

CITY OF VALDEZ, ALASKA

HOUSING INCENTIVE PLAN

Adopted – October 1, 2021

Expires – December 31, 2024

CITY OF VALDEZ, ALASKA HOUSING INCENTIVE PLAN

PURPOSE

This City of Valdez, Alaska Housing Incentive Plan (the “Plan”) shall take effect on October 1, 2021 and is intended to promote the development of housing in areas within the City of Valdez, Alaska (the “City”) in order to promote the public health, economic stability, safety, expansion of housing capacity, and welfare of the residents of the City. More specifically, through the Plan, the City offers assistance for newly constructed residential dwelling units that meet specific criteria.

The City’s Housing Incentive Plan is available to newly constructed single-family, two-family, and multi-family residential dwelling units within areas of the City of Valdez that are outside the special flood hazard area.

Subject to the terms and conditions of this Plan, the owner of property participating in the Plan may receive an incentive of a one-time payment of \$10,000 per newly established dwelling units.

CRITERIA FOR DETERMINATION OF ELIGIBILITY

- I. Subject to the requirements of this Plan, new dwelling will receive a one-time payment of \$10,000.
- II. City Staff will use the following criteria to determine eligibility for participation in the Plan:
 - A. Construction of new dwelling units must begin on or after the application date. No applications will be accepted for completed or under-construction improvements.
 - B. Construction must result in new dwelling units that meet Valdez Building Code requirements for such new units and must result in a Certificate of Occupancy being issued by the Building Official (the “Building Official”) for such new dwelling units.
 - C. The new dwelling units must meet minimum occupancy requirements under the Valdez Building Code and, prior to issuance of Certificate of Occupancy, shall not have been listed on assessment rolls as residential dwelling units.
 - D. Upon completion, all new dwelling units must conform to all City codes and regulations in effect at the time new dwelling units are constructed. Building permits must be approved before commencement of construction. All building permits must be renewed on an annual basis.
 - E. Dwelling units must be located outside of the Special Flood Hazard Area to be eligible for this Program.
 - F. Dwelling units may not be used as short-term rental units for a period of five years after any award of funds under this Program. Short-term rental unit means a privately-owned residential Dwelling or any separable portion of such Dwelling, rented for occupancy for lodging or sleeping purposes for a period of thirty consecutive calendar days or less, counting portions of calendar days as full days. Should the applicant or a subsequent owner be found to have used the dwelling units as a short-term rental unit during the five-year period after the award of funds, the applicant or owner shall remit the \$10,000 awarded under this Program to the City as liquidated damages. Prior to enforcing this

condition, the City shall provide a written notice of the alleged violation and have an opportunity to cure the violation within 30 days.

- G. City Staff shall have the authority and discretion to approve or reject applications based on the eligibility standards and review criteria contained herein and in the Plan. If any applicant is dissatisfied with City Staff's decision, a written appeal may be submitted to the City Manager for final determination.

APPLICATION PROCEDURE

Prior to filing an application for housing incentive, the following steps must be taken:

- A. Application Forms: The application form is included as attachment to this Plan.
- B. **COMPLETE PART I:** Prior to the commencement of construction of any new dwelling unit, the property owner must complete and submit to the Building Official Part I of the application.
- C. **Preliminary Approval:** The Building Official will forward the application to the City Manager's Office after certifying that the application, property, and proposed new dwelling units meet the requirements of this Plan. The City Manager will return a copy of Part I to the Building Official and the applicant within fifteen (15) working days indicating approval or denial of participation in the Plan.
- D. **Notice of Final Approval and Procedure Construction:** The Building Official, or a designated representative, will file, with the City Manager approval of Part 1, with the associated building permit, and withhold permit approval until such City Manager approval is secured. The City Manager will forward a copy of the application to the City Clerk for monitoring purposes. Note: commencing construction prior to receiving this notice from the City will cause the property and improvements to be ineligible for participation in the Plan.
- E. **COMPLETE PART II:** If construction of the dwelling unit(s) has not been completed by January 1 of any year, the property owner must complete and submit Part II of the application to the Building Official by January 30 of the same year.
- F. The owner will have a maximum of three years to complete the dwelling unit(s). The Building Official may, upon written application from the property owner, approve an extension of six months for completion of construction.
- G. **COMPLETE PART III:** Immediately upon completion of the improvements, the property owner shall file Part III of the application with the Building Official. Upon receipt of Part III, the Building Official's Office will conduct an on-site inspection of the construction project to confirm completion, confirm compliance with all applicable building codes, zoning law and regulations, and issue any occupancy permits. The Building Official may deny the property and improvements participation in the Plan for any violation of applicable building codes or regulations or failure to qualify for an occupancy permit.

FURTHER TERMS AND CONDITIONS

- A. Any property that is delinquent in payment to City of Valdez, Alaska of real estate tax and/or assessment will be ineligible to receive payment through the Housing Incentive Plan; however, the City, in its sole discretion, may reinstate the property for eligibility one time after being delinquent on the above-mentioned taxes or assessments during the life of the property's participation in the Housing Incentive Plan.
- B. If the property that has been approved for the Housing Incentive Plan is sold prior to issuance of Certificate of Occupancy, the new property owner shall be eligible for housing incentive payment upon satisfaction of the requirements set forth herein.
- C. The City of Valdez will issue incentive checks to the property owner after the issuance of the Certificate of Occupancy.

PROGRAM PERIOD

This Plan will terminate on December 31, 2024, unless terminated sooner by City action. The termination date of December 31, 2024 represents the deadline for filing an application for this program. Construction of any project approved under this Plan must be complete on or before December 31, 2025, unless the Building Official approves a six-month extension.

DWELLING UNIT DEFINITIONS & INCENTIVE PLANT PAYMENT EXAMPLES

DWELLING UNIT - A dwelling unit means a structure or portion thereof containing a kitchen, living room, bathroom, and sleeping accommodations on a permanent foundation.

SINGLE FAMILY DWELLING UNIT - A dwelling unit that is a detached building constructed on permanent foundation, designed for long-term human habitation exclusively and constituting one dwelling unit = \$10,000 Incentive Payment

TWO FAMILY DWELLING UNIT - Dwelling unit that is a detached building constructed on a permanent foundation designed to be occupied exclusively for two families and constituting two dwelling units, set side by side or one on top of the other with common wall and/or a floor/ceiling assembly between, whichever is appropriate, and having a common roof = \$20,000 Incentive Payment.

MULTI-FAMILY DWELLING UNIT - Dwelling unit that is a residential building on permanent foundation designed for or occupied by 3 or more families, with the number of families in residence not exceeding the number of dwelling units provided = \$10,000 per dwelling unit payment.

EXAMPLE = 20 dwelling units completed in Multifamily Dwelling Unit = \$200,000 Incentive Payment.

CITY OF VALDEZ
HOUSING INCENTIVE PLAN
APPLICATION FOR PLAN

PART I

PART I Pre-Construction

Owner's Name: _____

Daytime Phone No. _____

Owner's Mailing Address:

Address of Property:

Property Identification No. (Found on your tax statement or call the City Clerk's office)

Legal Description of Property: Lot: _____ Block: _____

Subdivision _____

Other legal description _____

*If residential: _____ Residence _____ Other (explain) _____

_____ Single Family or _____ Multi-Family _____ Number of Units

Does the applicant own the land? _____ Yes _____ No

Are the property taxes paid up-to-date? _____ Yes _____ No

Will the proposed project be on a foundation? _____ Yes _____ No

Will it be permanently attached to the property? _____ Yes _____ No

Improvements and associated cost: (provide rough draft drawings and dimensions)

_____ (Use additional sheets if necessary)

Estimated or Actual Cost of Improvements:

(Documentation is needed, even hand-written estimates)

Construction estimated to begin on:

Estimated date of completion of construction:

I have read and do hereby agree to follow all application procedures and criteria. I further understand that this application will void six months from the date below if improvements or construction have not begun, or if improvements are not complete within Three (3) years from issuance of building permit. Building permits must be renewed on an annual basis.

Acknowledgement

I have received a copy of the City of Valdez, Alaska Housing Incentive Plan and the application form and, by my signature, I have read and am applying for a City of Valdez, Alaska Housing Incentive Plan.

Signature of Owner

Date

I find this application complete and recommend its consideration for any and all housing incentive payments subject to the City of Valdez, Alaska approval.

Date

FOR CITY MANAGER'S USE ONLY

BASED UPON THE PROVIDED BUILDING PERMIT, THE PROPOSED DWELLING UNITS MEETS THE TERMS FOR THE VALDEZ HOUSING INCENTIVE PLAN.

BY: _____ (CITY MANAGER) _____ (DATE)

Copy to: Applicant _____ CITY CLERK _____ File _____

CITY OF VALDEZ HOUSING INCENTIVE PLAN
APPLICATION FOR HOUSING INCENTIVE
PART II (Optional) January Status of Completion

Owner's Name: _____

Daytime Phone No. _____

Owners Mailing Address: _____

Address of Property: _____

Building Permit # Assigned:

As of January 1 following commencement of construction, the improvements are approximately
_____ % complete.

Signature of Owner

Date

FOR CITY MANAGER'S USE ONLY

As of _____, taxes and special assessments on this parcel of property
are _____ or are not _____ delinquent.

By: _____
(CITY MANAGER) (DATE)

CITY OF VALDEZ 2021 HOUSING INCENTIVE PLAN

APPLICATION FOR HOUSING INCENTIVE

PART III COMPLETION OF CONSTRUCTION

Owner's Name: _____

Daytime Phone No. _____

Owners Mailing Address _____

Address of Property _____

Building Permit # assigned: _____

As of _____, the construction is complete.

Signature of Owner Date

As of _____, the final inspection has been performed.

Building Official Date

FOR CITY MANAGER'S USE ONLY

As of _____, taxes and special assessments on this parcel of property
are _____ or are not _____ delinquent.

By: _____
(CITY MANAGER) (DATE)