department of Housing and Urban Development (HUD)
 - Income limits and Fair Market Rents
- AirDNA (Short Term Rentals)
 - Listings and occupancy
- MIT Living Wage Calculator
- National Low Income Housing Coalition
 - Housing wage and affordable rents

Local Sources

- City of Valdez
 - Building Permits
 - New Unit Counts
 - Valdez Household Survey
- Alaska Multiple Listing Service (MLS)
 - For Sale Home Listings (provided by local relator)

Note: Quantitative data was supplemented with qualitative data collected through interviews and surveys. When possible, secondary data was verified or confirmed by key informants and local experts.

Step 3: Collaborate



Community Housing Survey

- Fielded in Spring 2025
- Received 462 responses
- Featured 53 questions
 - Current housing status, condition and affordability
 - Interest in moving
 - Housing preferences and challenges



Key Informant Interviews

- Completed in Fall 2025
- Included a total of 13 conversations
- Aimed at further understanding
 - Local housing dynamics
 - Development and employment patterns
 - Community driven ideas to address housing issues



Local Business and Employer Questionnaire

- Fielded in Summer 2025
- Connected with 21 employers
- Featured 22 questions
 - Impacts of housing on ability to hire and retain workforce
 - Identify workforce housing needs

Step 4: Share Findings

Throughout this study we shared back initial findings and updated with City staff as well as key community partners.

July 13 Council Presentation

- Shared initial assessment findings including a summary of the community survey responses

Sept 29 Employer Workshop

- Shared initial assessment findings including a summary of employer and local business questionnaire
- Collected additional feedback from workshop participants

February 3 Presentation of Key Findings

- Today's presentation of final assessment and key findings



Key Findings

Community Profile

Constrained Growth: Housing has likely been one of the constraints that has limited population growth in recent years. With proactive planning is reasonable to assume modest population growth (0.12% annually) could occur over the next 10 years.

Shifting Demographics: the population over 80 years is expect to more than double over the next 25 years

Lower Income Renters: The median household income for renters is \$70,976 and roughly 54 percent of renters (322 households) in Valdez make less than 80 percent of AMI

Single-Person Households: nearly a third (31.6%) of Valdez households are occupied by a person living alone.

Housing Supply

Fewer Small Housing Units: studio and 1-bedroom units make up only four percent of Valdez's housing inventory and can be and affordable and desirable product type for single-person households and shift workers.

Aging Housing Stock: Over 600 housing units in Valdez were built prior to 1975 (50 years ago) and there is a growing need for rehabilitation and/or renovation of existing housing units.

Mobile Homes: 66 percent of Valdez's mobile homes units were built between 1960 and 1979 and are likely in need of replacement or substantial repair.

Higher Ownership Rates: 63 percent of Valdez housing units are owner occupied and homeowners on average have higher household incomes when compared to renters.

Slow Pace of Development: High construction costs and workforce constraints have inhibited residential development in recent years.

Housing Demand

Workforce Housing: the lack of available and affordable housing options is directly impacting the local workforce and local businesses.

Existing Pent-Up Demand: suppressed demand is present in the housing market when households are unable to find housing that meets their need due to affordability or availability. 114 survey respondents reported an immediate need for an additional or different housing unit.

Seasonal Demand: the seasonal workforce is often competing with visitors for a limited supply of short-term rentals and temporary housing options during the busy summer months, putting additional pressure on the overall housing stock.

Affordability

Increasing Rents: rents in Valdez have been trending upward over the past decade (average of 2 percent annually) with steeper increases more recently (10 percent between 2020-2024).

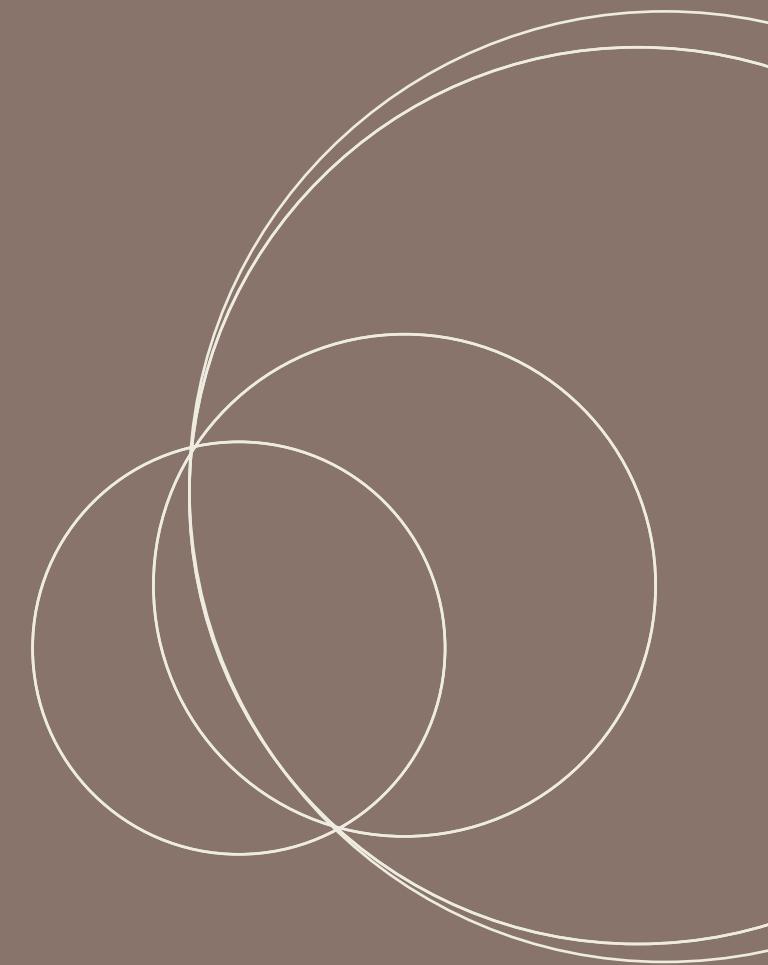
High Cost of Housing: 27 percent of households in Valdez are cost burdened spending more than 30 percent of their total income on housing.

Renters Spend More on Housing: Half of all renter households are cost burdened, and 28 percent of renter households spend more than 35 percent of their household income on housing.

Lower-Income Households Spend More on Housing: the burden of housing unaffordability falls disproportionately to lower-income households.

High Utility Cost for Mobile Homes: Community survey respondents residing in mobile homes reported paying less for monthly housing costs on average but paying an average of \$250 or more per month on heating costs.

Valdez Housing Needs Forecast



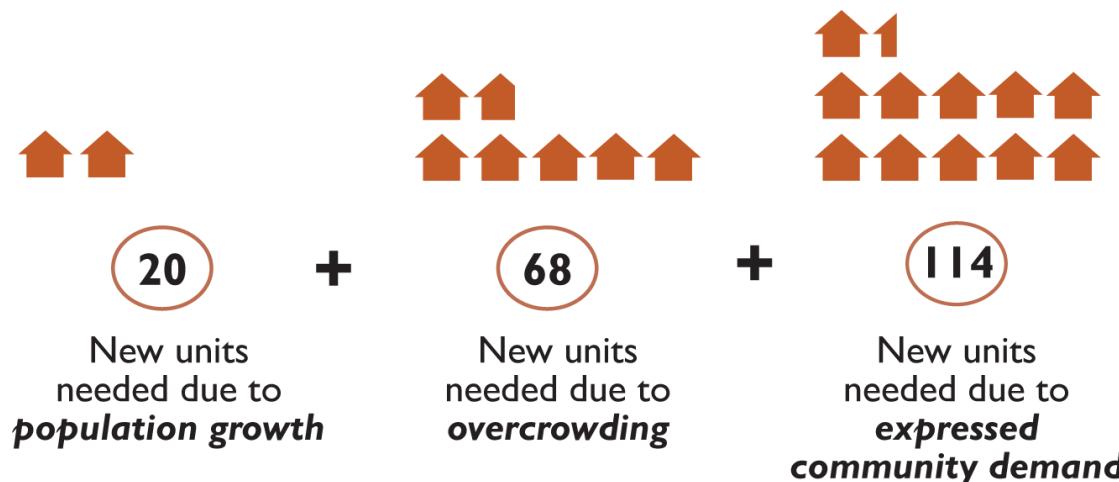
10-Year Housing Need Forecast: New Units

There is a need for new housing development in Valdez, as the current housing inventory doesn't fully meet the needs and desires of the community. An estimated 202 new housing units are needed to address housing affordability, overcrowding, seasonal demand spikes, and market mobility.

10-year housing need for Valdez

New units

▲ = 10 housing units



Methodology

To estimate the number of new housing units needed over the next 10 years, this forecast looks at three key drivers:

- Population Growth
 - using the mid-point estimate of population projections
- Overcrowding
 - 4.2% of occupied housing units in Valdez are “overcrowded” or “severely overcrowded” as defined by the U.S. Census
- Expressed Community Demand
 - Based on duplicated responses to three key questions in Community Housing Survey (Spring 2025)

New Housing Units



Roughly 90 percent (182 housing units) represent an **immediate need** in the community driven by overcrowding (68) and pent-up demand/expressed community need (114 units). An additional 20 units are needed to accommodate modest population growth and support health market mobility over the next 10 years.



Less than half of community survey respondents say their **current housing is meeting their needs**. A total of 183 survey respondents indicated a desire to move to a different residence within the next 5 years. Mobile home residents were more likely to express a desire to move with 66 percent of mobile home residents expressing preference for a new housing situation within the next 3 years.

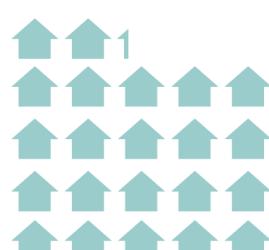
10-Year Housing Need Forecast: Rehab Units

520 housing units in Valdez will likely need a moderate to significant amount of renovation/rehabilitation to remain livable long-term. If existing housing units are not maintained or rehabilitated, it is likely that some portion of the existing housing stock will continue to fall off the market and further compound the need for new housing units.

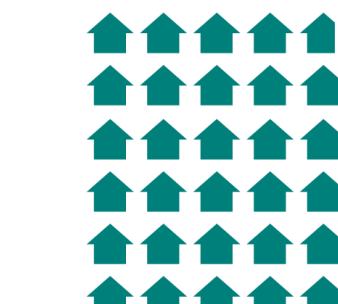
10-year housing need for Valdez

Rehab or replacement units

▲ = 10 housing units



Non-mobile home units



Mobile home units



Total rehab housing need

Methodology

To estimate the number of existing housing units that will likely need substantial rehabilitation or renovation over the next 10 years, this forecast uses an average replacement factor based on:

- **Housing Units Without Plumbing**
 - 3.5% of occupied housing units in Valdez do not have complete plumbing + kitchen facilities
- **Aging Housing Stock**
 - 32% of Valdez's housing stock was built before 1975 and is 50+ years old
- **Mobile home units that need replacement sooner than other unit types**
 - Mobile homes make up 25% of total housing stock and nearly 75% of the mobile homes in Valdez were built 50 years ago

Renovation/Rehab of Existing Housing Units

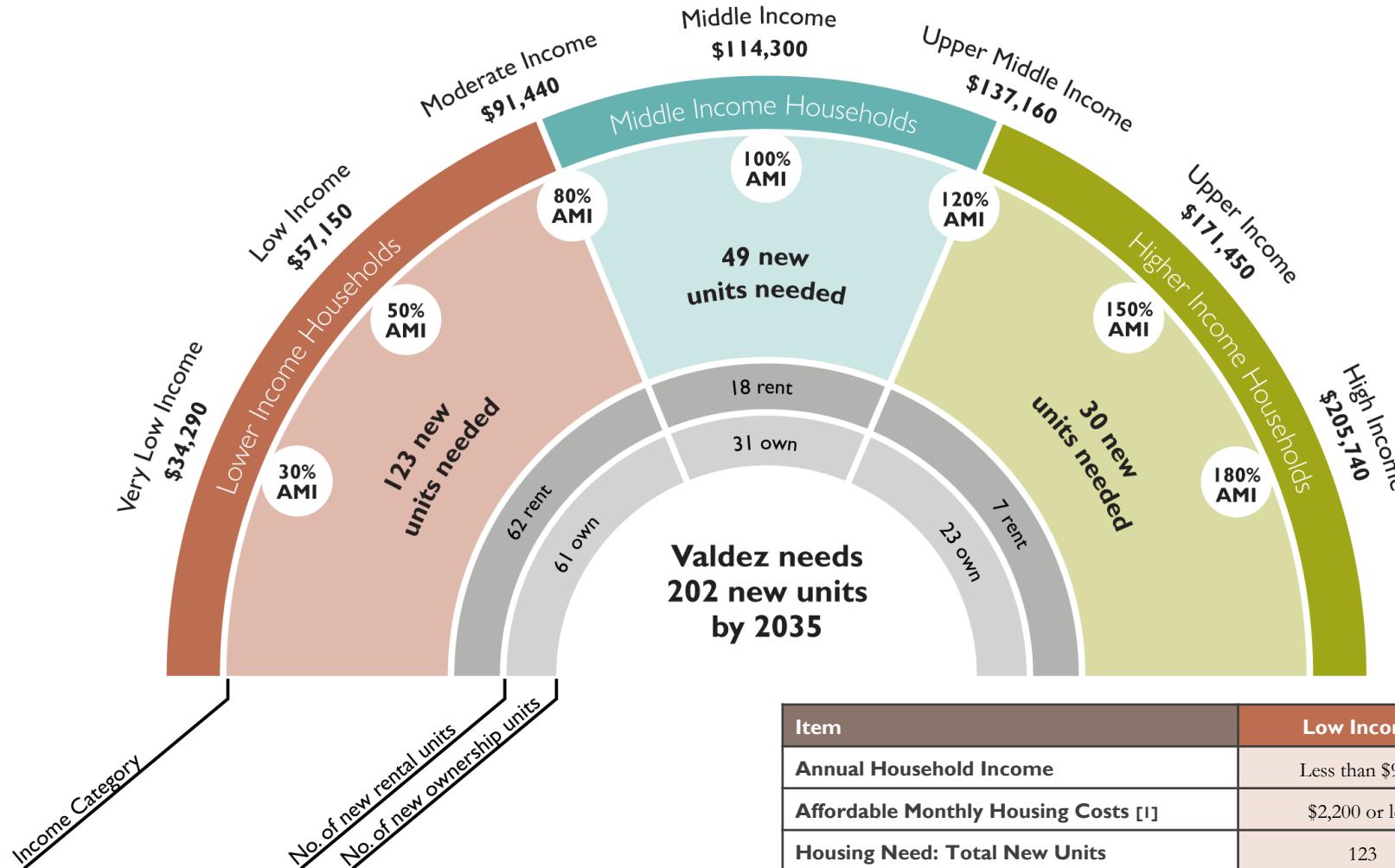


Valdez's housing inventory is aging, and many residents report needing home rehabilitation and renovation. Specifically, many of the mobile home units in Valdez are nearing or have reached the end of their useful life and are expected to need considerable repair or replacement in the near future.



The renovation/rehab estimate developed through this assessment is based on previously documented characteristics of the overall housing stock in Valdez, such as year structure built, completed kitchen and bathroom facilities and mobile home units. A physical condition assessment was not completed as part of this analysis, and given our methodology, a distinction between rehabilitation and replacement cannot be inferred.

Visualizing the Need – Housing Bridge



Note on Methodology:
 Current income distributions in Valdez are used to allocate new housing due to population increase.

Overcrowding is allocated between low income and moderate income only

Expressed community need is allocated among all three income groups based on the household income of the survey respondents.

Item	Low Income	Middle Income	High Income
Annual Household Income	Less than \$90K	Between \$90K and \$135K	Greater than \$135K
Affordable Monthly Housing Costs [!]	\$2,200 or less	\$2,200-\$3,300	More than \$3,300
Housing Need: Total New Units	123	49	30
Rental Units	61 (49%)	31 (64%)	23 (78%)
Ownership Units	62 (51%)	18 (36%)	7 (22%)

Affordability



Approximately 60 percent of these new housing units (123 units) would need to be **accessible to households earning less than 80 percent of the area median income** to meet the projected need across affordability levels.



To serve the needs of the community, new housing units should reflect a range of affordability levels as well as a mix of renter and ownership opportunities. Variety of unit types (single family, duplex, apartment..., etc.) and sizes (studio to 4 bedrooms) are needed to accommodate various household sizes and incomes.



Conclusion and Policy Recommendations

Conclusions

- Findings illustrate a housing market in Valdez that is increasingly strained by shifting demographics and workforce needs, limited supply and rising affordability changes
- There is demand for more diverse and affordable housing options in Valdez to better meet community and workforce needs
- Valdez's aging housing stock, especially older mobile homes, signals a critical need for reinvestment to preserve existing units and prevent further loss of the existing housing stock.
- Looking ahead, Valdez will require both new residential development and substantial rehabilitation efforts to meet housing needs over the next 10 years

Policy Recommendations

We recommend prioritizing two target populations with housing policy and incentives.

- **Middle income households** (80% to 120% of AMI or roughly \$91,000-\$137,000 annual household income). Given that there is no federal funding to support housing for this group, local policies and incentives can help address the financial feasibility gaps and encourage development of affordable housing for middle income households. Housing for middle income households is necessary to increase affordability across the full housing spectrum.
- **Workforce Housing.** Valdez also has a need for policy solutions to support the local workforce including single person households and housing options for the seasonal and shift workforce.

Policy Approaches and Next Steps

The next step is to prioritize strategies and develop an action plan for implementation. Below are some high-level approaches to addressing housing need but it is recommended that more targeted policies and strategies be developed through a housing action plan or stakeholder process.

- **Improve financial feasibility of housing development.** Where possible, implement City policies that help reduce housing development costs and incentivize new housing units.
- **Incentivize modernizing the existing housing stock.** Consider policies that support the replacement and modernization of Valdez's aging housing stock, specifically mobile/manufactured housing.
- **Enhance local development capacity.** Work with partners to help grow local construction, financing, and development capacity.
- **Monitor the market for local benefit.** Ensure housing stays accessible for residents by monitoring market pressures, particularly with regard to short-term rentals.

Thank You! Please feel free to reach to our team with additional questions or thoughts.

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