

# **City of Valdez**

*212 Chenega Ave.  
Valdez, AK 99686*



## **Meeting Agenda - Final-revised**

**Tuesday, March 31, 2020**

**7:00 PM**

**Work Session (Joint Session with Economic Diversification  
Commission Regarding Housing Study)**

**Council Chambers**

**City Council**

**WORK SESSION AGENDA - 7:00 pm**

1. [Presentation of Housing Market Assessment and Gap Analysis Study and Team Cordes Woodside Housing Development Proposal](#)
2. [COVID-19 Local Response Update](#)



## Legislation Text

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**File #:** 20-0130, **Version:** 1

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**ITEM TITLE:**

Work Session Topic of Discussion: Housing Market Assessment and Gap Analysis Study and Presentation of Proposal from Team Cordes on Woodside Housing Development

**SUBMITTED BY:** Martha Barberio, Economic Development Director

**FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

**RECOMMENDATION:**

Receive and File

**SUMMARY STATEMENT:**

We will have Dan Lesh from McDowell Group to discuss and answer questions on the attached Housing Market Assessment and Gap Analysis Study.

We will also have Team Cordes to discuss and answer questions on their attached proposal for developing the Woodside Subdivision.

Current proposed incentives by the City of Valdez for development include:

- Working with developer to apply for housing tax credits.
- Applying for Community Development Block Grant for infrastructure for development.
- City staff is proposing the City pay infrastructure costs for the development (using CDBG funds and City Funds). City has in excess of \$2.5 million for housing development. Currently, staff believes infrastructure costs will fall short of the \$2.5 million figure.
- Tax exemptions for low-income housing or new subdivisions provided under AS 29.45.050 are being requested for consideration by the developer.

# Valdez Housing Market Assessment and Gap Analysis

## Draft Report

PREPARED FOR:

**City of Valdez**

March 2020

# Valdez Housing Market Assessment and Gap Analysis

PREPARED FOR:

**City of Valdez**

March 2020

**McDowell Group Anchorage Office**

1400 W. Benson Blvd., Suite 510  
Anchorage, Alaska 99503

**McDowell Group Juneau Office**

9360 Glacier Highway, Suite 201  
Juneau, Alaska 99801

**Website:** [www.mcdowellgroup.net](http://www.mcdowellgroup.net)



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# Executive Summary

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The City of Valdez contracted with McDowell Group to study Valdez's housing gaps, gather community perceptions on local housing issues, and analyze the connection between housing conditions and Valdez's economy. The report is based on three key sources of information:

1. Available data on Valdez's housing supply and affordability, as well as population and economic trends.
2. A household survey of 210 randomly selected Valdez residents.
3. Key informant interviews with 22 Valdez business owners and housing market stakeholders.

## Population and Economic Trends

Economic and population growth (or decline) are important drivers of housing demand. From 2012 to 2019, Valdez's population declined by 255 residents, or 6%. The population has also been greying. From 2010 to 2019 the percentage of the local population over 70 years of age grew from 2.9% to 5.2%. Projections indicate this percentage could grow to 17% by 2030.

Unlike population, employment has been rising in Valdez. From 2013 to 2018, overall employment grew 10% and wages grew 21%.

## Housing Supply

Valdez has experienced a decline in the number of occupied housing units over the last decade. This decline has been steepest for renter-occupied units. A possible explanation is conversion of housing, especially rentals, into crew houses, vacation rentals, and second homes. Data purchased from airdna.co indicates that 33 whole houses were available for rent on AirBnB or VRBO in Summer 2019, up from a peak of 10 in summer 2017.

A smaller percentage of households in Valdez are renters (21%) compared to other nearby coastal communities such as Seward (51%), Homer (37%), and Cordova (30%). Recent new housing starts have been almost exclusively focused on single family housing units, with only two multi-family units constructed since 2008.

Compared to nearby coastal communities with similar population sizes, mobile homes make up an exceptionally high proportion of the housing stock in Valdez (23% compared to 0-7% elsewhere). According to the U.S. Census' American Community Survey (ACS) data, the only place in Alaska with more than 500 housing units and a higher percentage of mobile homes is Craig on Prince of Wales Island (27.8%).

## Housing Costs

Valdez has higher estimated rents than nearby coastal communities due to fewer low-cost rentals and more high-cost rentals. Less than 1% of renting households paid less than \$500 a month in Valdez, compared to 20% in Seward, 11% in Homer, and 4% in Cordova. On the other end of the spectrum, 21% of Valdez renter households paid more than \$2,000 a month compared to only 4-9% in the other communities.

The median value of owner-occupied housing in Valdez is \$189,700, based on ACS data. The Valdez median is below Seward (\$235,000), Homer (\$237,300), and Cordova (\$316,200). The likely explanation is the high rate of

mobile home ownership. Valdez has a significantly higher percentage of homes valued less than \$50,000 than other nearby coastal communities (27% compared to 0-9%). Valdez also has a much lower percentage of high-value homes, with less than one percent of owner-occupied homes worth more than \$500,000, compared to 8-14% in Seward, Homer, and Cordova.

## **Resident Survey Results**

While relatively few respondents were dissatisfied with their own housing, a clear majority of respondents rated various measures of Valdez's housing market poorly. More than three-quarters rated housing availability in the city as poor or very poor (83%), including 36% that rated availability as very poor. Similar portions of households rated housing affordability as poor and very poor.

Based on survey results, a very high proportion of renters consider there to be few good options in the local rental market. All renters in mobile homes reported that there were few good options as well as 84% of single-family home renters and 72% of renters in attached homes and multi-family complexes.

Most respondents, 85%, are supportive or very supportive of the City of Valdez taking steps to address housing issues in the community, with only 9% not supportive. Among specific proposals mentioned, the most support was found for "releasing more city lands for housing development" and "exploring partnerships to develop housing for seniors." Both of these efforts enjoyed wide support with 58-59% reporting being very supportive and an additional 27-32% supportive.

## **Housing Gap Analysis**

There is a very high level of dissatisfaction with Valdez's housing situation in the community and equally high levels of support for city action on the topic. These are strong signs of the presence of housing gaps in the community.

High median wages in the community contribute to disparities in housing affordability. Most of the private housing development has focused on single family homes for moderate to higher income residents. This leaves the biggest gap for lower income residents and new residents looking for rentals.

Expansion of Valdez's housing inventory would be beneficial, especially in multi-family housing but also in single family housing and senior housing. These housing gaps appear to be barriers to economic and population growth in the community.

## **Implications for the City**

A widespread sentiment is present that the city should make more of its land available for housing development. Land availability is seen as a key limitation, especially in the downtown area, and something the city is uniquely positioned to address.

Given various challenges to multi-family housing development, it may be necessary for the city to more aggressively support these types of developments for them to succeed. The payoff is that these units are more likely to address growing housing affordability gaps.

There is widespread support for increasing senior housing units in Valdez and city involvement in these efforts. The city could consider supporting this effort through funding a feasibility study reviewing potential partnership structures, demand estimates, preliminary capital costs associated with different development options, and available financing methods to maximize use of federal and other resources.

Other implications for the city discussed in this report include the need to consider other levers to address housing gaps, including those related to zoning, utilities, building codes, outreach to local businesses, and property tax credits, among others.

# Introduction and Methodology

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Housing issues have far-reaching implications on quality of life and economic opportunity for Valdez residents. This study provides a common understanding of Valdez's housing gaps and their impact on the community's economy. The information will help the community prioritize housing projects and inform ongoing planning efforts and policy development.

Most communities in Alaska suffer from housing availability and affordability issues. None have found easy solutions as they seek better alignment between housing supply and housing demand. Common themes are increasing the supply of housing for senior citizens, shortage of the affordable entry level homes that are necessary to attract and retain young families, seasonal housing for a growing non-resident workforce, and other factors. Much of the economic growth that has occurred in Alaska in recent years has been in the service and retail sectors, or other sectors with wages and seasonal aspects that are inconsistent with prevailing housing market conditions.

Still, as described in this report, Valdez has its own set of unique characteristics that overlay special challenges on the community as it seeks ways to support a housing market that best meets the needs of its residents and businesses that drive the local economy.

## Methodology

### Data Sources

A limited amount of published data is available regarding housing market conditions in Valdez. Sources of data presented in this report include the following:

- U.S. Census Bureau's American Community Survey (ACS) Five-Year Estimates
- City of Valdez Property Tax Roll (Accessor's Database)
- City of Valdez Household Population Survey
- Alaska Department of Labor & Workforce Development (ADOL&WD) New Housing Unit Survey
- Alaska Housing Finance Corporation Rent Reasonableness Standards

### ***A Note on the Reliability of American Community Survey Data***

On most topics, ACS is the source of best available data on Valdez's housing market. Data from this source is survey-based with fairly low sample sizes and is subject to large margins of error. The ACS data presented in this report should be interpreted with an understanding that some data points could be significantly misleading. Margins of error associated various ACS estimates are generally included for units such as number or amount (such as number of housing units). This report typically does not include margins of error associated with ACS percentage estimates (such as percent of housing units by type). This is done to improve readability, though it should be noted that similarly high margins of error are present for percentages as well.

Despite the limitations associated with large margins of error, ACS housing data provides useful information and is worth taking into consideration. Typically, ACS data are presented for Valdez as well as Cordova, Seward,

and Homer to allow comparison with nearby coastal communities. The most recent ACS housing data available for Valdez is the 2014-2018 five-year estimate, which is based on a sample of 40 housing units. Five-year estimates can be understood as estimates of the average conditions over the five-year period.

### ***Other Data Sources Investigated***

Several sources of data were investigated but not used in this report, primarily because data was only available at the Valdez-Cordova Census Area level. These sources include the following:

- U.S. Census Bureau Annual Estimates of Housing Units
- Alaska Housing Finance Corporation (AHFC) Housing Assessment
- AHFC Housing Market Indicators Report (produced by ADOLWD)
- Alaska Housing Finance Corporation, Rental Market Surveys.
- ADOLWD Quarterly Survey of Lenders' Activity
- ADOLWD Foreclosures Data
- Consumer Financial Protection Bureau
- Multiple Listing Service
- U.S. Housing and Urban Development (HUD) Fair Rent

## **Household Survey**

McDowell Group fielded a telephone survey of randomly selected Valdez households from January 13 through January 21, 2020. The survey included a variety of questions related to housing in Valdez, including satisfaction with current housing; perceptions on the availability, quality, and affordability of housing; senior housing needs; and priorities for city housing efforts, among other questions. See Appendix A for survey instrument with full list of questions asked.

A total of 210 Valdez households were surveyed. Roughly two-thirds of respondents were reached on a cell phone and the remainder by landline. The cell phone sample is based on billing zip code, allowing inclusion of respondents that moved to the community with a with a non-local cell number (17% of cell phones contacted had an area code other than 907).

Based on this survey's sample size, the maximum margin of error associated with survey findings is  $\pm 6.6$  percent at the 90 percent confidence level. Similar to most surveys conducted by McDowell Group, survey data were weighted by age group to account for a lower proportion of younger households in the sample than are known to live in the community.

Survey data was analyzed as a whole, as well as for various subgroups, including length of residency, rent/own, presence of children and seniors in the household, income level, and other subgroups. Only statistically significant differences between subgroups are reported.

## **Key Informant Interviews**

A series of interviews were conducted to gather insights regarding housing conditions, barriers to housing development, housing priorities, and other topics. Interviews were conducted with a broad range of Valdez business owners and housing stakeholders. A total of 22 people were interviewed for this study.

The majority of interviews were conducted using a standard interview protocol. Some interviewees were asked industry-specific and other questions. See Appendices D and E for Interview Protocol and list of those interviewed.

Interviews were conducted January through March 2020.

Economic and population growth (or decline) are important drivers of housing demand. This section briefly examines recent economic and demographic trends in Valdez.

Historically, Valdez's population has been fairly steady at around 4,000 residents, though it has trended down slightly over the last several years. The relative long-term population stability in Valdez stems from its economic diversification, including serving as the marine terminus for the Trans Alaska Pipeline, a destination for Alaska resident and non-resident visitors, and its key position in the Prince William Sound seafood industry.

## Total Population

Valdez population has declined by a total 255 residents, or 6%, since 2012. The most recent estimate (2019) places Valdez's population at 3,876. It is important to note that the community's summer population is significantly higher, as seasonal workers fill jobs in seafood processing, the visitor industry, and other sectors.

**Table 1. Valdez Population, 2010-2019**

|                 | 2010  | 2011  | 2012  | 2013  | 2014  | 2015  | 2016  | 2017  | 2018  | 2019  |
|-----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Population      | 3,976 | 4,033 | 4,131 | 4,094 | 4,042 | 4,009 | 3,939 | 3,942 | 3,891 | 3,876 |
| Annual % Change | -     | 1.4%  | 2.4%  | -0.9% | -1.3% | -0.8% | -1.7% | 0.1%  | -1.3% | -0.4% |

Source: ADOLWD, Division of Research and Analysis.

## Demographics

In 2010, 2.9% of the local population was 70 years of age or over. By 2019, 5.2% were 70 or above. The total number of residents age 70 or more increased from 112 to 203 over that period.

Based on the projection for the Valdez-Cordova Census Area overall (Valdez-specific projections are not available), by 2030 17% of the population will be 70 years of age or more. That would indicate a 70-plus population of approximately 600 residents. This demographic trend has important housing and community services implications. Seniors have a spectrum of housing needs, ranging from aging-in-place (in current housing), multi-unit independent senior-only living, assisted living, and nursing care. In addition to suitable housing, Valdez's capacity to retain its aging population will depend on availability of appropriate health and social services.

**Table 2. Valdez Population by Age Cohort, 2010, 2014, and 2019**

|            | 2010  |      | 2014  |      | 2019  |      |
|------------|-------|------|-------|------|-------|------|
| Total      | 3,976 |      | 4,042 |      | 3,876 |      |
| 0-4        | 279   | 7.0% | 310   | 7.7% | 266   | 6.9% |
| 5-9        | 262   | 6.6% | 286   | 7.1% | 286   | 7.4% |
| 9-14       | 282   | 7.1% | 270   | 6.7% | 276   | 7.1% |
| 15-19      | 287   | 7.2% | 246   | 6.1% | 219   | 5.7% |
| 20-24      | 263   | 6.6% | 234   | 5.8% | 197   | 5.1% |
| 25-29      | 276   | 6.9% | 301   | 7.4% | 278   | 7.2% |
| 30-34      | 256   | 6.4% | 317   | 7.8% | 325   | 8.4% |
| 35-39      | 243   | 6.1% | 278   | 6.9% | 304   | 7.8% |
| 40-44      | 311   | 7.8% | 274   | 6.8% | 284   | 7.3% |
| 45-49      | 372   | 9.4% | 283   | 7.0% | 229   | 5.9% |
| 50-54      | 392   | 9.9% | 367   | 9.1% | 236   | 6.1% |
| 55-59      | 317   | 8.0% | 338   | 8.4% | 315   | 8.1% |
| 60-64      | 216   | 5.4% | 255   | 6.3% | 278   | 7.2% |
| 65-69      | 108   | 2.7% | 143   | 3.5% | 180   | 4.6% |
| 70-74      | 47    | 1.2% | 84    | 2.1% | 111   | 2.9% |
| 75-79      | 27    | 0.7% | 25    | 0.6% | 56    | 1.4% |
| 80-84      | 20    | 0.5% | 17    | 0.4% | 24    | 0.6% |
| 85+        | 18    | 0.5% | 14    | 0.3% | 12    | 0.3% |
| Median Age | 36.7  |      | 36.0  |      | 36.5  |      |

Source: ADOLWD, Division of Research and Analysis.

## Employment Trends

Employment trends have important impacts on the housing market. For example, growth in seasonal employment will increase demand for seasonal rental housing. Growth in low-wage employment brings with it demand for lower-cost housing. High-wage jobs bring demand for single family homes (all other factors being equal). Growth in particular industries can have particular housing related effects. Growth in tourism, for example, can prompt property owners to convert long-term rental housing to short-term vacation rentals.

Unlike population, employment has been rising in Valdez. Private sector employment has increased in five consecutive years. Total non-agricultural wage and salary employment in Valdez averaged 2,350 in 2018 (this measure of employment excludes the active duty Coast Guard and self-employed people, such as commercial fishermen). Private sector employment averaged 1,800 jobs, while local, state and federal government together accounted for 550 jobs in Valdez. Employment is up 10% since 2013 and total annual wages are up 21% (not accounting for inflation).



**Table 3. Valdez Employment and Wages, 2013-2018**

|                           | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | '13-'18<br>%<br>Change |
|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|------------------------|
| Average annual employment | 2,131         | 2,145         | 2,155         | 2,253         | 2,278         | 2,350         | 10.3%                  |
| Total annual wages        | \$117,443,926 | \$120,006,587 | \$126,986,783 | \$129,370,518 | \$134,390,532 | \$141,640,972 | 20.6%                  |
| Annual average wage       | \$55,112      | \$55,947      | \$58,927      | \$57,421      | \$58,995      | \$60,273      | 9.4%                   |

Source: ADOLWD, Division of Research and Analysis.

Employment growth over the past few years has been mainly in the private sector where employment is up about 14% since 2013. Valdez has added about 100 jobs since 2016, including 39 jobs in the Trade, Transportation and Utilities sector (the specific source of job growth within that sector is not discernable from the published data). Health care and social assistance added 21 jobs between 2016 and 2018.

The largest employers in Valdez are in the Trade, Transportation, and Utilities sector (which includes Alyeska) and manufacturing (which includes seafood processing).

**Table 4. Valdez Employment by Industry, 2013-2018**

| Industry                                     | 2013         | 2014         | 2015         | 2016         | 2017         | 2018         | '13-'18<br>%<br>Change |
|--|--------------|--------------|--------------|--------------|--------------|--------------|------------------------|
| <b>Government</b>                            | <b>548</b>   | <b>541</b>   | <b>544</b>   | <b>530</b>   | <b>536</b>   | <b>550</b>   | <b>0.4%</b>            |
| Federal government                           | 47           | 43           | 47           | 45           | 46           | 49           | 4.3%                   |
| State government                             | 152          | 157          | 146          | 133          | 136          | 139          | -8.6%                  |
| Local government                             | 349          | 341          | 351          | 352          | 354          | 362          | 3.7%                   |
| <b>Private Ownership</b>                     | <b>1,583</b> | <b>1,604</b> | <b>1,611</b> | <b>1,723</b> | <b>1,742</b> | <b>1,800</b> | <b>13.7%</b>           |
| Natural Resources and Mining                 | 46           | 62           | 67           | 65           | 67           | 69           | 50.0%                  |
| Construction                                 | 51           | 59           | 79           | 82           | 65           | 72           | 41.2%                  |
| Manufacturing                                | (a)          | (a)          | (a)          | 252          | 270          | 269          | -                      |
| Trade, Transportation, and Utilities         | 539          | 555          | 545          | 543          | 557          | 582          | 8.0%                   |
| Information                                  | 59           | 58           | 64           | 65           | 66           | 69           | 16.9%                  |
| Finance and Insurance                        | 16           | 15           | 15           | (a)          | 15           | 15           | -6.3%                  |
| Real Estate and Rental and Leasing           | 19           | 18           | 20           | 19           | 22           | 23           | 21.1%                  |
| Professional and Business Services           | 138          | 133          | 138          | 137          | 147          | 143          | 3.6%                   |
| Educational Services                         | (a)          | (a)          | (a)          | (a)          | (a)          | (a)          | -                      |
| Health Care and Social Assistance            | 282          | 255          | 247          | 241          | 259          | 262          | -7.1%                  |
| Accommodation and Food Services              | 226          | 241          | 244          | 237          | 217          | 236          | 4.4%                   |
| Other Services, Except Public Administration | 22           | 23           | 24           | 27           | 22           | 23           | 4.5%                   |
| Public Administration                        | (a)          | (a)          | (a)          | (a)          | (a)          | 114          | -                      |
| <b>Total</b>                                 | <b>2,131</b> | <b>2,145</b> | <b>2,155</b> | <b>2,253</b> | <b>2,278</b> | <b>2,350</b> | <b>10.3%</b>           |

Source: ADOLWD, Division of Research and Analysis.

(a) Data are suppressed due to confidentiality.

Employment growth continued into 2019, according to data for the first nine months of the year. Overall, employment was up 5.8% (140 jobs), including 8.3% growth in the private sector and 2.7% decline in government employment. The Trade, Transportation and Utilities sector was again where most of the growth occurred, adding 135 jobs (growth was evident through all nine months, therefore not seasonal).

Annual average employment figures mask a high degree of seasonality in Valdez employment. Total employment typically peaks in July or August, in parallel with seafood processing (in the manufacturing sector) which in 2018 peaked at over 900 jobs in July, compared to a winter average of around 70 jobs. Other seasonal sectors include the leisure and hospitality sector (mainly lodging and food services) which more than doubles from winter to summer.

**Table 5. Valdez Employment by Industry and Month, 2018**

| Category   | Jan          | Feb          | Mar          | Apr          | May          | June         | July         | Aug          | Sept         | Oct          | Nov          | Dec          |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Government</b>                                    | <b>554</b>   | <b>563</b>   | <b>560</b>   | <b>550</b>   | <b>564</b>   | <b>547</b>   | <b>467</b>   | <b>560</b>   | <b>577</b>   | <b>555</b>   | <b>547</b>   | <b>543</b>   |
| Federal government                                   | 41           | 41           | 40           | 45           | 48           | 56           | 57           | 58           | 59           | 55           | 43           | 40           |
| State government                                     | 133          | 140          | 137          | 142          | 143          | 143          | 127          | 131          | 147          | 138          | 142          | 141          |
| Local government                                     | 380          | 382          | 383          | 363          | 373          | 348          | 283          | 371          | 371          | 362          | 362          | 362          |
| <b>Private Ownership</b>                             | <b>1,347</b> | <b>1,378</b> | <b>1,472</b> | <b>1,549</b> | <b>1,734</b> | <b>2,238</b> | <b>2,663</b> | <b>2,628</b> | <b>1,791</b> | <b>1,683</b> | <b>1,553</b> | <b>1,564</b> |
| <b>Goods-Producing</b>                               | <b>185</b>   | <b>181</b>   | <b>194</b>   | <b>220</b>   | <b>309</b>   | <b>677</b>   | <b>1,083</b> | <b>1,056</b> | <b>358</b>   | <b>239</b>   | <b>212</b>   | <b>204</b>   |
| Natural Resources and Mining                         | 64           | 62           | 66           | 63           | 71           | 68           | 75           | 91           | 72           | 72           | 59           | 59           |
| <i>Mining, Quarrying, and Oil and Gas Extraction</i> | 46           | 44           | 47           | 42           | 45           | 43           | 42           | 43           | 40           | 42           | 39           | 42           |
| Construction   | 51           | 48           | 53           | 59           | 73           | 85           | 83           | 91           | 78           | 92           | 81           | 73           |
| Manufacturing  | 70           | 71           | 75           | 98           | 165          | 524          | 925          | 874          | 208          | 75           | 72           | 72           |
| <i>Nondurable Goods Manufacturing</i>                | 67           | 68           | 72           | 95           | 162          | 521          | 922          | 871          | 205          | 72           | 69           | 69           |
| <b>Service-Providing</b>                             | <b>1,162</b> | <b>1,197</b> | <b>1,278</b> | <b>1,329</b> | <b>1,425</b> | <b>1,561</b> | <b>1,580</b> | <b>1,572</b> | <b>1,433</b> | <b>1,444</b> | <b>1,341</b> | <b>1,360</b> |
| Trade, Transportation, and Utilities                 | 476          | 479          | 494          | 513          | 576          | 632          | 639          | 640          | 567          | 696          | 629          | 642          |
| <i>Retail Trade</i>                                  | 171          | 170          | 176          | 170          | 172          | 198          | 191          | 191          | 174          | 166          | 167          | 185          |
| Information  | 65           | 67           | 67           | 68           | 73           | 71           | 72           | 73           | 74           | 68           | 67           | 68           |
| Financial Activities                                 | 40           | 40           | 40           | 37           | 37           | 38           | 37           | 37           | 35           | 36           | 38           | 38           |
| <i>Finance and Insurance</i>                         | 14           | 15           | 15           | 15           | 15           | 15           | 15           | 16           | 13           | 15           | 15           | 15           |
| <i>Real Estate and Rental and Leasing</i>            | 26           | 25           | 25           | 22           | 22           | 23           | 22           | 21           | 22           | 21           | 23           | 23           |
| Professional and Business Services                   | 136          | 137          | 137          | 141          | 137          | 157          | 154          | 149          | 157          | 143          | 135          | 129          |
| <i>Administrative and Waste Services</i>             | 105          | 104          | 104          | 106          | 105          | 122          | 120          | 115          | 121          | 107          | 100          | 99           |
| Education and Health Services                        | 267          | 273          | 270          | 272          | 267          | 261          | 257          | 255          | 264          | 274          | 269          | 275          |
| <i>Health Care and Social Assistance</i>             | 260          | 266          | 265          | 266          | 263          | 256          | 256          | 253          | 263          | 265          | 262          | 268          |
| Leisure and Hospitality                              | 159          | 181          | 252          | 276          | 310          | 377          | 396          | 393          | 312          | 202          | 177          | 182          |
| <i>Arts, Entertainment, and Recreation</i>           | 14           | 23           | 54           | 67           | 43           | 38           | 35           | 38           | 29           | 16           | 14           | 13           |
| <i>Accommodation and Food Services</i>               | 145          | 158          | 198          | 209          | 267          | 339          | 361          | 355          | 283          | 186          | 163          | 169          |
| Other Services                                       | 19           | 20           | 18           | 22           | 25           | 25           | 24           | 25           | 23           | 25           | 26           | 26           |
| Public Administration                                | 104          | 101          | 101          | 108          | 113          | 129          | 124          | 126          | 127          | 116          | 106          | 107          |
| <b>Total</b>   | <b>1,901</b> | <b>1,941</b> | <b>2,032</b> | <b>2,099</b> | <b>2,298</b> | <b>2,785</b> | <b>3,130</b> | <b>3,188</b> | <b>2,368</b> | <b>2,238</b> | <b>2,100</b> | <b>2,107</b> |

Source: ADOLWD, Division of Research and Analysis.

The annual average wage in Valdez was \$60,273 in 2018. Demand for seasonal housing is greatest (outside of seafood processing) in the visitor-affected Leisure and Hospitality sector, where wages are relatively low, at about \$25,000 on an annualized basis.

**Table 6. Valdez Average Employment and Wages by Industry, 2018**

| Category   | Average Annual Employment | Total Annual Wages   | Average Annual Wages |
|--|---------------------------|----------------------|----------------------|
| <b>Government</b>                                    | <b>550</b>                | <b>\$28,630,614</b>  | <b>\$52,056</b>      |
| Federal government                                   | 49                        | \$3,499,884          | \$71,426             |
| State government                                     | 139                       | \$7,009,332          | \$50,427             |
| Local government                                     | 362                       | \$18,121,398         | \$50,059             |
| <b>Private Ownership</b>                             | <b>1,800</b>              | <b>\$113,010,358</b> | <b>\$62,784</b>      |
| <b>Goods-Producing</b>                               | <b>410</b>                | <b>\$26,245,709</b>  | <b>\$64,014</b>      |
| Natural Resources and Mining                         | 69                        | \$6,097,053          | \$88,363             |
| <i>Mining, Quarrying, and Oil and Gas Extraction</i> | 43                        | \$4,662,839          | \$108,438            |
| Construction   | 72                        | \$6,417,305          | \$89,129             |
| Manufacturing  | 269                       | \$13,731,351         | \$51,046             |
| <i>Nondurable Goods Manufacturing</i>                | 266                       | \$13,415,254         | \$50,433             |
| <b>Service-Providing</b>                             | <b>1,390</b>              | <b>\$86,764,649</b>  | <b>\$62,421</b>      |
| Trade, Transportation, and Utilities                 | 582                       | \$50,493,075         | \$86,758             |
| <i>Retail Trade</i>                                  | 178                       | \$5,767,290          | \$32,401             |
| Information  | 69                        | \$4,454,145          | \$64,553             |
| Financial Activities                                 | 38                        | \$1,768,402          | \$46,537             |
| <i>Finance and Insurance</i>                         | 15                        | \$695,250            | \$46,350             |
| <i>Real Estate and Rental and Leasing</i>            | 23                        | \$1,073,152          | \$46,659             |
| Professional and Business Services                   | 143                       | \$11,057,714         | \$77,327             |
| <i>Administrative and Waste Services</i>             | 109                       | \$8,668,986          | \$79,532             |
| Education and Health Services                        | 267                       | \$11,513,907         | \$43,123             |
| <i>Health Care and Social Assistance</i>             | 262                       | \$11,473,769         | \$43,793             |
| Leisure and Hospitality                              | 268                       | \$6,843,591          | \$25,536             |
| <i>Arts, Entertainment, and Recreation</i>           | 32                        | \$964,829            | \$30,151             |
| <i>Accommodation and Food Services</i>               | 236                       | \$5,878,762          | \$24,910             |
| Other Services                                       | 23                        | \$630,953            | \$27,433             |
| Public Administration                                | 114                       | \$7,724,900          | \$67,762             |
| <b>Total</b>   | <b>2,350</b>              | <b>\$141,640,972</b> | <b>\$60,273</b>      |

Source: ADOLWD, Division of Research and Analysis.

# Valdez Housing Profile

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This chapter presents a range of data reflecting housing market conditions in Valdez, including:

- Housing supply (number of units, by type)
- Housing costs, as measured by average rental rates and homeowner costs
- Housing unit construction
- Housing affordability, reflecting the convergence of housing costs and household income

A limited amount of data is available regarding housing market conditions in Valdez. The data in this chapter provides a first step in identifying existing and/or potential future gaps in the community's housing market. Following sections of this report will combine and compare published housing data with information collected through other means, including a household survey and key stakeholder interviews.

Sources of data presented in this section include the following:

- U.S. Census Bureau's American Community Survey (ACS)
- City of Valdez Property Tax Rolls
- City of Valdez Household Population Survey
- ADOLWD New Housing Unit Survey
- Alaska Housing Finance Corporation's Rent Reasonableness Standards

## Housing Supply

Two data sources provide estimates of the number of housing units in Valdez.

- ACS 2014-2018 Five-Year estimates put Valdez's housing inventory at a total of 1,550 units, including 1,322 ( $\pm 162$ ) occupied units and 228 ( $\pm 116$ ) seasonal or otherwise vacant units. Of the occupied housing units, an estimated 1,048 ( $\pm 166$ ) were owner-occupied and 274 ( $\pm 91$ ) renter-occupied.<sup>1</sup>
- A total of 1,221 households responded to the City of Valdez's 2018 Household Population Survey. Completion of this survey is required to receive \$500 in energy assistance and has unknown but high application rates among eligible households (those with members present more than 180 days of the year). Similar programs such as the Alaska Permanent Fund typically see application rates of 90%. Assuming 90% of those eligible apply for energy assistance, survey responses suggest a total of 1,357 regularly occupied households in the community.

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<sup>1</sup> As defined by the US Census Bureau, occupied housing units are those occupied by people that consider the housing unit their usual place of residence or have no usual place of residence elsewhere. The count of occupied housing units is the same as the count of households.

## Trends in Housing Supply

Available data shows a decline in Valdez's housing stock from 2010 to 2018. Over this period, the number of households applying for energy assistance (City of Valdez Population Survey respondents) declined from 1,311 to 1,221, losing an average of 11 households per year (annual average rate of -0.9%). Based on ACS data, the number of occupied housing units in Valdez has declined more steeply, at an annual average rate of -2.6%. Population trends corroborate a decline over this time (annual average decline of -0.3%) but are more consistent with City Population Survey data than ACS data.

**Table 7. Estimated Number of Housing Units in Valdez, 2010-2018**

| Year                                 | Total Housing Units - ACS | Occupied Housing Units - ACS | Number of Households – City Population Survey | Population – ADOL&WD |
|--------------------------------------|---------------------------|------------------------------|---|----------------------|
| 2010                                 | 1,790 (±124)              | 1,668 (±109)                 | 1,311   | 3,976                |
| 2011                                 | 1,761 (±165)              | 1,565 (±160)                 | 1,319   | 4,033                |
| 2012                                 | 1,610 (±147)              | 1,458 (±147)                 | 1,330   | 4,131                |
| 2013                                 | 1,520 (±122)              | 1,340 (±118)                 | 1,294   | 4,094                |
| 2014                                 | 1,533 (±148)              | 1,296 (±153)                 | 1,274   | 4,042                |
| 2015                                 | 1,427 (±172)              | 1,186 (±166)                 | 1,280   | 4,009                |
| 2016                                 | 1,342 (±168)              | 1,154 (±167)                 | 1,248   | 3,939                |
| 2017                                 | 1,446 (±163)              | 1,159 (±150)                 | 1,257   | 3,942                |
| 2018                                 | 1,550 (±168)              | 1,322 (±162)                 | 1,221   | 3,891                |
| <b>Annual Average Percent Change</b> | <b>-1.6%</b>              | <b>-2.6%</b>                 | <b>-0.9%</b>                                  | <b>-0.3%</b>         |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

While subject to large margins of error, available data from ACS indicates that the decline in the number of Valdez households has occurred in both renter and owner-occupied units, but at a higher rate in the renter-occupied units.

**Table 8. Estimated Number of Occupied Housing Units in Valdez, by Occupancy Status, 2010-2018**

| Year                                 | Occupied Housing Units | Owner-Occupied Units | Renter-Occupied Units |
|--------------------------------------|------------------------|----------------------|-----------------------|
| 2010                                 | 1,668 (±109)           | 1,219 (±126)         | 449 (±130)            |
| 2011                                 | 1,565 (±160)           | 1,245 (±174)         | 320 (±119)            |
| 2012                                 | 1,458 (±147)           | 1,104 (±144)         | 354 (±122)            |
| 2013                                 | 1,340 (±118)           | 991 (±140)           | 349 (±106)            |
| 2014                                 | 1,296 (±153)           | 957 (±134)           | 339 (±128)            |
| 2015                                 | 1,186 (±166)           | 797 (±144)           | 389 (±135)            |
| 2016                                 | 1,154 (±167)           | 794 (±139)           | 360 (±125)            |
| 2017                                 | 1,159 (±150)           | 943 (±158)           | 216 (±88)             |
| 2018                                 | 1,322 (±162)           | 1,048 (±166)         | 274 (±91)             |
| <b>Annual Average Percent Change</b> | <b>-2.6%</b>           | <b>-1.3%</b>         | <b>-3.5%</b>          |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

## Renting Rates

A smaller percentage of households in Valdez are renters (21%) compared to other nearby coastal communities such as Seward (51%), Homer (37%), and Cordova (30%).

**Table 9. Percent of Households Renting, Selected Cities, 2014-2018 Five-Year Estimates**

|                                      | Valdez       | Seward     | Homer        | Cordova      |
|--------------------------------------|--------------|------------|--------------|--------------|
| Renter-Occupied Housing Units        | 274 (±91)    | 433 (±98)  | 842 (±69)    | 302 (±114)   |
| Occupied Housing Units               | 1,322 (±162) | 845 (±140) | 2,260 (±101) | 1,002 (±151) |
| <b>Percent of Households Renting</b> | <b>21%</b>   | <b>51%</b> | <b>37%</b>   | <b>30%</b>   |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

## Housing Supply by Type of Housing

According to ACS data for the 2014-2018 period, single-family homes accounted for 53 percent of the occupied housing in Valdez, while multi-family units accounted for 24 percent. Mobile homes accounted for nearly a quarter of occupied housing units (23%).

Compared to nearby coastal communities with similar population sizes, mobile homes make up an exceptionally high proportion of the housing stock in Valdez (23% compared to 0-7%). Seward's housing stock has a comparable proportion of single-family homes but a much larger percentage of multi-family homes, while Homer and Cordova have similar percentages of multi-family units as Valdez but much higher percentages of single-family homes.

Valdez's high proportion of mobile homes is unique not just in comparison to nearby coastal communities, but also across the Alaska. According to ACS data, the only place in Alaska with more than 500 housing units and a higher percentage of mobile homes is Craig on Prince of Wales Island (27.8%).

**Table 10. Number of Occupied Housing Units by Type, City of Valdez, 2014-2018 Five-Year Estimates**

| Type of Housing Structure | Renter Households | Owner Households    | Total               | % of Total |
|---------------------------|-------------------|---------------------|---------------------|------------|
| Single-family, detached   | 47 (±44)          | 609 (±148)          | 656 (±151)          | 50%        |
| Single-family, attached   | 0 (±9)            | 42 (±50)            | 42 (±50)            | 3%         |
| Duplex                    | 47 (±38)          | 99 (±63)            | 146 (±68)           | 11%        |
| Three or four-plex        | 106 (±61)         | 0 (±9)              | 106 (±61)           | 8%         |
| Five to nine-unit complex | 13 (±17)          | 6 (±10)             | 19 (±20)            | 1%         |
| Ten or more-unit complex  | 46 (±52)          | 0 (±9)              | 46 (±52)            | 4%         |
| Mobile Home               | 15 (±20)          | 292 (±121)          | 307 (±120)          | 23%        |
| <b>Total</b>              | <b>274 (±91)</b>  | <b>1,048 (±166)</b> | <b>1,322 (±162)</b> |            |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

**Table 11. Occupied Housing Units by Type, Selected Cities, 2014-2018 Five-Year Estimates**

| Type of Housing Structure  | Valdez              | Seward            | Homer               | Cordova             |
|----------------------------|---------------------|-------------------|---------------------|---------------------|
| Single-family, detached    | 50%                 | 51%               | 71%                 | 60%                 |
| Single-family, attached    | 3%                  | 2%                | 2%                  | 8%                  |
| <b>Single-Family Total</b> | <b>53%</b>          | <b>53%</b>        | <b>73%</b>          | <b>68%</b>          |
| Duplex                     | 11%                 | 8%                | 6%                  | 9%                  |
| Three or four-plex         | 8%                  | 22%               | 8%                  | 12%                 |
| Five to nine-unit complex  | 1%                  | 14%               | 6%                  | 2%                  |
| Ten or more-unit complex   | 4%                  | 3%                | 4%                  | 3%                  |
| <b>Mulit-Family Total</b>  | <b>24%</b>          | <b>47%</b>        | <b>24%</b>          | <b>26%</b>          |
| Mobile Home                | 23%                 | 0%                | 4%                  | 7%                  |
| <b>Total Units</b>         | <b>1,322 (±162)</b> | <b>845 (±140)</b> | <b>2,260 (±101)</b> | <b>1,002 (±151)</b> |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

The City of Valdez's Household Population Survey collects information on the type of structure for each household that responds to the survey. These data are in line with those from ACS, also showing 23% of the local occupied housing stock is in mobile homes. The city's survey data indicates a slightly higher percentage of the housing stock is in single family homes (59% compared to 53% for ACS data) and a slightly lower percentage in multi-family units (16% compared to 24% for ACS data).

**Table 12. Number of Households Responding to City of Valdez Household Population Survey, by Structure Type, 2018**

| Type of Housing Structure  | Number       | % of Total |
|----------------------------|--------------|------------|
| Single Family Home         | 725          | 59%        |
| Mobile Home/Trailer        | 286          | 23%        |
| Duplex/Zero Lot Line/Condo | 95           | 8%         |
| Multi-Family/Apartment     | 94           | 8%         |
| Other                      | 21           | 2%         |
| <b>Total</b>               | <b>1,221</b> |            |

Source: City of Valdez.

## Housing Age

Valdez's housing stock reflects the community's unique history, with most of the community destroyed or abandoned by ramifications of the 1964 Good Friday earthquake. The community was quickly rebuilt in its current location in the years following the earthquake. A significant number of homes were added in the middle to late 1970's associated with construction of the Trans Alaska Pipeline System and Valdez Marine Terminal.

According to ACS data, only 3% of Valdez's existing housing stock was built before 1960. This percentage is similar to that seen in Homer but much less than in Seward (27%) and Cordova (22%). While ACS data indicates none of the currently occupied housing stock was constructed after 2010, this is contradicted by other data described below.

**Table 13. Year Built, Occupied Housing Units, City of Valdez, 2014-2018 Five-Year Estimates**

| Year Built      | Estimate   | % of Total |
|-----------------|------------|------------|
| 2014 or later   | 0 (±9)     | <1%        |
| 2010 to 2013    | 0 (±9)     | <1%        |
| 2000 to 2009    | 198 (±92)  | 15%        |
| 1980 to 1999    | 595 (±135) | 45%        |
| 1960 to 1979    | 488 (±135) | 37%        |
| 1940 to 1959    | 41 (±38)   | 3%         |
| 1939 or earlier | 0 (±9)     | <1%        |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

**Table 14. Year Built, Occupied Housing Units, Selected Cities, 2014-2018 Five-Year Estimates**

| Year Built         | Valdez              | Seward            | Homer               | Cordova             |
|--------------------|---------------------|-------------------|---------------------|---------------------|
| 2014 or later      | <1%                 | <1%               | 1%                  | <1%                 |
| 2010 to 2013       | <1%                 | <1%               | 5%                  | 5%                  |
| 2000 to 2009       | 15%                 | 7%                | 18%                 | 9%                  |
| 1980 to 1999       | 45%                 | 48%               | 47%                 | 34%                 |
| 1960 to 1979       | 37%                 | 17%               | 26%                 | 30%                 |
| 1940 to 1959       | 3%                  | 18%               | 3%                  | 16%                 |
| 1939 or earlier    | <1%                 | 9%                | <1%                 | 6%                  |
| <b>Total Units</b> | <b>1,322 (±162)</b> | <b>845 (±140)</b> | <b>2,260 (±101)</b> | <b>1,002 (±151)</b> |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

## New Construction

In the last 12 years, housing units added in Valdez have been almost exclusively single-family homes. From 2008 to 2019, an average of 7 new single-family homes were constructed annually, while only 2 multi-family and 2 mobile homes were added during this 12-year period.

Single-family homes made up a smaller proportion of new housing units added during this time in comparable coastal communities. While 94% of new units added in Valdez were single-family, that housing type only made up 45%, 84%, and 84% of those added in Seward, Homer, and Cordova, respectively.



**Table 15. Estimated Number of New Housing Units Constructed in Valdez, 2010-2019**

| Year                   | Mobile Home | Multi-Family | Single-Family | Total     |
|------------------------|-------------|--------------|---------------|-----------|
| 2008                   | 0           | 0            | 10            | 10        |
| 2009                   | 0           | 0            | 11            | 11        |
| 2010                   | 0           | 0            | 13            | 13        |
| 2011                   | 0           | 0            | 9             | 9         |
| 2012                   | 0           | 0            | 3             | 3         |
| 2013                   | 0           | 0            | 6             | 6         |
| 2014                   | 0           | 0            | 3             | 3         |
| 2015                   | 0           | 0            | 1             | 1         |
| 2016                   | 0           | 0            | 6             | 6         |
| 2017                   | 1           | 0            | 15            | 16        |
| 2018                   | 0           | 0            | 1             | 1         |
| 2019                   | 1           | 2            | 9             | 12        |
| <b>2008-2019 Total</b> | <b>2</b>    | <b>2</b>     | <b>87</b>     | <b>91</b> |

Source: ADOL&WD New Housing Unit Survey.

**Table 16. New Housing Units Constructed in Selected Communities, by Type, 2008-2019**

| Type of Housing Unit | Valdez    |         | Seward    |         | Homer      |         | Cordova   |         |
|----------------------|-----------|---------|-----------|---------|------------|---------|-----------|---------|
|                      | Units     | % Total | Units     | % Total | Units      | % Total | Units     | % Total |
| Mobile Home          | 2         | 2%      | 0         | 0%      | 1          | 0%      | 2         | 0%      |
| Multi-Family         | 2         | 2%      | 45        | 55%     | 74         | 16%     | 4         | 16%     |
| Single-Family        | 87        | 96%     | 37        | 45%     | 391        | 84%     | 60        | 84%     |
| <b>Total</b>         | <b>91</b> |         | <b>82</b> |         | <b>466</b> |         | <b>66</b> |         |

Sources: ADOL&WD New Housing Unit Survey.

## Housing Cost and Affordability

Housing cost and housing affordability are related but provide different perspectives on a community's housing market. Housing cost is the price owners and renters must pay to secure necessary or desired housing. Housing affordability is how that cost compares to the wages that can be earned in a community.

### Rental Prices

ACS provides data on the distribution of rents paid in Valdez across a range from less than \$500 per month to more than \$2,000. Roughly one-third of renters (35 percent) in Valdez pay between \$500 and \$999 in monthly rent and 41 percent pay between \$1,000 and \$1,499.

This data includes the full spectrum of single-family and multi-family rentals. The overall median gross rent (which includes utilities) is \$1,125 ( $\pm 87$ ) based on the ACS 2014-2018 Five-Year estimate.

**Table 17. Distribution of Gross Rents for Households Paying Rent, 2014-2018 Five-Year Estimates**

| Gross Monthly Rent       | Count                 | % of Total |
|--------------------------|-----------------------|------------|
| Less than \$500          | 0 (±9)                | <1%        |
| \$500 to \$999           | 81 (±60)              | 35%        |
| \$1,000 to \$1,499       | 95 (±54)              | 41%        |
| \$1,500 to \$1,999       | 9 (±15)               | 4%         |
| \$2,000 or more          | 48 (±39)              | 21%        |
| <b>Total</b>             | <b>233 (±87)</b>      |            |
| <b>Median Gross Rent</b> | <b>\$1,125 (±142)</b> | --         |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

Note: May not sum to totals due to rounding.

Valdez has higher estimated rents than nearby coastal communities due to fewer low-cost rentals and more high-cost rentals. Less than 1% of renting household paid less than \$500 a month in Valdez, compared to 20% in Seward, 11% in Homer, and 4% in Cordova. On the other end of the spectrum, 21% of Valdez renter households paid more than \$2,000 a month compared to only 4-9% in the other communities.

**Table 18. Distribution of Gross Rents for Households Paying Rent in Selected Communities, 2014-2018 Five-Year Estimates**

| Gross Monthly Rent       | Valdez                | Seward              | Homer                | Cordova               |
|--------------------------|-----------------------|---------------------|----------------------|-----------------------|
| Less than \$500          | <1%                   | 20%                 | 11%                  | 4%                    |
| \$500 - \$999            | 35%                   | 44%                 | 35%                  | 41%                   |
| \$1,000 - \$1,499        | 41%                   | 29%                 | 39%                  | 38%                   |
| \$1,500 - \$1,999        | 4%                    | 4%                  | 11%                  | 9%                    |
| \$2,000 or More          | 21%                   | 4%                  | 4%                   | 9%                    |
| <b>Total Count</b>       | <b>233 (±87)</b>      | <b>406 (±101)</b>   | <b>788 (±68)</b>     | <b>217 (±102)</b>     |
| <b>Median Gross Rent</b> | <b>\$1,125 (±142)</b> | <b>\$924 (±142)</b> | <b>\$1,035 (±44)</b> | <b>\$1,057 (±206)</b> |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

Another source of data comparing rents in Valdez to other communities is the rent reasonableness standards developed by AHFC for the eight cities where the agency's Housing Choice Voucher Program is available. Based on these standards – which are supposed to be equivalent to average rent prices – Valdez has the highest or second highest average rent for all housing types except two- and three-bedroom units.

**Table 19. Payment Standards for Rent Reasonableness, AHFC Housing Choice Voucher Program Cities**

|               | Number of Bedrooms |              |                |                |                |                |                |                |
|---------------|--------------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|
|               | SRO                | 0            | 1              | 2              | 3              | 4              | 5              | 6              |
| Anchorage     | \$633              | \$844        | \$1,000        | \$1,260        | \$1,857        | \$2,230        | \$2,565        | \$2,899        |
| Fairbanks     | \$542              | \$723        | \$883          | \$1,169        | \$1,723        | \$2,007        | \$2,308        | \$2,609        |
| Homer         | \$529              | \$705        | \$845          | \$1,000        | \$1,230        | \$1,600        | \$1,840        | \$2,080        |
| Juneau        | \$694              | \$925        | \$1,125        | \$1,430        | \$1,835        | \$2,125        | \$2,444        | \$2,763        |
| Ketchikan     | \$603              | \$804        | \$1,006        | \$1,295        | \$1,547        | \$1,828        | \$2,102        | \$2,376        |
| Kodiak        | \$554              | \$739        | \$1,061        | \$1,397        | \$1,689        | \$1,929        | \$2,218        | \$2,508        |
| Mat-Su        | \$578              | \$770        | \$891          | \$1,178        | \$1,736        | \$2,087        | \$2,400        | \$2,713        |
| Petersburg    | \$508              | \$677        | \$855          | \$1,075        | \$1,270        | \$1,578        | \$1,815        | \$2,051        |
| Sitka         | \$585              | \$780        | \$975          | \$1,235        | \$1,600        | \$1,800        | \$2,070        | \$2,340        |
| Soldotna      | \$529              | \$705        | \$845          | \$1,000        | \$1,230        | \$1,750        | \$2,013        | \$2,275        |
| <b>Valdez</b> | <b>\$713</b>       | <b>\$950</b> | <b>\$1,125</b> | <b>\$1,264</b> | <b>\$1,605</b> | <b>\$2,186</b> | <b>\$2,514</b> | <b>\$2,842</b> |
| Wrangell      | \$402              | \$536        | \$736          | \$918          | \$1,116        | \$1,227        | \$1,411        | \$1,595        |

Source: AHFC. Standards are effective 8/2017 (most recent available).

Note: SRO stands for "single room occupancy" and is smaller than an efficiency apartment.

## Home Ownership Costs

Valdez's median monthly housing cost for homeowners with mortgages is approximately \$1,711, according to ACS 2014-2018 data. This includes mortgage payments, property taxes, insurance, and condo fees (where applicable). Homeowners without mortgage payments are not included in this estimate. The median monthly cost for owners without mortgages is \$406. One-half of Valdez homeowners (51%) do not have a mortgage on their home.

Homeowner costs in Valdez are similar to those in Homer and Seward and lower than those in Cordova. While only 4% of households with mortgages are paying more than \$3,000 a month in Valdez, two-fifths (21%) are in Cordova.

**Table 20. Distribution of Monthly Owner Costs for Households with Mortgages, Valdez, 2014-2018 Five-Year Estimates**

| Gross Monthly Cost         | Count                 | % of Total |
|----------------------------|-----------------------|------------|
| Less than \$500            | 0 (±9)                | 0%         |
| \$500 - \$999              | 56 (±63)              | 11%        |
| \$1,000 - \$1,499          | 98 (±71)              | 19%        |
| \$1,500 - \$1,999          | 227 (±123)            | 45%        |
| \$2,000 - \$2,499          | 48 (±46)              | 9%         |
| \$2,499 - \$2,999          | 61 (±58)              | 12%        |
| \$3,000 or More            | 19 (±29)              | 4%         |
| <b>Total Units</b>         | <b>509 (±136)</b>     |            |
| <b>Median Monthly Cost</b> | <b>\$1,711 (±191)</b> |            |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

**Table 21. Distribution of Monthly Owner Costs for Housing Units with Mortgages in Selected Communities, 2014-2018 Five-Year Estimates**

| Gross Monthly Cost         | Valdez                | Seward                | Homer                | Cordova               |
|----------------------------|-----------------------|-----------------------|----------------------|-----------------------|
| Less than \$500            | <1%                   | <1%                   | 1%                   | <1%                   |
| \$500 - \$999              | 11%                   | <1%                   | 8%                   | 12%                   |
| \$1,000 - \$1,499          | 19%                   | 41%                   | 29%                  | 12%                   |
| \$1,500 - \$1,999          | 45%                   | 41%                   | 28%                  | 20%                   |
| \$2,000 - \$2,499          | 9%                    | 9%                    | 19%                  | 23%                   |
| \$2,500 - \$2,999          | 12%                   | 5%                    | 9%                   | 11%                   |
| \$3,000 or More            | 4%                    | 4%                    | 8%                   | 21%                   |
| <b>Total Count</b>         | <b>509 (±136)</b>     | <b>332 (±94)</b>      | <b>871 (±73)</b>     | <b>324 (±88)</b>      |
| <b>Median Monthly Cost</b> | <b>\$1,711 (±191)</b> | <b>\$1,755 (±349)</b> | <b>\$1,740 (±83)</b> | <b>\$2,120 (±387)</b> |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

## Home Value and Sales

The median value of owner-occupied housing in Valdez is \$189,700, based on ACS data. The Valdez median is below Seward (\$235,000), Homer (\$237,300), and Cordova (\$316,200). The likely explanation is the high rate of mobile home ownership. Valdez has a significantly higher percentage of homes valued less than \$50,000 than other nearby coastal communities (27% compared to 0-9%). Valdez also has a much lower percentage of high-value homes, with less than one percent of owner-occupied homes worth more than \$500,000, compared to 8-14% in Seward, Homer, and Cordova.

**Table 22. Value of Owner-Occupied Housing Units, Valdez, 2014-2018 Five-Year Estimates**

| Value                  | Count                      | % of Total |
|------------------------|----------------------------|------------|
| Less than \$50,000     | 286 (±118)                 | 27%        |
| \$50,000 to \$99,999   | 22 (±21)                   | 2%         |
| \$100,000 to \$149,999 | 93 (±64)                   | 9%         |
| \$150,000 to \$199,999 | 167 (±92)                  | 16%        |
| \$200,000 to \$299,999 | 235 (±132)                 | 22%        |
| \$300,000 to \$499,999 | 245 (±83)                  | 23%        |
| \$500,000 to \$999,999 | 0 (±9)                     | <1%        |
| \$1,000,000 or more    | 0 (±9)                     | <1%        |
| <b>Median Value</b>    | <b>\$189,700 (±26,058)</b> |            |
| <b>Total Units</b>     | <b>286 (±118)</b>          |            |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

**Table 23. Value of Owner-Occupied Housing Units in Selected Communities, 2014-2018 Five-Year Estimates**

| Value                  | Valdez                         | Seward                         | Homer                         | Cordova                        |
|------------------------|--------------------------------|--------------------------------|-------------------------------|--------------------------------|
| Less than \$50,000     | 27%                            | <1%                            | 3%                            | 9%                             |
| \$50,000 to \$99,999   | 2%                             | 4%                             | 2%                            | 1%                             |
| \$100,000 to \$149,999 | 9%                             | 13%                            | 3%                            | 7%                             |
| \$150,000 to \$199,999 | 16%                            | 16%                            | 15%                           | 4%                             |
| \$200,000 to \$299,999 | 22%                            | 35%                            | 38%                           | 22%                            |
| \$300,000 to \$499,999 | 23%                            | 24%                            | 32%                           | 43%                            |
| \$500,000 to \$999,999 | <1%                            | 8%                             | 7%                            | 14%                            |
| \$1,000,000 or more    | <1%                            | <1%                            | 1%                            | <1%                            |
| <b>Median Value</b>    | <b>\$189,700<br/>(±26,058)</b> | <b>\$235,000<br/>(±32,077)</b> | <b>\$273,300<br/>(±8,606)</b> | <b>\$316,200<br/>(±24,212)</b> |
| <b>Total Units</b>     | <b>1,048 (±166)</b>            | <b>412 (±102)</b>              | <b>1,418 (±88)</b>            | <b>700 (±132)</b>              |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

ACS data on home values are comparable to those obtained from Valdez's property tax rolls especially if one assumes that tax assessments are generally somewhat below market prices. The median assessed value for all tax parcels with buildings and located in residential zoning districts is \$171,500.

**Table 24. Number of Valdez Property Tax Parcels with Buildings and Accessed Values, by Residential Zoning District, 2019**

| Zoning District               | Number of Parcels with Buildings | Median Assessed Land and Building Value | Median Accessed Building Value | Average Accessed Land Value |
|-------------------------------|----------------------------------|---|--------------------------------|-----------------------------|
| Single Family Residential     | 538                              | \$188,250                               | \$155,100                      | \$34,119                    |
| Residential Mobile Home       | 185                              | \$54,700                                | \$32,200                       | \$24,452                    |
| Rural Residential             | 174                              | \$136,550                               | \$117,450                      | \$15,947                    |
| Multiple Family Residential   | 149                              | \$184,700                               | \$164,700                      | \$40,785                    |
| Commercial Residential        | 59                               | \$141,800                               | \$105,300                      | \$35,292                    |
| Single/Two Family Residential | 21                               | \$174,200                               | \$144,300                      | \$28,810                    |
| Semi-rural Residential        | 20                               | \$212,400                               | \$202,800                      | \$37,659                    |
| <b>Total Residential</b>      | <b>1,146</b>                     | <b>\$171,500</b>                        | <b>\$144,450</b>               | <b>\$30,070</b>             |

Source: City of Valdez.

Note: Raw land tax parcels (those with no accessed building value) are excluded from the data in this table.

## Housing Affordability

One in six (17%) Valdez households is estimated to be cost burdened, which is defined as spending more than 30% of household income on housing costs. This compares favorably to nearby coastal communities such as Seward (32% of households cost-burdened) and Homer (33%). Cordova is similar to Valdez with a 16% cost-burden rate. While housing costs are somewhat higher in Seward and Homer, higher incomes in Valdez and Cordova appear to be the main driver of a lower cost-burden rate in these communities.

**Table 25. Cost-Burdened Households, Selected Communities, 2014-2018 Five-Year Estimates**

|   | Valdez     | Seward     | Homer      | Cordova    |
|---|------------|------------|------------|------------|
| Median Monthly Housing Costs                  | \$999      | \$1,240    | \$1,114    | \$1,043    |
| Median Annual Household Income                | \$95,847   | \$76,410   | \$59,837   | \$85,970   |
| Estimated Number of Cost-Burdened Households  | 224        | 270        | 754        | 162        |
| <b>Percentage of Households Cost-Burdened</b> | <b>17%</b> | <b>32%</b> | <b>33%</b> | <b>16%</b> |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

## Household Characteristics

### Household Size

The average household size in Valdez for the 2014-2018 period was 2.83 people, including an average of 3.80 people in family households.

**Table 26. Household Size (Number of People), Selected Communities, 2014-2018 Five-Year Estimates**

|   | Valdez | Seward | Homer | Cordova |
|---|--------|--------|-------|---------|
| Average Household Size                      | 2.83   | 2.65   | 2.42  | 2.96    |
| Average Family Size                         | 3.80   | 3.37   | 2.98  | 3.38    |
| Households with at least one < 18 years old | 25%    | 32%    | 27%   | 27%     |
| Households with at least one > 60 years old | 35%    | 30%    | 44%   | 40%     |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

### Length of Tenure in Current Housing

Two thirds (66 percent) of households moved into the current housing unit between 2000 and 2014. The most common move-in period was 2010 to 2014, representing 41 percent of all households.

**Table 27. Year Household Moved into Unit, 2014-2018 Five-Year Estimates**

| Year of First Occupancy | Estimate   | % of Total |
|-------------------------|------------|------------|
| 2017 or later           | 40 (±37)   | 3%         |
| 2015-2016               | 98 (±47)   | 7%         |
| 2010-2014               | 537 (±152) | 41%        |
| 2000-2009               | 328 (±155) | 25%        |
| 1990-1999               | 123 (±86)  | 9%         |
| 1989 or earlier         | 196 (±108) | 15%        |

Source: U.S. Census, ACS 2014-2018 Five-Year Estimates.

# Household Telephone Survey

Results of a telephone survey of 210 randomly selected Valdez households are presented below. Based on this survey's sample size, the maximum margin of error associated with survey findings is  $\pm 6.6$  percent at the 90 percent confidence level. See the methodology section of this report for additional survey details.

Survey data was analyzed as a whole, as well as for various subgroups, including length of residency, rent/own, presence of children and seniors in the household, income level, and other subgroups. Only statistically significant differences between subgroups are reported.

Data in tables may not sum to 100% due to rounding.

## Current Housing Status

### Rent vs. Own

Three-quarters (74%) of survey respondents own their current home in Valdez, while 20% rent and 5% have another housing arrangement. These results are consistent with the latest ACS data, which indicates that renters make up 21% of occupied housing units.

#### *Subgroup analysis*

Similar proportions of those living in mobile homes and those living in single-family homes reported owning their home (85-86%). Most of those in other housing types reported renting (59%).

**Table 28. Do you rent or own your current home in Valdez?**

| n=210             | % of Total Weighted |
|-------------------|---------------------|
| Own               | 74                  |
| Rent              | 20                  |
| Other arrangement | 5                   |
| Refused           | 1                   |

### Years in Current Home

Almost half (46%) of survey respondents have lived in their current home for five years or less, while 16% have lived in their home for 6 to 10 years, 21% for 11 to 20 years, and 14% for over 20 years. The average length of residency for all households surveyed was 10.5 years.

#### *Subgroup analysis*

Those living in mobile homes had the highest average tenure in their current home (14.8 years), compared to 11.3 years for those in single family homes and 8.4 years for those in attached homes or multi-family situations. One in six (16%) mobile home households report living in their current housing for more than 30 years, compared to just 2-6% of other respondents.

**Table 29. How many years have you lived in your current home?**

| <b>n=210</b>    | <b>% of Total Weighted</b> |
|-----------------|----------------------------|
| 5 years or less | 46                         |
| 6-10            | 16                         |
| 11-20           | 21                         |
| 21-30           | 8                          |
| Over 30         | 6                          |
| Don't know      | 1                          |
| Refused         | 1                          |
| <b>Average</b>  | <b>10.5 years</b>          |

## Type of Housing

The largest proportion (65%) of respondents currently live in a stand-alone, single family home, with 12% living in a mobile home or trailer, 11% in an attached home such as a duplex or zero lot line, 10% in an apartment, 1% in a condominium, and 2% in another form of housing.

Based on other sources of data, it appears that the survey somewhat under sampled those in mobile homes. ACS and City of Valdez Population survey data both indicate that mobile homes make up 23% of occupied housing units, whereas 12% of the survey sample resided in this housing type.

### *Subgroup analysis*

Three-quarters (74%) of homeowners live in a stand-alone, single family home, versus 34% of those who rent. Over half of renters (58%) live in either an attached home or an apartment.

**Table 30. Which type of housing do you currently live in?**

| <b>n=210</b>                                       | <b>% of Total Weighted</b> |
|--|----------------------------|
| A stand-alone, single family home                  | 65                         |
| A mobile home or trailer                           | 12                         |
| An attached home such as a duplex or zero lot line | 11                         |
| An apartment                                       | 10                         |
| A condominium                                      | 1                          |
| Other  | 2                          |

## Age of Home

Among respondents who know the age of their home (28% do not), homes averaged 33 years old. Only 8% of homes were reported as ten years old or less.

### *Subgroup analysis*

More than half of mobile homes were reported to be over 40 years old (61%), compared to just 24% of single family homes in the survey sample.



**Table 31. How many years ago was your home built?**

| <b>n=210</b>     | <b>% of Total Weighted</b> |
|------------------|----------------------------|
| 10 years or less | 8                          |
| 11-20            | 11                         |
| 21-30            | 11                         |
| 31-40            | 17                         |
| 41-50            | 18                         |
| Over 50          | 7                          |
| Don't Know       | 28                         |
| <b>Average</b>   | <b>32.8 years</b>          |

## Size of Home

Housing size among respondents averages 1,783 square feet. The size of housing is fairly evenly spread out among respondents from 14% who live in 1,000 square feet or less, to 20% in 1,001 to 1,500 square feet, 16% in 1,501 to 2,000 square feet, and 17% in 2,001 to 3,000 square feet. Six percent live in housing larger than 3,000 square feet.

**Table 32. Approximately how many square feet is your current home?**

| <b>n=210</b>   | <b>% of Total Weighted</b>  |
|----------------|-----------------------------|
| 1,000 or less  | 14                          |
| 1,001-1,500    | 20                          |
| 1,501-2,000    | 16                          |
| 2,001-3,000    | 17                          |
| Over 3,000     | 6                           |
| Don't Know     | 25                          |
| Refused        | 3                           |
| <b>Average</b> | <b>1,783 ft<sup>2</sup></b> |

Homes contain an average of 3 bedrooms. One-third (33%) of homes have less than 3 bedrooms and 23% have more.

**Table 33. How many bedrooms are in your home?**

| <b>n=210</b>   | <b>% of Total Weighted</b> |
|----------------|----------------------------|
| 1              | 10                         |
| 2              | 23                         |
| 3              | 43                         |
| 4              | 14                         |
| 5+             | 9                          |
| Refused        | 1                          |
| <b>Average</b> | <b>3 bedrooms</b>          |

## Housing Costs

Monthly housing costs (rent or mortgage payments) are over \$1,000 for 40% of respondents, and \$1,000 or less for 17%. Thirty-one percent of respondents do not currently make housing payments. Over half (58%) of respondents 60 years of age or older are not making payments.

**Table 34. Approximately how much is your monthly rent or mortgage payment?**

| n=210                   | % of Total Weighted |
|-------------------------|---------------------|
| \$750 or less           | 8                   |
| \$ 751-\$1,000          | 9                   |
| \$1,001-\$1,250         | 10                  |
| \$1,251-\$1,500         | 15                  |
| Over \$1,500            | 15                  |
| Not making any payments | 31                  |
| Don't Know              | 4                   |
| Refused                 | 8                   |
| <b>Average</b>          | <b>\$1,298</b>      |

Among those answering questions on housing costs (8% refused this question), 19% report these payments represent more than 30% of their household's combined monthly income. This is similar to ACS data which puts cost-burdened households (those paying more than 30% of their incomes to housing costs) at 17%.

## Satisfaction with Housing

### Overall Satisfaction

Most respondents (85%) report satisfaction with their current housing, though respondents were more likely to be satisfied (52%) compared to very satisfied (33%). Only 13% were dissatisfied, including just 3% that were very dissatisfied.

#### *Subgroup analysis*

A larger proportion of those who have lived in Valdez over 10 years report net satisfaction, at 92%, compared to 74% of those with residency of 10 years or less. One-quarter (24%) of those who have lived in Valdez for 10 years or less report they are dissatisfied or very dissatisfied, as do 29% who do not own their home.

**Table 35. Overall, are you satisfied with your current housing?**

| n=210             | % of Total Weighted |
|-------------------|---------------------|
| NET Satisfied     | 85                  |
| Very satisfied    | 33                  |
| Satisfied         | 52                  |
| NET Dissatisfied  | 13                  |
| Dissatisfied      | 11                  |
| Very dissatisfied | 3                   |
| Don't know        | 2                   |

## Satisfaction with Specific Features

Respondents were asked about their level of satisfaction with an array of features in their current housing. At least half are satisfied (satisfied or very satisfied) with every feature in the list. The largest proportion (88%) report net satisfaction with parking, followed by indoor air quality (83%), and number of bedrooms (80%). The highest level of dissatisfaction was found for suitability for seniors to age in place (36% net dissatisfied) and energy efficiency (28% net dissatisfied).

### Subgroup analysis

A smaller majority of mobile home households were satisfied with state of repair and design qualities (58% and 56%, respectively) compared to single family home households (83% and 89%, respectively). Roughly three in ten mobile home households were dissatisfied with these two features of their housing, though relatively few reported being “very dissatisfied” (4% for both).

**Table 36. How satisfied are you with each of the following features of your current housing?**

| n=210                                   | % of Total Weighted |                |           |                  |              |                   |    |    |
|---|---------------------|----------------|-----------|------------------|--------------|-------------------|----|----|
|   | NET Satisfied       | Very Satisfied | Satisfied | NET Dissatisfied | Dissatisfied | Very Dissatisfied | NA | DK |
| Parking                                 | 88                  | 34             | 54        | 8                | 6            | 2                 | 4  | -  |
| Indoor air quality                      | 83                  | 23             | 59        | 14               | 12           | 2                 | 3  | -  |
| Number of bedrooms                      | 80                  | 30             | 50        | 11               | 10           | 2                 | 8  | 1  |
| Design qualities and attractiveness     | 79                  | 24             | 55        | 14               | 12           | 2                 | 4  | 3  |
| State of repair                         | 78                  | 23             | 55        | 14               | 11           | 3                 | 4  | 3  |
| Suitability for children                | 74                  | 29             | 45        | 12               | 8            | 4                 | 13 | 1  |
| Value for the price                     | 69                  | 28             | 41        | 22               | 16           | 6                 | 6  | 2  |
| Energy efficiency                       | 68                  | 19             | 49        | 28               | 24           | 4                 | 4  | -  |
| Suitability for seniors to age in place | 51                  | 11             | 41        | 36               | 25           | 11                | 10 | 3  |

Note: DK = Don't Know. Data may not sum to subtotals due to rounding.

## Presence of Various Housing Issues

Respondents were asked about whether various potential issues were present in their current housing. One-third (33%) experienced draftiness, 21% experienced plumbing issues, 16% mold, 12% structural issues, and 8% neighborhood crime. Less than half of households (46%) experienced none of the issues listed.

### Subgroup analysis

A larger proportion of renters than homeowners experience draftiness (48% of renters versus 28% of owners) and plumbing issues (37% versus 15% of owners). Mold and neighborhood crime were much more likely to be reported by mobile home households (29% and 33%, respectively) compared to those in other housing situations (less than 15% and less than 6%, respectively).

**Table 37. Which of the following, if any, do you experience in your current housing?**

| <b>n=210</b>       | <b>% of Total Weighted</b> |
|--------------------|----------------------------|
| Draftiness         | 33                         |
| Plumbing issues    | 21                         |
| Mold               | 16                         |
| Structural issues  | 12                         |
| Neighborhood crime | 8                          |
| None of the above  | 46                         |
| Don't know         | 1                          |

## Quality of Rental Options

Renters were asked their opinion on the quantity of good options available in the local rental market. Over three-quarters (77%) of renters said there were few good options in the Valdez rental market. Only 5% of renters think there are many good rental options.

### *Subgroup analysis*

All renters (100%) in mobile homes reported that there were few good options in the Valdez rental market, compared to 84% of single-family home renters and 72% of renters in other housing types (including apartment buildings, multi-plexes, and attached homes).

**Table 38. In general, do you think the Valdez rental market has many good options, some good options, or few good options?***(Base = Renters)*

| <b>n=41</b>       | <b>% of Total Weighted</b> |
|-------------------|----------------------------|
| Few good options  | 77                         |
| Some good options | 15                         |
| Many good options | 5                          |
| Don't know        | 3                          |

## Rating Housing Quality, Affordability, and Availability

While relatively few respondents were dissatisfied with their own housing, a clear majority of respondents rated various measures of Valdez's housing market poorly. More than three-quarters rated housing availability in the city as poor or very poor (83%), including 36% that rated availability as very poor.

Similar portions of households rated housing affordability as poor (81%), including 34% saying very poor.

More than a half (55%) of households surveyed Valdez's housing quality as poor or very poor.

### *Subgroup analysis*

Respondents who have lived in Valdez for 10 years or less are more likely to report availability of housing as very poor, at almost half (48%), and quality of housing as poor or very poor (67%). Slightly more than one-

quarter (28%) of respondents who have lived in Valdez longer than ten years rate housing availability as very poor and 47% rate quality of housing as poor or very poor.

Households living in attached or multi-family housing were much more likely to rate availability and quality of housing as very poor in Valdez. More than half (52%) of these respondents rated housing availability as very poor, compared to 30-34% of those living in single family homes or mobile homes. Similarly, a third (32%) of households in attached or multi-family housing rated housing quality in Valdez as very poor, compared to just 8-9% of other households.

**Table 39. For each of the following aspects of housing in Valdez, please tell me whether you think it is very good, good, poor, or very poor?**

| n=210                    | % of Total Weighted |           |      |          |      |           |    |
|--------------------------|---------------------|-----------|------|----------|------|-----------|----|
|                          | NET Good            | Very Good | Good | NET Poor | Poor | Very Poor | DK |
| Quality of housing       | 40                  | 5         | 35   | 55       | 41   | 14        | 5  |
| Affordability of housing | 15                  | 2         | 12   | 81       | 47   | 34        | 4  |
| Availability of housing  | 12                  | 3         | 9    | 83       | 47   | 36        | 5  |

Note: Data may not sum to subtotals due to rounding.

## Future Housing Plans

### Looking for New Housing

Respondents were asked whether they were currently looking for different housing in Valdez. Less than a quarter (17%) say yes, though an additional 16% expect to look for new housing in Valdez within the next five years.

#### *Subgroup analysis*

More than a third of renters (35%) are currently looking for new housing, compared to 10% of homeowners.

**Table 40. Are you looking for different housing in Valdez?**

| n=210                                    | % of Total Weighted |
|--|---------------------|
| No                                       | 61                  |
| No, but expect to in the next five years | 16                  |
| Yes                                      | 17                  |
| Don't know                               | 6                   |

### Reasons Looking for New Housing

Among those looking or expecting to look for new housing, the most cited reasons were the need for more space (36%) and a desire to own their housing (24%). The next most common responses were downsizing (5%) and aging/need or more care (5%). Other reasons were each cited by fewer than 5% of respondents.

**Table 41. What is the main reason you are looking, or expect to look, for new housing?***(Base = Those looking or expecting to look for housing within the next five years)*

| n=69                       | % of Total Weighted |
|----------------------------|---------------------|
| Need more space            | 36                  |
| Want to own                | 24                  |
| Downsizing                 | 5                   |
| Aging/need more care       | 5                   |
| Building a home            | 4                   |
| Parking (boat, car, other) | 3                   |
| High cost of rent          | 3                   |
| Family/roommate issues     | 3                   |
| Location                   | 2                   |
| Building quality           | 2                   |
| Other                      | 11                  |
| Refused                    | 3                   |

## Desired Future Housing

Three-quarters (77%) of respondents looking for, or expecting to look for, new housing expect to look for a stand-alone, single family house. The next most type of housing reported was apartment (8%) and zero lot line (4%). Despite mobile homes making up a large portion of the local housing stock, only 1% of those looking for new housing expect to look for a mobile home.

**Table 42. Which type of housing are you looking for or expecting to look for?***(Base = Those looking or expecting to look for housing within the next five years)*

| n=69   | % of Total Weighted |
|--|---------------------|
| Stand-alone, single family house             | 77                  |
| Apartment                                    | 8                   |
| Attached home (i.e. duplex or zero lot line) | 4                   |
| Condominium                                  | 2                   |
| Mobile home or trailer                       | 1                   |
| Other  | 2                   |
| Don't know                                   | 3                   |
| Refused                                      | 3                   |

More than two-thirds of those looking for new housing (69%) expect to buy their housing, while 22% expect to rent and 9% don't know.

**Table 43. Are you more likely to rent or buy?***(Base = Those looking or expecting to look for housing within the next five years)*

| n=69       | % of Total Weighted |
|------------|---------------------|
| Buy        | 69                  |
| Rent       | 22                  |
| Don't know | 9                   |

## Likelihood to Move from Valdez

Almost one-third of respondents (31%) report they are somewhat or very likely to move from Valdez within the next five years, while 67% are not likely.

**Table 44. How likely are you to move from Valdez within the next five years?**

| n=210           | % of Total Weighted |
|-----------------|---------------------|
| Very likely     | 17                  |
| Somewhat likely | 14                  |
| Not likely      | 67                  |
| Don't know      | 2                   |

## Inability to Move to Valdez

Nearly a third (30%) of Valdez residents surveyed reported having family, friends, or work colleagues who would like to move to Valdez but cannot due to lack of housing.

**Table 45. Do you have any family members, friends, or work colleagues that would like to move to Valdez but cannot because of lack of housing?**

| n=210      | % of Total Weighted |
|------------|---------------------|
| No         | 69                  |
| Yes        | 30                  |
| Don't know | 1                   |

## Senior Housing

Nearly a quarter (23%) of households include at least one member over 65 years of age.

**Table 46. How many seniors (65+ years) live in your household?**

| n=210   | % of Total Weighted |
|---------|---------------------|
| 0       | 76                  |
| 1       | 16                  |
| 2       | 7                   |
| Refused | 1                   |

Seventeen percent of households with seniors report that at least one member of the household is somewhat or very likely to move to an assisted living or nursing home facility in the next five years, while 75% say this is unlikely.

**Table 47. How likely is it anyone age 65 or older in your household will need to move to an assisted living or nursing home facility in the next five years?**

*(Base = Households with at least one senior)*

| <b>n=48</b>     | <b>% of Total Weighted</b> |
|-----------------|----------------------------|
| Very likely     | 6                          |
| Somewhat likely | 11                         |
| Not likely      | 75                         |
| Don't know      | 8                          |

## City Housing Efforts

Most respondents, 85%, are supportive or very supportive of the City of Valdez taking steps to address housing issues in the community, with only 9% not supportive.

### *Subgroup analysis*

Across a variety of subgroups, respondents had similar opinions on support for city housing efforts.

**Table 48. How supportive are you of the City of Valdez taking steps to address housing issues in the community?**

| <b>n=210</b>    | <b>% of Total Weighted</b> |
|-----------------|----------------------------|
| Very supportive | 60                         |
| Supportive      | 25                         |
| Not supportive  | 9                          |
| Don't know      | 6                          |

## Support for Specific Possible City Housing Efforts

Respondents were also asked about their level of support for several specific steps the City of Valdez could consider regarding housing. The inclusion of these questions does not necessarily imply that the city is considering these options.

The city housing efforts that garnered the most support were “releasing more city lands for housing development” and “exploring partnership to develop housing for seniors.” Both of these efforts enjoyed wide support with 58-59% reporting being very supportive and an additional 27-32% supportive. Only 5% of respondents were not supportive of senior housing partnerships, while 9% were not supportive of releasing more city lands.

All other housing steps considered in the survey garnered at least 60% support (very supportive and supportive combined), including providing tax breaks to developers to lower the cost of new housing (80% supportive), increasing development of tiny houses (74%), zoning changes to increase housing density (60%), and City-led housing development (60%).

Opposition to potential City housing efforts was greatest for zoning changes to increase housing density and city-led housing development. Nearly a third (30%) of respondents were not supportive of these potential steps by the City of Valdez.



**Table 49. How supportive are you of the City of Valdez taking the following steps regarding housing?**

| n=210   | % of Total Weighted |            |                |            |
|---|---------------------|------------|----------------|------------|
|   | Very Supportive     | Supportive | Not Supportive | Don't Know |
| Releasing more city lands for housing developments        | 59                  | 27         | 9              | 5          |
| Explore partnerships to develop housing for seniors       | 58                  | 32         | 5              | 5          |
| Tax breaks to developers to lower the cost of new housing | 44                  | 36         | 15             | 6          |
| Support increased development of tiny houses              | 40                  | 34         | 19             | 6          |
| Zoning changes to increase housing density                | 32                  | 28         | 30             | 10         |
| City-led housing development                              | 27                  | 33         | 30             | 10         |

## Comments about City Housing Efforts

Respondents were asked if they had any other comments regarding housing efforts by the City of Valdez. A full list of responses is provided in Appendix B.

## Demographics

Survey respondent demographics are included in Appendix C.

# Key Informant Interviews

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A series of interviews was conducted to gather insights regarding housing conditions, barriers to housing development, housing priorities, and other topics. Interviews were conducted with a broad range of Valdez business owners and housing market stakeholders. A total of 22 people were interviewed for this study.

The majority of interviews were conducted using a standard interview protocol. Some interviewees were asked industry-specific and other questions. See Appendices D and E for the Interview Protocol and list of those interviewed.

Following is a summary of key themes identified from the interviews and selected paraphrased comments.

## Housing Demand and Gaps

### Rental Market

Nearly all interviewees reported that the rental housing market in Valdez is very tight. This shortage is particularly acute in the summer and in the downtown area. People that move to Valdez for work typically have to rent a hotel room or a room in someone's house for a month or significantly longer while trying to find more permanent housing. Resourceful, organized renters with good rental histories and incomes can typically find a place eventually, but others struggle to find rental housing, and some end up leaving town as a result.

*A lot of folks rent out rooms in their houses. These help address some of the need for low-cost rentals, but they are typically not a top choice for most renters.*

*Many landlords do really well specializing in renting to people working across the bay – that's a different market than rentals for families.*

*Renters want to be located in town. Many renters don't have reliable access to transportation.*

*There would be a serious shortage of rentals if Aleutian trailer park shuts down.*

*Moving to Valdez is a nightmare for the first while.*

*Pet friendly units frequently in demand but very hard to find.*

*Rental stock was built up in late 60s to late 70s. It's showing some age and not many great options.*

*Some landlords have had to become more selective to make sure renters pay their rent.*

*There are 55 AHFC low-income rental assistance vouchers assigned to Valdez right now, with all in use and a waiting list for them of about 30 people. There is demand by people that qualify for another 15-20 vouchers or so, but it probably wouldn't be possible to find units for all those renters.*

## Home Ownership Market

Interviewees identified gaps in both the starter home market (less than \$300,000) and the “step up” home market (typically in the \$300-\$375,000 range). There was little discussion of gaps related to higher-end homes, and a perception that despite somewhat limited options the higher end home market is healthy.

*Limited choice is somewhat to be expected in a small town.*

*Home values have increased considerably in recent years.*

*Homes typically sell via word of mouth before officially going on the market.*

*It's all of the above. We need more of everything. The only thing we don't need more of is mobile or modular homes.*

*The few vacant lots out there typically aren't for sale. People are waiting to build on them later when they retire.*

*City was basically rebuilt after 1964, so there isn't that really old stock. That would typically be the lower end of the market.*

*If more houses were on the market they would sell but it's fickle since everyone wants something different.*

*Some houses are less expensive to purchase but extremely inefficient and expensive to operate.*

*Overall housing is fairly affordable when you look at incomes.*

*Ok quality considering. Some say poor quality. Biggest issue is with mobile homes that probably should be condemned.*

*What is a reasonable expectation for affordable housing? People need to lower expectations for what they are going to get for any given price range.*

## Housing Construction

The most frequently cited barriers to affordable housing are the cost of construction and a lack of available land. Those interviewed frequently mentioned the cost of concrete as particularly high. Other causes of high construction costs mentioned by multiple people included transportation costs; engineering and building code requirements related to seismic and snow load considerations; a labor shortage; high land costs; and costs associated with putting in utilities such as sewer and water when not provided by the city.

For many years there has been only one professional builder focused on Valdez's residential market at any one time. Reasons given for this include the high cost of building – which makes it more difficult to make a profit – and low volume compared to other areas such as the Mat-Su. Several interviewees noted that the current active builder has an excellent reputation for quality construction, and is selling single family homes for prices that are as affordable as possible in the community (especially when taking into account the lower cost to operate a

more efficient home). In addition to the one residential-focused builder, there is at least one commercial builder occasionally building residences as well as several individuals building one-off homes.

*Cost to construct is super high. Hard to get something you want unless you do it yourself.*

*Have to have your act together to build affordable housing here.*

*Local builder is doing really good work and building quality homes at the lowest price possible. It is still too expensive or not big enough for some folks, but that isn't a fault of the builder.*

*Building multi-family units requires more upfront investment and seems riskier. And then someone has to operate the rentals.*

*Owner/builder stuff is as common as professional home building because that is the only way folks can get something they want for a reasonable price.*

*Desirable land just not very available.*

## Senior Housing

While it typically is not listed as the top housing gap, there is universal recognition that more senior housing is needed in Valdez. The Valdez Senior Center is seen as an important community resource with a large waiting list that reflects unmet demand. Officials with the Valdez Senior Center estimate there is enough demand to keep another 10-12 apartments full (in addition to the existing 15 units).

While the Valdez Senior Center has staff that can help with some Activities of Daily Living (ADLs), the center is not an assisted living facility. It is recognized that there is a need for an assisted living facility but also a need to be creative to make it work in a small town.

Multiple interviewees noted that providing options for seniors that want to move would free up single family housing for families and others. Multiple people indicated that there is developable land near the Senior Center and an expansion has been under discussion for some time.

*There is a huge gap in senior housing. We have folks contact us that probably shouldn't be living by themselves.*

*I would like to see options that allow people to age here. Affordability is probably the biggest issue for many seniors, rather than a need for an assisted living facility.*

*Is there a need for senior housing? Yes, but less so than family housing.*

*Private parties have come in and tried to set up an assisted living facility but when city didn't give them land free and other help they backed away.*

## Housing Gaps and Local Economy

When asked about the impact of housing gaps on the local economy, the most common issue discussed was employee retention. The workers most impacted are those in lower wage sectors such as the service industry. The town's major employers in other sectors – such as the seafood processors, Coast Guard, Edison Chouest, and others – generally have built bunkhouses or crew houses and report few issues resulting from any housing gaps in Valdez. Other higher wage employees, such as the those working at the Valdez Marine Terminal, typically have more housing options due to higher incomes, better credit and rental histories, and other factors.

One interviewee noted that Valdez's housing shortage has led to a depressed population, and argued that improved housing affordability and availability has the potential to lead to population growth.

*Many employers have had to buy crew houses to make it work. Without that workers would not be able to afford to move to town for these jobs.*

*Workforce housing is the biggest housing issue in town. Need affordable rental units for folks that currently work in the service industries.*

*A lot of people work for a summer and fall in love with the place. They try to stay year-round but often can't find desirable housing and just give up and leave.*

*Can you have a housing crisis with a declining population?*

*We have definitely lost good people due to housing issues.*

*Certain jobs don't pay enough to cover the cost of housing comfortably. Employers have to look for other ways to meet their needs, like more outsourcing/contracting rather than as many in-house hires.*

*Housing for seasonals is pretty tough. Plays into the longevity of working in these jobs.*

## City Role in Housing Efforts

Every interview included discussion of the role of the City of Valdez in addressing any housing gaps present in the community. A widespread sentiment is present that the city should make more of its land available for housing development. Land availability is seen as a key limitation, especially in the downtown area, and a low hanging fruit for the city. Specific parcels frequently discussed included the Woodside parcel, an extension of the Cottonwood subdivision, as well as other areas.

Though typically not mentioned as the top priority, there was near unanimous support for more city efforts related to senior housing. Reasons mentioned include existing city involvement through support for the Valdez Senior Center; availability of city land near the senior center for expansion; and the observation that senior housing is an area on which the private sector is less focused.

There was less agreement on other potential actions the city could take. Several interviewees would like to see a review of potential improvements to zoning, building codes, and other housing regulations, but are also realistic any changes may not fundamentally change housing dynamics in the community.

Several respondents indicated strong opposition to the city getting too involved in housing development beyond land sales, citing concerns regarding competition with the private sector.

*City should open up more opportunities via land sales.*

*Not a single approach but a multi-pronged approach needed from city.*

*Even if they open up land stuff not going to necessary fly off the shelves.*

*Corbin creek subdivision went well all in all. Not as affordable as ideal but it filled up and added some good options for some people.*

*Why hasn't additional road or two been added to cottonwood subdivision? Good question.*

*No builder can afford to build on a 40-acre parcel. Chunk things up so it's feasible to develop.*

*If someone brought a proposal, they should entertain variances and exceptions. It's my sense that's generally the case.*

*Probably makes sense to loosen some of the rules, such as in the single family zoning district.*

*Not just about building new housing but also helping folks afford what is available.*

*There has been a history of frustration with the city planning department. It seems better now but it's been so inconsistent over the last 20 years.*

*We've always been short on multi-family. Partly a zoning issue for sure. Just very little multi-family zoning out there.*

*Blast city budget at housing. Multi-plex apartment style duplexes – not top of the line but affordable – is what the city needs. Everywhere.*

*Not the city's job to open businesses or sell homes. City should just sell land.*

*Corbin Creek was a real good idea and it filled up nicely. The city could do something like that again. I really do think it will take something like that.*

*City permitting process can be challenging due to strict requirements.*

*Turnover in city leadership doesn't help with developing the partnerships needed.*

*Utility expansion is more important than zoning.*

*Whenever you get a permit have to go through zoning and that's where you have trouble.*

*The city has a fair amount of money so that is nice but the question is how to get involved without competing with private sector.*

*Have we over engineered our homes? Would be something to look at.*

# Housing Gap Analysis

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This section summarizes the various sources of information collected on Valdez's housing situation with the goal of clarifying the housing gaps present in the community.

The following gaps, and related general observations, are evident:

- Expansion of Valdez's housing inventory would be beneficial, especially in multi-family housing but also in single family housing and senior housing.
- Housing availability and affordability are bigger issues than housing quality.
- High median wages in the community contribute to disparities in housing affordability. Most of the private housing development has focused on single family homes for moderate to higher income residents. This leaves the biggest gap for lower income residents and new residents looking for rentals.
- Housing gaps are likely somewhat of a barrier to economic and population growth in the community.
- There is a very high level of dissatisfaction with Valdez's housing situation in the community and equally high levels of support for city action on the topic. These are strong signs of the presence of housing gaps in the community. See following section of this report for a discussion of implications of housing gaps for the City of Valdez.

## Rental and Multi-Family Housing

A variety of observations point to rental housing as a top housing gap in Valdez.

Based on survey results, a very high proportion of renters consider there to be few good options in the local rental market. All renters in mobile homes reported that there were few good options as well as 84% of single-family home renters and 72% of renters in attached homes and multi-family complexes.

Valdez has experienced a decline in the number of occupied housing units over the last decade. This decline has been steepest for renter-occupied units. A possible explanation is conversion of housing, especially rentals, into crew houses, vacation rentals, and second homes. Data purchased from airdna.co indicates that 33 whole houses were available for rent on AirBnB or VRBO in Summer 2019, up from a peak of 10 in summer 2017.

The percentage of households renting is lower in Valdez than other nearby coastal communities – with 21% renting compared to 30-51% in Homer, Seward, and Cordova. This is especially notable when taking into account that a significant number of Valdez rentals are higher end homes (21% of Valdez renter households paid more than \$2,000 a month compared to just 4-9% in the other communities).

Recent new housing starts have been almost exclusively focused on single family housing units, with only two multi-family units constructed since 2008.

Multi-family housing makes up a much larger portion of the housing stock in other similar communities such as Homer and Seward. This is particularly true for 5-9 unit complexes, which are also promising from an affordability standpoint.

Estimating the number of additional rental housing units needed is hampered by a lack of data on rental vacancy rates in the community. By most accounts rental vacancies are nearly always immediately filled through a waiting list or word of mouth. Furthermore, an unknown number of mobile home owners, seasonal residents, and others would rather rent an apartment than other options currently utilized.

## Single Family Housing

Single family housing, not including mobile homes or trailers, is the most desirable housing type for most Valdez residents. Various sources of information indicate that there is unmet demand for single family housing in Valdez.

A gap between active residential-focused professional builders contributed to a decline in new single-family home construction seen between 2012 and 2016. A spike in home construction in 2017 was associated mostly with crew housing constructed for Edison Chouest employees. Other than those exceptions, Valdez has typically seen construction of about 10 single family homes annually, nearly all presold or owner built.

Similar to rental housing, Valdez's owner-occupied housing stock appears to be declining, likely due in part to an increase in vacation rentals, crew houses, and second homes.

More than a third of renters (35%) are currently looking for new housing, compared to 10% of homeowners. Of those looking, three-quarters (77%) would prefer a stand-alone, single family house. Among those looking or expecting to look for new housing, the most cited reasons were the need for more space (35%) and a desire to own their housing (24%).

## Senior Housing

Nearly a quarter (23%) of households include at least one member over 65 years of age. Of these, 6% (or 1.3% of all Valdez households) indicated that someone in their household is very likely to need to move to an assisted living or nursing home facility in the next five years. These percentages can be translated into at least 20 residents very likely to need assisted living housing in the next five years. An additional 40 residents are somewhat likely to need to move to this type of housing in the next five years.

More than a third of households are dissatisfied with their current housing's suitability for seniors to age in place. That includes 11% that are very dissatisfied with the feature of their current housing.

Fewer households with seniors are cost-burdened than households without seniors (16% compared to 30%, respectively). This could be partly due to the fact that half of Valdez homeowners do not have a mortgage on their home, as well as the fact that the city exempts seniors from local property taxes (up to \$150,000 in home value).



Officials with the Valdez Senior Center estimate there is enough demand to keep another 10-12 apartments full, nearly double what is currently available.

## **Affordable Housing**

Due primarily to higher incomes, Valdez is better situated than many communities when it comes to customary measures of housing affordability. One in six (17%) Valdez households is estimated to be cost burdened, which is defined as spending more than 30% of household income on housing costs. This compares favorably to Cordova (32% of households cost-burdened) and Homer (32%).

While rents are slightly higher on average, homeowner costs in Valdez are similar to those in Homer and Seward and lower than those in Cordova.

Data from the household survey paints a more mixed picture. Roughly half of residents rate Valdez's housing affordability as poor and another third rate it as very poor. On the other hand, two-thirds of households say they are satisfied with the value for the price of their current housing. Possible explanations for these contradictions include the fact that those unable to find a reasonable housing situation often leave the community; a satisfaction with current housing but memory of a very difficult time upon moving to the town; and the high impediments associated with changing housing.

## **Mobile Homes Residents**

Interviewees frequently discussed Valdez's unusually large number of mobile homes and the deteriorating quality of this housing stock. More than half (61%) of mobile homes were reported to be over 40 years old and three in ten mobile home households report problems with mold.

While there is clearly a mix of situations facing mobile home residents, a significant portion of these residents appear to be stuck in this type of housing. Despite mobile homes making up nearly a quarter of the local housing stock, only 1% of those looking for new housing expect to look for a mobile home. Of current mobile home residents, 42% are looking for different housing or expect to in the next five years. Most of them are looking to buy single-family homes but the mean combined household income for those in mobile homes is nearly half the overall average at just \$50,000.

## **Economic Impact of Housing Gaps**

Reasonably priced and available housing are underpinnings of economic and community well-being. Many indicators suggest the local housing inventory is not meeting this basic need effectively. The findings in this study point most clearly to a negative impact on population growth in recent years.

The vast majority of residents in Valdez rate the town's housing availability and affordability as poor or very poor (more than 81% for both). This is especially true for those living in the community for 10 years or less. Interviews highlighted the "nightmare" many faced when moving to town, piecing together various substandard rentals and other options for months or years before finding functional long-term housing.

Almost one-third of respondents (31%) report they are somewhat or very likely to move from Valdez within the next five years. In addition, nearly a third (30%) of Valdez residents surveyed reported having family, friends, or work colleagues who would like to move to Valdez but cannot due to lack of housing.

Interviews with employers suggest a mix of responses to Valdez's housing limitations have produced workable results for many employers but are a hurdle for others. Lower wage workers and their employers are the most impacted, but there is a sense that the overall impact of housing challenges is a smaller workforce and more turnover than would otherwise be present.

## **Divergent Population and Employment Trends**

Population decline concurrent with employment growth is an atypical trend that may have implications in the housing market, including growing need to house non-resident workers. Increasing housing inventory should increase Valdez's ability to spread the benefits of employment and wage growth more widely in the community.

Available employment data do not allow a detailed analysis of the sectors driving employment growth. Many of the new jobs are in the Trade, Transportation, and Utilities sector, which include tourism employers as well as pipeline and oil/gas employers. Both seasonal workers and shift workers can be employed in Valdez while maintaining a primary place of residency in another community. Each individual's or family's residency choice is influenced by a variety of factors. The availability, affordability, and quality of housing options is certainly a major component of these decisions.

The economic trends discussed above support prioritizing rental housing and other affordable housing options. These housing units will most directly benefit lower-wage employees, such as those with seasonal and/or service sector employment. It will also benefit new residents in need of temporary housing as they look for permanent housing.

Addressing housing gaps will support local employers through increased employee retention, increased local hiring versus contracting, and increased demand for goods and services through stemming population declines and perhaps leading to population growth.

# Implications for City of Valdez

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A broad range of economic and demographic forces shape a community's housing market. Some of those forces may be external, and therefore beyond influence by the community. Other forces may be internal and somewhat controllable through public policy. This section attempts to translate the findings of this study into considerations relevant to housing efforts by the City of Valdez and community discussions more broadly. More information collection is recommended before any specific programs or policies are pursued.

## **Strong Support for City Housing Efforts**

A strong majority of Valdez residents (85%) are supportive or very supportive of the City of Valdez taking steps to address housing issues in the community. This support was consistent across nearly all subgroups analyzed including type of and satisfaction with current housing, income level, ethnicity, household size, and many others.

Majority support was also found for all specific potential housing efforts mentioned in the survey, with the most support for "releasing more city lands for housing development" and "exploring partnerships to develop housing for seniors." Both of these efforts enjoyed wide support with 58-59% reporting being very supportive and an additional 27-32% supportive.

The City should interpret these survey results as a mandate to work diligently to find solutions to the community's housing needs.

## **Increase City Land Sales and Utility/Road Extensions**

A widespread sentiment is present that the city should make more of its land available for housing development. Land availability is seen as a key limitation, especially in the downtown area, and something the city is uniquely positioned to address. Specific parcels frequently discussed included the Woodside parcel, an extension of the Cottonwood subdivision, and other areas. The city-led Corbin Creek subdivision is generally considered a success and other similar out of town projects should be considered as well.

Utility extensions and road development are additional ways the city can support housing projects in the community, including both public and private developments. Given the already high costs of construction, connecting to city sewer and city water can help drive down housing costs and encourage new housing construction. Potential improvements to how utility and road extensions are evaluated are beyond the scope of this study.

## **Multi-Family Housing Support**

Valdez has seen very little development of multi-family units over the last decade. Limitations include high construction costs and the small area of land available and zoned for multi-family housing, especially in the downtown area. Another key issue identified is the fact that other simpler and/or more promising business opportunities are available for local and regional builders. Given these issues, it may be necessary to more aggressively support these types of developments for them to succeed.

## **Consider Zoning and Building Code Updates**

While this study does not address potential zoning changes in detail, several ideas were discussed in the stakeholder interviews that appear to warrant further consideration. These include relaxation of housing restrictions, in the single-family and other residential zoning districts, to allow certain types of short- and long-term rentals. Such rentals are common in practice but not technically legal. Other housing restrictions, such as those in the light industrial zoning district, should be reviewed in light of the importance of housing development in the community. Finally, the city should continue to work with potential developers and help them obtain variances and exceptions, when needed and appropriate.

Local building codes and related regulations are widely recognized as important and valid. Several interviews also indicated that these could benefit from regular review to ensure that they are not unnecessarily restrictive.

## **Consider Property Tax Credits for Affordable Housing Developments**

Lots in residential zoning districts represent just 6.3% of the total taxable value in the city's property tax base. Any additional housing development are likely to have only a modest impact on tax collections. A corollary finding is that housing tax credits could likely be offered to housing developers with limited impact on city finances. Interviews frequently spoke to cash flow and other financing challenges associated with housing developments by Valdez's predominantly local commercial and residential builders. In addition, at least one interviewee was very enthusiastic about the potential for housing tax credits to help builders accomplish affordable housing developments.

## **Senior Housing Feasibility Worth Further Study**

There is widespread support for increasing senior housing units in Valdez and city involvement in these efforts. The city could consider supporting this effort through funding a feasibility study reviewing potential partnership structures, demand estimates, preliminary capital costs associated with different development options, and available financing methods to maximize use of federal and other resources.

## **Improved Communication with Local Businesses**

The city has progress to make on maintaining productive two-way conversations with local housing stakeholders, multiple interviews indicated. There are significant misunderstandings present and a perception that some in the city are not in regular communication with local business leaders. Increased consensus could be expected from improved outreach and communication.

## **Contribute to an Improved Understanding of the Local Housing Market**

Efforts currently underway by the city to digitize information on property tax roll cards and bring these records online is a relatively simple but valuable way to help potential builders and others better understand the local housing market.

Similarly, housing information collected via the city's Household Population Survey could be summarized and reported out to the community for relatively low cost. More broadly, regular publishing of "indicator" reports

are sometimes completed by local Chambers of Commerce, municipalities, or economic development organizations and help businesses and others understand and evaluate potential opportunities.

## Appendix A: Household Survey Instrument

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# Valdez Housing Household Survey

PHONE # \_\_\_\_\_

Cell/Landline

INTERVIEWER NAME \_\_\_\_\_

DATE \_\_\_\_\_

Hi, this is \_\_\_\_\_ with the McDowell Group, an Alaska research firm. We're conducting a study for the City of Valdez to better understand housing needs in the community. I'd like to ask you a few questions.

1. In what year were you born? 19\_\_\_\_\_ (If 2002 or after, request someone over 18. If none available, thank and end survey)  
01 ☐ Refused (Thank and end survey)
2. Do you live in Valdez at least six months of the year? 01 ☐ Yes    02 ☐ No
3. How many years have you lived in Valdez? #\_\_\_\_\_ years 01 ☐ Less than 1 year    02 ☐ DK/Ref
4. Including yourself, how many people live in your household for at least six months out of the year?  
#\_\_\_\_\_ 01 ☐ Don't know    02 ☐ Refused

## Current Housing Status

5. Do you rent or own your current home in Valdez?  
01 ☐ Rent    05 ☐ Don't know (Skip to Q6)  
02 ☐ Own (Skip to Q6)    06 ☐ Refused (Skip to Q6)  
03 ☐ Other arrangement \_\_\_\_\_ (Skip to Q6)
- 5a. In general, do you think the Valdez rental market has many good options, some good options, or few good options?  
1 ☐ Many good options    4 ☐ Don't know  
2 ☐ Some good options    5 ☐ Refused  
3 ☐ Few good options
6. How many years have you lived in your current home? #\_\_\_\_\_ years  
01 ☐ Less than 1 year    02 ☐ Don't know    03 ☐ Refused
7. Of the following, which type of housing do you currently live in? (Read 1-5; check only one)  
01 ☐ A stand-alone, single family house  
02 ☐ An attached home such as a duplex or zero lot line  
03 ☐ A condominium  
04 ☐ An apartment  
05 ☐ A mobile home or trailer  
06 ☐ Other \_\_\_\_\_ 07 ☐ Don't know    08 ☐ Refused
8. Approximately how many square feet is your current home? \_\_\_\_\_ sq. ft  
01 ☐ Don't know    02 ☐ Refused
9. Do you know what year was your home was built? \_\_\_\_\_ 01 ☐ Don't know (best guess is fine)    02 ☐ Refused
10. How many bedrooms are in your home? #\_\_\_\_\_ 01 ☐ Don't know    02 ☐ Refused
11. Approximately how much is your monthly rent or mortgage payment? \$ \_\_\_\_\_  
01 ☐ Not making payments (Skip to Q13)    02 ☐ Don't know    03 ☐ Refused
12. Does your monthly rent or mortgage payment represent more than 30% of your household's combined monthly income?  
01 ☐ Yes → 12a. Is it more than 50%? 01 ☐ Yes    02 ☐ No    03 ☐ Don't Know/Refused  
02 ☐ No  
03 ☐ Don't Know  
04 ☐ Refused

## Current Housing Preferences

13. Overall, are you very satisfied, satisfied, dissatisfied, or very dissatisfied with your current housing?  
01 ☐ Very satisfied    03 ☐ Dissatisfied    05 ☐ Don't know  
02 ☐ Satisfied    04 ☐ Very dissatisfied    06 ☐ Refused

14. For each of the following features of your current housing, are you very satisfied, satisfied, dissatisfied, very dissatisfied, or is it not applicable.

| [ROTATE]                                   | 1<br>Very<br>satisfied | 2<br>Satisfied | 3<br>Dissatisfied | 4<br>Very<br>dissatisfied | 5<br>DK | 6<br>Ref | 7<br>NA |
|--|------------------------|----------------|-------------------|---------------------------|---------|----------|---------|
| a. Number of bedrooms                      | 01                     | 02             | 03                | 04                        | 05      | 06       | 07      |
| b. Energy efficiency                       | 01                     | 02             | 03                | 04                        | 05      | 06       | 07      |
| c. Indoor air quality                      | 01                     | 02             | 03                | 04                        | 05      | 06       | 07      |
| d. Parking                                 | 01                     | 02             | 03                | 04                        | 05      | 06       | 07      |
| e. State of repair                         | 01                     | 02             | 03                | 04                        | 05      | 06       | 07      |
| f. Design qualities and attractiveness     | 01                     | 02             | 03                | 04                        | 05      | 06       | 07      |
| g. Suitability for children                | 01                     | 02             | 03                | 04                        | 05      | 06       | 07      |
| h. Suitability for seniors to age in place | 01                     | 02             | 03                | 04                        | 05      | 06       | 07      |
| i. Value for the price                     | 01                     | 02             | 03                | 04                        | 05      | 06       | 07      |

15. Which of the following, if any, do you experience in your current housing? (Read list 1-5, check all that apply)

- 01 ☐ Plumbing issues

02 ☐ Mold

03 ☐ Draftiness

04 ☐ Structural issues

05 ☐ Neighborhood crime

06 ☐ None of the above

07 ☐ Don't know

08 ☐ Refused

16. For each of the following aspects of housing in Valdez, please tell me whether you think it is very good, good, poor, or very poor.

| [ROTATE]                    | 1<br>Very good | 2<br>Good | 3<br>Poor | 4<br>Very poor | 5<br>DK | 6<br>Ref | 7<br>NA |
|-----------------------------|----------------|-----------|-----------|----------------|---------|----------|---------|
| a. Availability of housing  | 01             | 02        | 03        | 04             | 05      | 06       | 07      |
| b. Quality of housing       | 01             | 02        | 03        | 04             | 05      | 06       | 07      |
| c. Affordability of housing | 01             | 02        | 03        | 04             | 05      | 06       | 07      |

Future Housing Plans

[Read] Next, I have some questions about your future housing plans.

17. Are you currently looking for different housing in Valdez?

- 01 ☐ Yes (skip to Q19)

02 ☐ No

03 ☐ Don't know

04 ☐ Refused

18. Do you expect to look for different housing in Valdez within the next five years?

- 01 ☐ Yes

02 ☐ No (skip to Q22)

03 ☐ Don't know (skip to Q22)

04 ☐ Refused (skip to Q22)

19. What is the main reason you are looking, or expect to look, for new housing? (Do not read, check only one)

- 01 ☐ Location

02 ☐ Need more space

03 ☐ Parking (boat, car, other)

04 ☐ Building quality

05 ☐ Want to own

06 ☐ Family/roommate issues

07 ☐ Aging/need more care

08 ☐ Other \_\_\_\_\_

09 ☐ Don't know

10 ☐ Refused

20. Of the following, which types of housing are you looking for, or expect to look for? (Read 1-5; check only one)

- 01 ☐ A stand-alone, single family house

02 ☐ An attached home such as a duplex or zero lot line

03 ☐ A condominium

04 ☐ An apartment

05 ☐ A mobile home or trailer

06 ☐ Other \_\_\_\_\_

07 ☐ Don't know

08 ☐ Refused

21. Are you more likely to rent or buy?

- 01 ☐ Rent

02 ☐ Buy

03 ☐ Don't know

04 ☐ Refused

22. Are you very likely, somewhat likely, or not likely to move from Valdez within the next five years?

- 01 ☐ Very likely

02 ☐ Somewhat likely

03 ☐ Not likely

04 ☐ Don't know

05 ☐ Refused



23. Do you have any family members, friends, or work colleagues that would like to move to Valdez but cannot because of a lack of housing?
- 01

☐

Yes

02

☐

No

03

☐

Don't know

04

☐

Refused

Senior Housing

[Read] Next, I would like to ask you about potential senior housing needs.

24. How many seniors 65 years of age or greater live in your household? # \_\_\_\_\_ 01 ☐ Zero (Skip to Q26)
- 02 ☐ Don't know

03 ☐ Refused
- 24a. How many seniors 80 years of age or greater live in your household? # \_\_\_\_\_ 01 ☐ Zero
- 02 ☐ Don't know

03 ☐ Refused
25. [if any 65+ in HH] Is it very likely, somewhat likely, or not likely that anyone age 65 or older in your household will need to move to an assisted living or nursing home facility in the next five years?
- 01 ☐ Very likely

02 ☐ Somewhat likely

03 ☐ Not likely

04 ☐ Don't know

05 ☐ Refused

City Housing Efforts

[Read] Next, I would like to ask you about local housing policies.

26. How supportive are you of the City of Valdez taking steps to address housing issues in the community?
- 01 ☐ Very supportive

02 ☐ Somewhat supportive

03 ☐ Not supportive

04 ☐ Don't know
27. Please tell me whether you are very supportive, somewhat supportive, or not supportive of the City of Valdez taking the following steps regarding housing.

| [ROTATE]  | 1<br>Very<br>supportive | 2<br>Somewhat<br>supportive | 3<br>Not<br>supportive | 4<br>DK | 5<br>Ref |
|---|-------------------------|-----------------------------|------------------------|---------|----------|
| a. Zoning changes to increase housing density.                    | 01                      | 02                          | 03                     | 04      | 05       |
| b. Tax breaks to developers to lower the cost of new housing.     | 01                      | 02                          | 03                     | 04      | 05       |
| c. Releasing more city lands for housing developments.            | 01                      | 02                          | 03                     | 04      | 05       |
| d. Support increased development of tiny homes.                   | 01                      | 02                          | 03                     | 04      | 05       |
| e. City-led housing development.                                  | 01                      | 02                          | 03                     | 04      | 05       |
| f. Explore partnership to develop supportive housing for seniors. | 01                      | 02                          | 03                     | 04      | 05       |

28. Do you have any other comments regarding housing efforts by the City of Valdez?

Demographics

[Read] I have just a few more questions for demographic purposes.

29. How many children under the age of 18 live in your household? # \_\_\_\_\_ 01 ☐ Zero
- 02 ☐ Don't know

03 ☐ Refused
30. Please stop me at the category that best describes your total combined household income before taxes for 2019.
- 01 ☐ Less than \$25,000

02 ☐ \$25,000 to \$50,000

03 ☐ \$50,000 to \$100,000

04 ☐ \$100,001 to \$150,000

05 ☐ More than \$150,000

06 ☐ Don't know

07 ☐ Refused
31. What racial or ethnic group do you consider yourself? (Don't read list, check all that apply)
- 01 ☐ White

02 ☐ Black or African American

03 ☐ Hispanic

04 ☐ Alaska Native/American Indian

05 ☐ Asian/Pacific Islander

06 ☐ Other (please specify): \_\_\_\_\_

07 ☐ Don't know

08 ☐ Refused

Thank you (and end survey)

32. (DO NOT ASK) Gender 01 ☐ Male 02 ☐ Female 03 ☐ Don't know

# Appendix B: Household Survey Comments

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Below are comments provided in response to question 28: *Do you have any other comments regarding housing efforts by the City of Valdez?* Responses are verbatim, though some responses have been edited to improve readability.

## Availability and Affordability of Housing

- Valdez lacks housing.
- Valdez needs more housing. (3x)
- Need more housing. Get 'er done.
- Need more housing, apartments.
- Need more housing for military.
- Not enough rental housing.
- It's hard for people to find housing especially in the summer months.
- Affordable housing to live in Valdez.
- Why is housing so expensive here?
- Rental market is very difficult to get families to move here.
- Stop building \$400K houses; need for affordable housing.
- More land for housing and lower prices on housing.
- Make more property available at a fair market value.
- Too costly and the state we are living in is very poor. Something needs to change.
- We need more affordable housing, electricity is high. Rent is too high for low income housing, it's a joke, low income \$1,300 for 2-bedroom apartment.
- Not everyone can afford to not live in mobile homes. Are they trying to get rid of trailers to replace with nice fancy homes?
- The city overspends. If they are to develop more housing, it needs to be affordable for low income people.
- Need more affordable housing for low income families.
- Valdez needs more affordable housing. Rent is high.

## Availability of Quality Housing

- A lot of structures need to be looked at.
- Options are limited and what is available is in poor shape. It took about 13 months to find a nice place.
- Need more housing also affordable housing places that are here are too high in cost. Poor quality and overpriced.
- Grandfathered in keeping homes that are no longer livable.
- Poor housing for families in Valdez; limited housing for disabled; slum housing not regulated by city; more houses should be condemned but are not due to lack of housing.

## Development Ideas

- Could develop the old Petco site for housing.
- Tiny homes are a great idea especially for temporary summer workers.
- I feel like tiny houses would be ideal for a lot of people.
- Tiny houses rather than apartments.

- More levels of housing (opposed to scenic regulations). Smaller lots and smaller homes. Tiny home subdivision.
- Need to develop more on the waterfront. Make a bigger boat basin.
- Need to find a way to make housing development affordable to the builders.
- Build more affordable housing for the middle class.
- Explore more options.
- It would be great if they had more handicap accessibility buildings than just for students.
- 1. Permitting takes ridiculously long to get. 2. Goal posts keep changing so most don't bother getting permits.
- Building a home in Valdez is financially prohibitive both for property and materials.
- Open up to allow more private enterprise.
- Study reduction of restrictions on home building.
- Need to move forward quickly to release land for sale at reasonable prices for housing development.
- Need to open up more land to the public at reasonable prices. They did nice job on Corbin Creek.
- Make it so we could build more houses.
- Land availability at an affordable price would help.
- Remove septic, hook all current housing to city sewers.
- Lower the property taxes.
- Lower the residential tax on homes. Lower real estate taxes in general.

## **Support for City Housing Efforts**

- Appreciate that they are making an effort.
- Glad they are doing the survey. Good place to start.
- Glad they are looking at possibly doing something about housing.
- I appreciate the survey and hope steps are taken to remedy the lack of housing in Valdez.
- I support the city developing more housing.
- Supportive of City, but don't believe it will happen.
- Anything to improve the housing situation would be appreciated.

## **City Involvement in Housing Development**

- They need to do a better job of making it feasible to build homes.
- Lots of city potential but needs a direction.
- City has a lot of land to release for development and to expand their tax base. This would be desirable so that people would not need multiple jobs to afford to live here. Need to sell smaller parcels so that people can afford to buy for a reasonable amount.
- City needs a comprehensive plan to address zoning for low- and medium-income families.
- Currently when the city rezones land for development, people move trailers to land rather than build. Oftentimes, they create eyesores that bother the original neighborhood.
- The city had a good plan in the past and it was successful. They need to look at it again. There is no affordable mid-range housing. Only trailers available for low income people.
- We would like to have city sewer in our neighborhoods.
- They definitely need to do something. People need more affordable housing for everyone that wants to live there.
- The city should make land available with roads, sewer, water & permits thereby sharing the risks with developers by providing this infrastructure
- Lower taxes. Road maintenance, infrastructure to improve housing.

## Feedback on City Efforts

- Do not compete with private enterprise. Do not take over the trailer park.
- I don't think the City of Valdez is making any efforts to make housing better. Valdez has the highest tax rate in Alaska.
- The city council talks but doesn't act. Has lots of funds available to make changes.
- The people making these decisions are being swallowed up by bureaucrats who do not talk to the people of Valdez.
- The city spends too much money on nonsense.
- Taxes are too high.
- They are too late.
- City needs to do their job. Admin is out of control, hiring people and not doing jobs. City Manager and department heads belittling their employees. They are wasting too much money on these surveys.
- I strongly urge the City of Valdez to keep their nose out of it. They need to look at their 20-million-dollar tax rate and their regulations.
- Need to get off their butt and do something-not just talk about it.
- I have not seen any efforts other than this survey by the City.
- City shouldn't be doing housing development. Keep it private.
- I don't like seeing the city compete with other developers. I bought a lot and the city said the sewer would be added but I still do not have city sewer.
- Housing development best left to private sector, but each situation should be addressed individually.

## Senior Housing

- Move faster on senior housing.
- Need to support younger people in the city before focusing on senior housing.
- We could use another senior housing that is affordable. More affordable apartments.
- Senior housing is a serious problem in Valdez.
- Limited availability for nursing homes. Encourage them to do something ASAP. Critical shortage.

## Miscellaneous Suggestions for the City

- Valdez is a small town and would like to continue to be a small town.
- Should focus on developing indoor recreation center for adults that doesn't include the high school.
- One way the city might be able to assist the community would be to manage freight costs.

## Appendix C: Household Survey Demographics

**Table 50. Age of Respondents**

| n=210          | % of Total        |
|----------------|-------------------|
| 18-24          | 4                 |
| 25-34          | 26                |
| 35-44          | 18                |
| 45-54          | 18                |
| 55-64          | 20                |
| 65+            | 14                |
| <b>Average</b> | <b>46.4 years</b> |

**Table 51. How many years have you lived in Valdez?**

| n=210            | % of Total Weighted |
|------------------|---------------------|
| 10 years or less | 39                  |
| 11-20            | 19                  |
| 21-30            | 19                  |
| 31-40            | 12                  |
| Over 40          | 10                  |
| <b>Average</b>   | <b>19.8 years</b>   |

**Table 52. Including yourself, how many people live in your household at least six months out of the year?**

| n=210          | % of Total Weighted |
|----------------|---------------------|
| 1              | 18                  |
| 2              | 40                  |
| 3              | 20                  |
| 4              | 12                  |
| 5+             | 10                  |
| <b>Average</b> | <b>2.6 people</b>   |

**Table 53. How many children under the age of 18 live in your household?**

| n=210          | % of Total Weighted |
|----------------|---------------------|
| 0              | 65                  |
| 1              | 15                  |
| 2              | 11                  |
| 3+             | 7                   |
| <b>Average</b> | <b>&lt;1 child</b>  |

**Table 54. Please stop me at the category that best describes your total combined household income before taxes for 2019.**

| <b>n=210</b>           | <b>% of Total Weighted</b> |
|------------------------|----------------------------|
| Less than \$25,000     | 4                          |
| \$25,001 to \$50,000   | 16                         |
| \$50,001 to \$100,000  | 28                         |
| \$100,001 to \$150,000 | 19                         |
| More than \$150,000    | 18                         |
| Don't know             | 3                          |
| Refused                | 12                         |

**Table 55. What racial or ethnic group do you consider yourself?**

| <b>n=210</b>                  | <b>% of Total Weighted</b> |
|-------------------------------|----------------------------|
| White                         | 86                         |
| Alaska Native/American Indian | 7                          |
| Hispanic                      | 3                          |
| Asian/Pacific Islander        | 1                          |
| Black or African American     | 1                          |
| Other                         | -                          |
| Don't know                    | 1                          |
| Refused                       | 5                          |

## Appendix D: Key Informant Interview Protocol

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Name:

Business & Title:

Hi this is (Name)\_\_\_\_\_ of the McDowell Group. We are conducting a housing study for the City of Valdez. I would like to ask you a few questions regarding housing needs in Valdez.

- 1) What type of housing do you think is most in demand in Valdez?
  
- 2) Do you consider housing in Valdez to be affordable for most residents? What would you consider to be an affordable monthly rent/mortgage payment for most Valdez residents?
  
- 3) How well are the housing needs of Valdez's senior population met, in your opinion?
  
- 4) How do seasonal residents affect the local housing market? What about VRBO/air bnb rentals?
  
- 5) On the whole, what would you rank as the top housing gaps, if any, in Valdez?
  
- 6) What are the barriers to increasing housing availability in Valdez? (single family, multi-family, short-term housing, etc.)

- 7) Is Valdez's housing situation affecting businesses and employers in town? What impact does the city's housing situation have on employers seeking to recruit or retain employees?
- 8) Are you aware of any efforts to address housing gaps in Valdez? Do you know of any housing projects currently in the planning phase?
- 9) What steps, if any, should the city take to address local housing gaps?
- 10) Are you supportive of the following hypothetical city actions regarding housing?
- a. Zoning changes to increase housing density
  - b. Tax breaks to developers to lower cost of new housing
  - c. Releasing more city lands for housing developments
  - d. Increase development of tiny homes
  - e. City-led housing development
  - f. Explore partnership to develop/expand supportive housing for seniors.



## Appendix E: Key Informant Interview List

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The following individuals were interviewed for their perspective on housing issues in Valdez.

- Alice MacDonald, Sound Realty
- Amanda Bower, Stan Stevens Cruises
- Bob Zastro, Zastro Enterprises
- Brad Barnett, Barnett Building
- Christian Stanford, Totem Inn
- Colby Boulton, Peter Pan
- Darren Reese, Alaska Department of Transportation and Public Facilities
- Deborah Plant, Valdez Senior Center
- John Lusk, Coast Guard
- Kate Huber, City of Valdez
- Kyle, Safeway
- Michael Renfro, Appraisal Company of Alaska
- Michelle Chase, Alaska Housing Finance Corporation
- Nathan Duval, City of Valdez
- Nicole LeRoy, City of Valdez
- Olen Harris, North Pacific Rim Housing Authority
- Paul Nyland, City of Valdez
- Randy Seaman, Frontier Appraisal Service
- Richard Franks, Silver Bay Seafoods
- Ron Hursh, Hursh Rentals
- Steve Shiell, Prince William Sound College
- Will Stark, First National Bank of Alaska

December 4, 2019

City of Valdez  
Attn: Nathan Duval  
212 Chenega Avenue  
Valdez, AK 99686-0307

Dear Mr. Duval,

Cordes Development 2, LLC appreciates the opportunity to submit our proposal for Valdez Woodside Subdivision Housing Development. We have responded to the items requested in the RFP within the context of our approach to housing development and what our 30+ years of experience has proven to be financially feasible, long term successful projects.

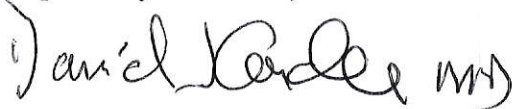
To best meet the needs of the community and to garner full support by the community and Council, we recommend that the City develop Woodside as a combination of affordable/restricted income and market rate units.

We strongly believe that a combination of low income housing tax credits(LIHTC) and grants/low or no interest soft funding is critical to build a sustainable, high quality apartment complex(es) with rents that are within an appropriate range for Valdez citizens. Because of the high infrastructure costs and considerable cost of traditional debt sources, we believe this development, if financed as a typical market rate complex, would need to be built with inferior quality materials and/or charge prohibitive rents in order to be financially feasible.

The entire development team takes pride in creating high quality affordable and market rate housing that serves the needs of communities long term.

We welcome the opportunity to be interviewed and provide more insight for our vision of Woodside Subdivision Housing Development.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David J. Cordes" followed by a stylized monogram or initials.

David J. Cordes  
Managing Member  
Cordes Development 2, LLC

## ***Valdez Woodside Subdivision Housing Development Proposal***

### **Submitted by:**

Cordes Development 2, LLC  
7213 S Perth Way  
Aurora, CO 80016  
303-617-1297 (Office)  
914-441-3880 (Cell)

[Team.cordes@earthlink.net](mailto:Team.cordes@earthlink.net)

Principals: David J Cordes, Shawne C Mastronardi, Scott C Niblack

### **Experience and Qualifications**

Cordes Development and its principals have completed nearly 100 affordable housing developments in the Western US, with over 20 of those located in Alaska. We own and operate the majority of these properties but also act as turn key developers for non-profits, tribal communities and for-profit entities. While our expertise is in the low income housing tax credit program, we have funded and developed projects utilizing virtually every type of public and private funding sources. We are widely respected in the industry for developing high quality projects within budget and on time. Likewise, we have long standing relationships with Alaska based architect, general contractors, engineers, property management, funding sources and third party providers. A detailed list of completed projects and references is attached. Statement of qualifications for the proposed architect, BDS Architects and general contractor, Sundance Construction Company, and property management company, North Star Management, are also attached.

Finally, we believe that Soundview Apartments located in Valdez demonstrates that our team develops high quality affordable housing complexes that are durable for 20+ years, are well maintained and managed and attract tenants that are responsible members of the community. Soundview is also a testament to our ability to garner community support, with effectively with City officials and successfully gain necessary funding.

### **Summary Overview**

Our overall recommendation is to offer a mix of affordable/income-restricted and market rate housing units in multi-family apartment complexes. This would address the housing needs of low income families who are currently rent overburdened, provide preferential housing for city employees and increase the housing stock for the broader community. We propose the construction be done in three phases. Phase 1 would be a family apartment complex of 24 to 32(space permitting) units, with a mix of 1, 2 and 3 bedroom units. We recommend that 8 to 10 of these units be market rate targeted to households at 80% to 120% of area medium income, with the balance being affordable units targeted to households at 50% - 60% of area medium income. Phase 2 would be a senior housing complex of 18 units with a minimum of 13-15 units being affordable and the balance market rate units. These would be primarily 1 bedroom units with a few 2 bedroom units, a quarter of which being designed for those with mobility impairments. Phase 3 would be a 24 unit multi-family apartment complex. The proportion of

affordable to market rate and bedroom configuration would be finalized based on the lease up and applicant wait list experience of Phase 1.

These proposed configurations and income targeting are based on our experience in developing, leasing and managing Alaska properties. However, a comprehensive market analysis will be required to ensure the appropriate bedroom/household size, income targeting (mix of affordable vs market rate). lease up and absorption rates and rent rates are established. Likewise, it is critical that community and City Council feedback is incorporated into the design process.

For a phased project of this magnitude, the Alaska Housing Finance Corporation's (AHFC) GOAL Program, which consists of low income housing tax credits, HOME funds, NHTF and SCHFD/senior, is the only financially feasible source of funds for a combined affordable/income restricted and market rate project. Funds received from the GOAL will be supplemented with other types of grants and/or low interest financing. A block grant/CDBG funds will be required for off-site improvements. Donated land and financial incentives from the City will also enable the project to maintain competitive market rents.

The Woodside Housing Development offers immense benefits to the Valdez community. Over 70 units will be added to the housing stock. The City can provide high quality competitively priced apartment units to current and prospective City employees. Low income families and seniors will have the opportunity to reside in safe, affordable units while keeping their rent burden within acceptable levels. Solicitation of feedback from community members will enhance community support. As a result, Valdez will enhance the stability of the community, attract new citizens, increase the tax base and provide new economic potential for local businesses and workers.

## **Detailed Action Plan**

### Construction Cost Estimate:

Based on our experience and historical data in Alaska, we anticipate the total development cost per unit to be \$270,000 to \$360,000 in Valdez. This cost per unit varies by bedroom mix, amenities and quality standards. Of this, roughly 60% is direct hard construction costs with the balance covering soft costs such as architect and engineering fees, third party studies such as soils, environmental, market analysis, financing charges, legal, reserves and developer fees.

Approximate cost for each Phase is as follows: Phase 1 Family Project - \$6,500,000 to \$10,000,000, Phase 2 Senior Project - \$4,000,000 to \$7,500,000 and Phase 3 Family Project - \$6,500,000 to \$8,500,000.

### Site Plan:

Please see site plan with phased development attached. The three phases are identified, and we wanted to present the draft plan graphically to show what is possible with the existing lot. The plan tries to find a balance between the number of apartments proposed while being respectful of

the surrounding neighborhood. To the west a low density single story senior living with attached garages is proposed to keep with the character of the adjacent properties on Copper Drive. To the east we propose multi-family housing two story buildings with shared parking like the adjacent property to the north. The plan revolves around the existing right-of-way extending Woodside Drive and connecting Pacific Avenue. A couple of administrative tasks will need to be considered in the timeline such as replat of lot lines and permitting. The plan is preliminary and will need input and support from the community. In the past we have orchestrated workshops to get the important stakeholder buy-in. Each of the three phases final footprint will be determined once the total number and bedroom size mix of the units have been identified.

We visited the site last July and noticed a couple of features. Located in the property is an eagle's nest which presents a unique challenge and will require coordination with regulatory agencies. A soils test of the entire property would be required and might reveal a better location for the buildings. We also noticed that the property was traversed by many pedestrians and as part of the planning process we might consider connecting neighborhoods. The site plan considers the preservation of the eagle nest and ample room for snow storage. Access points, road and parking are also identified.

It is recommended that road preparation and utility infrastructure be funded by a block grant. Cordes Development will prepare the application and all supporting materials to assist the City with their application. We have used CDGB funds for off-site infrastructure in supporting affordable housing projects both in Alaska and the other western states. Ideally, this infrastructure would need to occur in the first phase with site preparation, road connections and utility hook ups done concurrently and, hopefully, the block grant is sufficient to cover off-site improvements. This would allow the next phases to proceed unencumbered with infrastructure costs.

#### Project Schedule and Timeline:

This timeline is predicated on the assumption that a Developer will be selected on or about January 2020 and that we are successful in achieving a tax credit award from our first application. If re-application is necessary for any of the phases, the timeline would be extended by one year.

January to May 2020: . Begin dialog/politicing with AHFC, including discussions with State legislature. Conduct market analysis. Conduct soil and environmental studies. Solicit community feedback and support. Planning sessions with City staff and Council Begin applications for alternative financing sources (CDGB, AHP, Rasmusson).

April 2020 to July 2020: Refine planning for Phase 1. Complete applications for grant and other soft funding. Actively participate in AHFC comment period and other forms of political support.

July 2020 to December 2020: Submit AHFC pre and final tax credit applications for Phase 1. Gain necessary City and building department approvals.

January 2021 to March 2021: Commence site preparation and utility connections.. Begin planning for Phase 2.

April 2021 to July 2021: Commence construction for Phase 1 Refine planning for Phase 2. Actively participate in AHFC comment period if further QAP changes required. Complete applications for grant and other soft funding.

July 2021 to December 2021: Submit AHFC pre and final tax credit applications for Phase 2. Gain necessary City and building department approvals for Phase 2..

January 2022 to June 2022. Complete construction of Phase 1. Begin lease up of Phase 1. Complete any remaining site work and approvals for Phase 2. Commence construction for Phase 2. Plans for Phase 3.

July 2022 to December 2022: Submit AHFC pre and final tax credit applications for Phase 3. Close out Phase 1.

January 2022 to March 2022: Complete construction of Phase 2. Begin lease up of Phase 2. Gain necessary City and building department approvals and applications for additional financing for Phase 3.

April 2022 to July 2022: Begin construction of Phase 3. Close out Phase 2.

June 2023 to December 2023: Complete construction of Phase 3 and lease up of Phase 3.

#### Proposed City Support:

The Developer would seek political support, personnel and financial incentives. Political support is necessary to influence the Alaska Housing Finance Corporation (AHFC) Qualified Allocation Plan (QAP). The current QAP has a few point categories that need to be changed to ensure a more favorable outcome for projects located in Valdez. Under the current QAP, a preliminary scoring of the proposed project in Valdez would yield a score of +/- 130 points yet a score of over 140 is typically required to win a tax credit award. We believe a concerted effort on the part of City officials, state level assistance and our experience will yield the changes to the QAP necessary to win. Developer will provide guidance, structure effective arguments and data to support proposed QAP changes. However, AHFC is more likely to alter the QAP when City Mayor and Council take a stand. The time commitment will be significant but confined to the comment period (3 to 6 months) We strongly recommend that the City appoint a staff person who is authorized by the City Council to work with the development team. This person should have experience in working with the City Council, engaging in public outreach and be philosophically aligned with affordable housing. Their chief responsibility would be as liaison between developer and City Council/administration, guidance and participation in public feedback and point person for information collection and dissemination. Staff would also be required to file the block grant application. The staff person will be integral to gaining the community support and feedback critical to the success of the project. The staff person should be assigned for the duration of all three phases with the understanding that the time commitment

will be the greatest during the planning stages. Once construction starts, their role will be reduced.

The tax credit program rewards (assigns points) to projects that receive City financial support and are part of a Community Revitalization Plan. As such, we would recommend that the City donate the land or provide a 30 year low cost lease. Other financial incentives such as waiver of permit fees and reduced or no cost utility hook ups will also be requested.

Development/Partnership Agreement: Once a tax credit award is granted, developer will work with legal counsel and the tax credit syndicator to draft a Partnership Agreement. A draft Development Services Agreement is attached.





# PHASED DEVELOPMENT PLAN





## **DRAFT CO-DEVELOPMENT SERVICES AGREEMENT**

This Agreement is entered into this xx day of December , 2019, by and between XXXX and CORDES DEVELOPMENT 2, LLC. ("CD2") for the purpose of development, financing and construction of an affordable and market rate housing apartment complex including common use areas within Valdez, Alaska

Whereas, XXXX, an Arizona non-profit corporation, desires to have developed, financed and constructed an affordable and market rate housing complex ("Project") and to be the general partner of the limited partnership-ownership entity of such Project(substitute ownership structure), and,

Whereas, CD2 specializes in and has experience with the development of affordable housing using Low-Income Housing Tax Credits, HOME/CDBG funds, Federal Home Loan Bank funds, and other public and private funding sources,

Now, therefore, the parties do agree:

### **CD2 RESPONSIBILITIES**

1. As agent for XXand the to-be-formed limited partnership, begin and proceed with diligence the application process for the financing of the Project using a combination of equity from the sale of Low Income Housing Tax Credits (LIHTC) awarded by Alaska Housing Finance Corporaion (AHFC), HOME/NHT funds awarded by AHFC, and/or such other private or public financing as may be necessary, possibly to include a Federal Home Loan Bank - Affordable Housing Program direct subsidy. XXX, through its Council and governing authority, will be timely apprised as progress continues.

2. Present all applications for Board/XXX approval and signature prior to any submission to any financing source.

3. Once Project scope is determined, develop and present to XXX initial architectural, engineering and construction information for XXX approval.

4. Develop and present to XXX for its approval an initial Alaska limited partnership agreement to be used as a basis for the necessary investment vehicle to raise the funds required to develop and complete the Project. Both parties herein acknowledge that the financing sources/agencies may require substantive changes as a condition of the financing.

5. Track and advance, at its risk, funds necessary to successfully bring the Project from conception to construction and final completion. Both parties agree that CD2 will select, and will advance the pre-development funds to pay for, all professional/construction services on behalf of the partnership in furtherance of the development of the Project, including but not limited to any fees for architectural, legal, accounting, engineering, market study or other consultant services, at its sole discretion and risk. Both parties further acknowledge and agree

that such pre-development costs for which CD2 advances funds will be included in the various funding applications as part of the cost of development of the Project and will be reimbursed to CD2 from the funds awarded to the Project. CD2 warrants that, to the best of its abilities, it will keep these fees within the published allowed guidelines of the LIHTC, HOME and other funding programs. Any costs NOT covered by allowed fees within these programs will be solely costs of CD2.

6. Once all financing sources are in place through successful determinations by the financing sources, CD2 will negotiate a fixed price contract with a contractor that is acceptable to CD2 and agreed to by XXXX, and will oversee construction of the Project according to plans and specifications submitted by architect and approved by XXXX, contractor and the lenders. CD2 will provide construction completion guarantees to the partnership and construction lender, and shall control fiscal management of all pre-development and development funds throughout the development and construction of the Project, and through the cost certification audit.

7. Assist XXX with selection of a management agent that is acceptable to XXXX, the limited partner of the partnership, and the funding agencies, and work with the management agent in the initial set up and rent up of the Project.

8. Upon successful completion of construction of the Project, closing of the permanent loan(s), completion of 8609s and three-months breakeven operation after all units have been rented for an initial term, CD2's responsibilities shall be deemed completed. However, CD2 will remain available for consultation until XXX and Lenders are satisfied that such services are no longer indicated.

#### XXX RESPONSIBILITIES

1. Promptly review, approve, modify or reject with recommendations as to development and completion of the agreed affordable housing Project.

2. , XXX shall be responsible for securing/donating the land required for the construction of project. This includes any and all activities related to the land closing, which shall occur on or before loan closing.

3. Coordinate with architect and contractor to work with the Town of Valdez during the plan approval process and permitting process to obtain final building approval.

4. Assist CD2 with recommending preferred area service providers and agencies during the lease up period and with third party analysts during the application phase..

5. Through XXXX's tax credit legal counsel, negotiate an acceptable amended and restated partnership agreement with a limited partner-tax credit investor.

6. Once construction has commenced, participate with the project architect in the inspections of the construction during its progress and participate in any dialogues and decisions necessary to make any modifications to the project that may become necessary without increasing the overall cost of the Project.

#### DEVELOPER FEES

The total developer fee shall be maximized to the extent possible within the limitations imposed by the funding agencies. Ninety percent (90%) of the total fee shall be paid to CD2 as its share of the developer fee. Amount to be determined based on total funding otherwise available, cost overruns, changes implemented due to owner requests or government requirements, etc.) of the portion of developer fee paid may be required to be contributed back to the limited partnership.

#### TERM

The minimum term of this agreement shall be two years, shall include two application rounds (if necessary) for each of the funding programs and shall be automatically extended as long as the applications for various components of the financing remain active. Either party may, upon 60 days written notice, withdraw and find a substitute partner if the other refuses to proceed with the development.

- (a) If CD2 withdraws and does not proceed with the project, CD2 will not be entitled to any reimbursement of any expenses or services it engaged or utilized unless XXXproceeds with the project on its own and desires to use any or all such services, in which event such service costs will be repaid at the billed amount.
- (b) If XXXwithdraws and does not hire another developer and does not proceed on its own, XXXshall not be liable to CD2 for CD2's costs, expenses or time.
- (c) If XXXwithdraws and chooses to proceed either with another developer or on its own, it will reimburse CD2 as a Consultant for all costs incurred on behalf of the Partnership and/or XXXplus an hourly fee of \$150.00 per hour to a maximum of 2000 hours (the estimated total development hourly time), as reasonably agreed by the parties and based upon the timing of XXXX's withdrawal.

### ADVICE OF COUNSEL

This agreement must meet all requirements of the LIHTC program (as defined by AHFC), the HOME program (administered by AHFC), and any other private or public lender. Further, it must meet the requirements of the IRS in order to maintain the status of XXX and CD2 as a non-related independent developer. In consideration thereof, both parties agree that this agreement may be modified to maintain such status of each party.

### CERTAIN PROVISIONS

If the operation of any provision of this Agreement would contravene the provisions of the Uniform Limited Partnership Act, as in effect in the State, or would result in the imposition of general liability on the Limited Partner, that provision is void and without effect.

### BINDING AGREEMENT

Except as otherwise provided, each and every covenant, term, and provision of this Agreement is binding upon and inures to the benefit of the heirs, personal representatives, successors, and assigns of the parties.

### SEVERABILITY

Every term and provision of this Agreement is severable. If any term or provision of this Agreement is lawfully held to be illegal or invalid for any reason whatsoever, the illegality or invalidity will not affect the validity of the remainder of this Agreement.

Cordes Development 2, LLC

XXXXXX

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David J. Cordes, Managing Member

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Name, Title

## **CORDES DEVELOPMENT 2 LLC**

### **RESUME**

7213 S. Perth Way  
Aurora, Colorado 80016

(303) 617-1297  
e-mail: team.cordes@earthlink.net

Cordes Development 2 LLC (CD2) is a for-profit developer of affordable housing in rural communities throughout the western United States. Its principals have been active in the development and ownership of affordable housing since 1978 and have developed over the years nearly 100 multifamily affordable housing projects in Alaska, Arizona, California, Colorado, Idaho, Utah and Washington.

CD2 specializes in the development of small, rural projects of rental multifamily housing. Most projects are funded with loans through the United States Department of Agriculture – Rural Development (“USDA-RD”) Section 515 program, in combination with HOME or State Housing Fund financing and Low Income Housing Tax Credits (“LIHTC”). All projects are income restricted to families or seniors with incomes at or below 60% of the area’s median income. The principals’ role, as project developer, is the “team leader” – putting together all financing and bringing together all design, construction and ownership “partners.” CD2 finds the sites for new construction or apartment complex for rehabilitation then assumes the financial risks of gaining a successful application. Once an award is granted, CD2 then acts as a guarantor for the construction period through full lease up and stabilization.

CD2 specializes in the acquisition and substantial rehabilitation of older projects that are experiencing health, safety and energy efficiency problems, and that commonly do not comply with current ADA and Fair Housing standards. New construction also accounts for a significant number of successfully completed projects and demonstrates the firm’s ability to guide the market analysis, design, permit/approval and construction processes.

CD2 has co-developed many projects with local non-profit organizations and many with Native American organizations as well as working with many cities and towns in collaborative projects. In those cases, CD2 acts as a “turn-key” developer and the non-profit is the project owner and sponsor.

David J. Cordes, M.D., President / Chairman of CD2, received his medical degree (1968) and Bachelor of Arts degree (1964) from the University of Illinois. Following service with the United States Navy during the early 1970s, Dr. Cordes practiced anesthesiology in Idaho, Colorado and California for over 25 years. Dr. Cordes first partnered as a part

time developer with Blair (“Duke”) Reiley in 1978, and has been actively pursuing full time development since the early 1990s.

Shawne C. Mastronardi, Senior Vice President / CFO of CD2, received her MBA (1990) from the Wharton School of Business and her Bachelor of Arts degree (1986) from Smith College. Ms. Mastronardi held several positions in mergers & acquisitions, financial planning, management consulting and residential real estate prior to pursuing full time development with her father, Dr. David Cordes.

Scott C. Niblack, Senior Vice President / COO of CD2, received his Bachelor of Science (1994) from the University of Florida. He has been a development leader in Colorado for the past fourteen years. With an understanding of both public / Private transactions and development he has been directly involved in all aspects of land development including conceptual design of mix use development, for sale housing, acquisition, development planning, rezoning and entitlement, financial evaluation, financing, marketing, sales and construction. Scott is committed to shaping the future of Affordable housing across the West through public private partnerships and private development to establish neighborhood sustainability, environmental responsibility and public transportation supported residential development.

## DEVELOPMENT TEAM

The Architect will be Eric Spangler of BDS Architects will perform the full design and code planning and oversight for the project.

The general contractor will be Rick Vann of Sundance Construction company whom originally built the Soundview complex in Valdez and will be overseeing the day to day construction and code implementations.

Management of the project will be handled by North Star Management, LLC which also manages the professional oversight of the Soundview development.

Randall Leavitt, CPA, of Leavitt, Christensen & Co. performs the cost certification, audit and tax return functions for developed projects.

Cordes Development 2, LLC has no identity of interest with any of the team members, nor do any of the team members have any identity of interest with any of the other team members.

### Reference List

|  |                 |
|--|-----------------|
| <u>Harbor Ridge Apartments</u> , Homer, AK (2013)                              | 24 Family Units |
| <u>Cordova Mews Apartments</u> , Cordova, AK (2015)                            | 22 Family Units |
| <u>Glacier Park Apartments</u> , Ketchikan, AK (2016)                          | 22 Family Units |
| <u>Munasqri Senior Apartments</u> , Nome, AK (2018)                            | 17 Senior Units |
| Tax Credit Syndicator: CREA, Brad Bullock (503) 780-9740                       |                 |
| <u>Green Valley Apartments</u> , Payson, Arizona (2002)                        | 40 Family Units |
| <u>Smoketree Apartments</u> , Buckeye, Arizona (2005-06)                       | 24 Family Units |
| <u>La Vista Apartments</u> , Nogales, Arizona                                  | 24 Family Units |
| General Partner: Payson Regional Housing Development, Rick Croy (928) 595-0260 |                 |
| <u>Castle Country Apartments</u> , Price, UT (2019)                            | 24 Family Units |
| Community Planning Director, Nick Tatton (435) 636-3184                        |                 |
| <u>Escalante Apartments</u> , Page Arizona (2002)                              | 25 Family Units |
| City of Page: Richard Jentzsch (928) 645-8861                                  |                 |

### **Partial List of Projects Developed and Owned**

- 1980 - Snow Mountain, Hailey, Idaho, 40 Family Units, IHA  
1980 - Windwood Apartments, Jerome, Idaho, 30 Family Units, IHA  
1981 - Mountain Valley, Hailey, Idaho, 24 Family Units, FmHA  
1982 - Huntridge, Moab, Utah, 24 Family Units, FmHA  
1982 - Grand Mesa, Fruita, Colorado, 24 Family Units, FmHA  
1983 - Verde Plaza, Cottonwood, Arizona, 52 Family Units, FmHA  
1983 - Castle Country, Price, Utah, 24 Family Units, FmHA  
1984 - Scandia Village, Stanwood, Washington, 32 Family Units, FmHA  
1984 - Colville Park, Colville, Washington, 24 Family Units, FmHA  
1984 - Manzanita Garden, San Jacinto, California, 36 Family Units, FmHA  
1986 - Mountain Oaks, Durango, Colorado, 24 Family Units, FmHA  
1988 - Mountain Creek (Ptarmigan Trail Estates), Dillon, Colorado, 30 Family Units, USDA-RD, LIHTC  
1989 - Mountain Vista Apartments, Durango, Colorado, 34 Family Units, RD, LIHTC  
1994 - West Pine Apartments, Shelley, Idaho, 18 Senior Units, RD, LIHTC  
1994 - Riverview Apartments, Fort Morgan, Colorado, 24 Senior Units, RD, LIHTC  
1995 - Sunnyridge Apartments, Blackfoot, Idaho, Substantial Rehab – 26 Family Units, RD, HOME, LIHTC  
1995 - West Side Palm Village, Tulare, California, Substantial Rehab, 40 Family Units, RD  
1996 - North Avenue Apartments, Trinidad, Colorado, 24 Senior Units, RD, HOME  
1996 - Cordova Mews Apartments, Cordova, Alaska, Substantial Rehab – 22 Family Units, RD, HOME, LIHTC  
1997 - Sunshine Village Apartments\*, Las Animas, Colorado, 25 Senior/Family Units, HOME, LIHTC  
1997 - Forest View Apartments\*, Dillingham, Alaska, 24 Family Units, HOME, LIHTC  
1997 - Sound View Apartments, Valdez, Alaska, 20 Family Units, RD, LIHTC  
1998 - River Bend Apartments\*, Salida, Colorado, 30 Family Units, LIHTC, HOME, FHLB-AHP  
1998 - Sundance Apartments, Douglas, Arizona, 24 Family Units, Section 515, LIHTC, FHLB-AHP  
1998 - Casa de Cortez Apartments, Center, Colorado, 24 Family Units, RD, LIHTC, HOME, FHLB-AHP  
1998 - Spanish Peaks Apartments\*, Walsenburg, Colorado, 30 Family Units, LIHTC, HOME, FHLB-AHP  
1998 - Casita del Sol Apartments, Alamosa, Colorado, 24 Family Units, RD, LIHTC, HOME, FHLB-AHP  
1998 - Munaqsri Senior Apartments\*, Nome, Alaska, 17 Senior Units, RD, LIHTC, AHFC Senior Grant  
1999 - Senter West Village Apartments\*, Burlington, Colorado, 30 Family Units, LIHTC, CDBG  
1999 - Esperanza Senior Apartments\*, Bisbee, Arizona, 20 Senior Units, RD, LIHTC, SHF, FHLB-AHP  
1999 - Esperanza Family Apartments, Bisbee, Arizona, 24 Family Units, RD, HOME, FHLB-AHP  
1999 - Taiga View Apartments\*, King Salmon – South Naknek, Alaska, 16 Family Units, LIHTC, HOME  
1999 - Southwest Elders Home\*, Naknek, Alaska, 11 Senior Units, RD, LIHTC, HOME, FHLB-AHP  
2000 - Marrulut Eniit Assisted Living\*, Dillingham, Alaska, 10 Senior Units, Alaska State Senior Grant, Mental Health Trust Fund Grant, Indian CDBG



2000 - Casa de Oro Apartments, Douglas, Arizona, 24 Senior Units, RD, LIHTC, FHLB-AHP  
 2000 - Amistad Apartments\*, Somerton, Arizona, 24 Family Units, RD, LIHTC, HOME, FHLB-AHP  
 2000 - ParkView Apartments, Winslow, Arizona, 24 Family Units, RD, LIHTC, HOME  
 2000 - Zion Way Apartments, Richfield, Utah, 22 Family Units, RD, LIHTC, SHF  
 2000 - Tradewinds Apartments\*, Unalaska, Alaska, 16 Family Units, RD, LIHTC, HOME, FHLB-AHP  
 2001 - Bayview Apartments, Seward, Alaska, Substantial Rehab – 16 Family Units, New Construction – 2 Units, RD, LIHTC, HOME  
 2001 - Holbrook Court Apartments\*, Holbrook, Arizona, 24 Family Units, RD, LIHTC, SHF  
 2001 - Casita de la Luna Apartments\*, Alamosa, Colorado, 28 Senior Units, RD, LIHTC, HOME  
 2001 - Apache Ridge Townhomes\*, Whiteriver, Arizona, 22 Family Units, RD, LIHTC, SHF  
 2001 - Iglut Senior Apartments\*, Kotzebue, Alaska, 16 Senior Units, LIHTC, State Senior Grant funds, AHP  
 2002 - Hunter Creek Apartments\*, Palmer, Alaska, 32 Family Units, LIHTC, Alaska State funds  
 2002 - Escalante Apartments, Page, Arizona, Substantial Rehab – 24 Family Units, New Construction – 1 unit, RD, LIHTC, HOME  
 2002 - Las Quintas de Adobe Apartments, San Luis, Arizona, 27 Senior Units, RD, LIHTC, HOME  
 2003 - Parkview Apartments, Soldotna, Alaska, Substantial Rehab – 24 Family Units, New Construction – 2 units, RD, LIHTC, Alaska State Funds  
 2003 - Springtree Village Apartments, Durango, Colorado, 28 Senior Units, RD, LIHTC, HOME  
 2003 - Green Valley Apartments\*, Payson, Arizona, 40 Family Units, LIHTC, SHF  
 2003 - Muklung Manor Apartments\*, Dillingham, Alaska, 16 Family Units, RD, LIHTC, HOME  
 2004 - Mustang Ridge Townhomes\*, Cibecue, Arizona, 22 Family Units, RD, SHF, LIHTC  
 2004 - Apache Ridge II\*, Whiteriver, Arizona, 22 Family Units, RD, LIHTC, HOME  
 2005 - New Stuyahok Senior Apartments\*, New Stuyahok, Alaska, 6 Senior Units, HUD Section 202, AHFC Senior Citizens Housing Development Grant funds  
 2005 - Gateway Apartments, Seward, Alaska, Substantial Rehab – 20 Family Units, RD, LIHTC, AHFC loan funds  
 2005 - Willow Pointe Apartments, Riverbank, California, 25 Senior Units, RD, LIHTC, HOME  
 2005 - Togiak View Apartments\*, Togiak, Alaska, 16 Family Units, HOME, LIHTC  
 2005 - Huntridge Apartments, Moab, Utah, Substantial Rehab – 24 Family Units, RD, LIHTC, HOME  
 2005 - Smoketree Apartments\*, Buckeye, Arizona, Substantial Rehab, 24 Family Units, RD, HOME, LIHTC  
 2006 - Desert Sunrise Apartments\*, Heber, California, 24 Family Units, RD, HOME  
 2007 - Grand Mesa Apartments, Fruita, Colorado, Acq/Subst.Rehab, 24 Family Units, RD, LIHTC  
 2007 - Eagle Ridge, Palmer, Alaska, 33 Family Units, LIHTC, AHFC loan  
 2007 - La Vista Apartments\*, Nogales, Arizona, 24 Family Units, RD, SHF, LIHTC  
 2013 - Harbor Ridge Apartments\*, Homer, Alaska, 24 Family Units, RD, HOME, LIHTC  
 2014 - Archway Village Apartments, Moab, Utah, 20 Family Units, RD, OWHLF, LIHTC  
 2015 - Cordova Mews Apartments, Cordova, Alaska 22 Family Units, RD, AHFC, LIHTC (TBD)  
 2016 - Florence Sunrise Apartments, Florence, Arizona 58 unit Family, RD, ADOH, LIHTC  
 2016 - Glacier Park Apartments\*, Ketchikan, Alaska 22 Family units, RD, AHFC, LIHTC  
 2017 - Manzanita Garden Apartments, San Jacinto, California, 36 Family units, RD, LIHTC  
 2017 - Westside Palms Apartments, Tulare, California, 40 unit Family units, RD, LIHTC  
 2018 - Willow Creek Apartments, Grantsville, Utah, 62 Senior units, RD,OLW, LIHTC, HOME

2018 - Munaqsri Senior Apartments, Nome, Alaska, 17 unit Senior units, RD, LIHTC, Rasmuson,  
2019 - Castle Country Apartments, Price, Utah 24 unit family, RD, LIHTC, OLWF, HO

\*Cordes acted as the “turn-key” developer only, for non-profit or for-profit owners, on the projects with asterisks.  
All other projects are owned by the principals of CDII/CD2.



## Relevant Experience

Bezek Durst Seiser (BDS) has provided architectural, planning, programming and project management expertise to private agencies, municipal, state, and federal agencies, universities and school districts across Alaska since 1981. An Alaskan-owned corporation, the firm's team includes a full-time staff of twenty-three, including eight registered architects, two architectural designers, one assistant designer, four architectural technicians, three roof technology specialists, and five administrative staff members.

BDS has completed designs for more than \$150M worth of multi-family residential construction. Facility types have included special needs housing, commercial, industrial, education and academic, research, defense, healthcare, and multi-family housing. Many of their projects were completed under complex funding cycles or programs.

The firm's most experienced architectural professionals are involved in each of the firm's commitments, and every member of the team maintains an availability that allows exceptional access for its clients. BDS believes in a collaborative design environment based on a balance between aesthetic beauty and mechanical efficiencies.

BDS has the creative energy to envision buildings that exceed expectations. The firm's goal is to always achieve efficient, adaptable, and simple solutions that balance the real world needs of people and the natural environment.

Nine of the BDS staff members are LEED Accredited Professionals, and the firm is a proud member-supporter of the U.S. Green Building Council and the Cold Climate Housing Research Center.



*Forest Park Multi-family Housing  
Anchorage, AK*

*Scope Of Work: Programming, Planning, Design,  
Construction Administration*



## Multifamily Housing Specialists

BDS has worked on multi-family public housing projects since the firm's inception. Facility types have included public teacher housing, limited and mixed income housing, senior housing, and special needs housing. BDS has completed projects of all sizes, from single story multi-family residences to a 120-unit urban facility for seniors.

Currently, the firm is involved in the design and construction of multi-family housing preservation projects in Seward and Sitka. BDS has also worked on preservation projects in Eagle River, Homer, North Pole, Soldotna, Kenai, Kodiak, and Palmer.

Known for practical design excellence and facility planning, BDS has extensive experience building high performance living environments that provide attractive, healthy, energy efficient and sustainable homes for a variety of lifestyles, ages, needs, and family sizes. The team at BDS believes that good design improves quality of life through:

- Common sense building forms for the Alaskan environment
- "Universal Design" strategies to provide accessibility
- Privacy through use of good acoustics and unit design
- Solar orientation to maximize day lighting and sun exposure
- Defensible space design concepts to improve security and sense of safety
- Energy conservation strategies to reduce consumption and maintenance costs
- Integrated community and family gathering space
- Winter climate design (snowdrift, walkways, storage needs, access to transportation, etc.)



*Eagle Ridge Apartments  
Palmer, AK*

*Scope Of Work: Programming, Planning, Design, Interior Design  
Construction Administration*

Since each location is unique, BDS avoids a "one size fits all" approach. Each project is designed specifically to improve the quality of life of the intended residents within the context of available support staff and/or site managers.

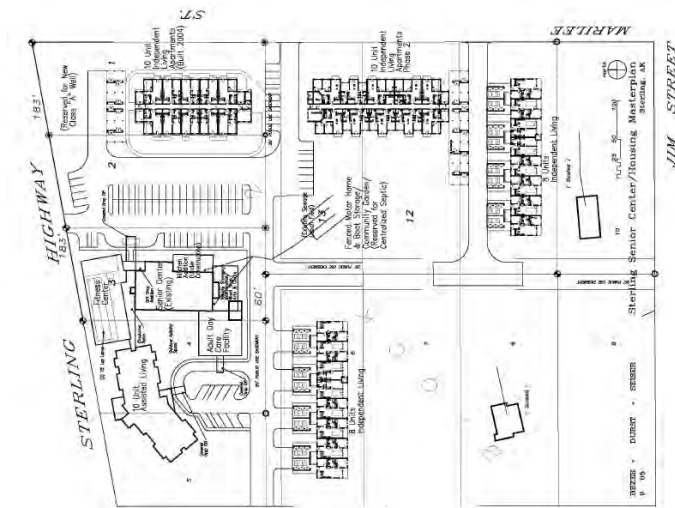




## Senior Housing Specialists

BDS has worked on senior housing projects in locations throughout Alaska. The firm's senior housing designs begin with the residents, their specific needs, and the shared vision of a project's future development. To accomplish this, BDS uses many methods that go beyond the standard and achieve a functional and flexible design.

BDS team members maximize energy efficiencies to save expenses on utilities and take advantage of sunlight to create a comfortable environment. All BDS residential facilities meet or exceed AHFC BEES requirements. The firm uses Universal Design Principles that take into consideration a flexible plan for the future of residents. BDS kitchen designs are large and open with plenty of cabinet space. Some rooms are oversized, such as the bathrooms, and they exceed minimum standards for accessibility. Extra storage is provided in the unit and elsewhere in the building for seasonal needs associated with life in Alaska. BDS does not typically design separate ADA units, **as all the units will meet these requirements.** This allows future flexibilities for owners and residents.



*Sterling Senior Citizen Center  
Sterling, AK*

*Scope Of Work: Programming, Planning, Design, Construction  
Administration*



## BDS Roof Technology Group

In 2008 Bezek Durst Seiser announced the addition of three Roof Technology Specialists to the firm. The Roof Technology Group (RTG) is a highly specialized team with the mission of improving exterior envelope design. The Group adds the experience of more than four hundred successful roof design and correction projects. Their expertise in roof technology, weather tightness, building efficiencies, and exterior thermal envelope design will promote the longevity of a structure and investment.

A well managed roof system and exterior thermal envelope design can add over thirty years of useful life to an aging facility. No other firm in Alaska provides as much specific, concentrated expertise in roof technology.



## BDS Services

- Planning & Master Planning
- Architecture
- Interior Design
- Construction Administration & Management
- Project Management
- Exterior Envelope Design
- Interior Space Planning
- Space Management

*US Coast Guard Multi-family Housing  
Cordova, Alaska*

*Scope Of Work: Programming, Planning, Design, Interior Design,  
Construction Administration*

## Past Performance

Table below includes recent BDS project experience. The firms multi-family housing experience dates back to 1996.

| PROJECT NAME                     | LOCATION             | CLIENT                         | COMPLETION |
|----------------------------------|----------------------|--------------------------------|------------|
| Chinook Villa Apartments         | Wasilla, Alaska      | GMD Development                | 2014*      |
| Northwood Apartments             | Soldotna, Alaska     | GMD Development                | 2014*      |
| Harbor Ridge Apartments          | Homer, Alaska        | Cordes Development             | 2013       |
| Kimberly Court Apartments        | Seward, Alaska       | GMD Development                | 2013       |
| Silverwood II                    | Soldotna, Alaska     | Kenai Peninsula Housing Inc.   | 2013       |
| Sawmill Creek Apartments         | Sitka, Alaska        | GMD Development                | 2013       |
| UAA MAC Housing Renewal          | Anchorage, Alaska    | University of Alaska Anchorage | 2013       |
| Tyee Court Apartments            | Soldotna, Alaska     | Kenai Peninsula Housing Inc.   | 2012       |
| Manokotak Public Safety Housing  | Manokotak, Alaska    | Kenai Peninsula Housing Inc.   | 2012       |
| Alderbrook Apartments            | Homer, Alaska        | Kenai Peninsula Housing Inc.   | 2011       |
| Laurawood Apartments             | Soldotna, Alaska     | VITUS                          | 2011       |
| Tanana Apartments                | North Pole, Alaska   | VITUS                          | 2011       |
| Maintree Apartments              | Homer, Alaska        | Kenai Peninsula Housing Inc.   | 2011       |
| Birchwood Apartments             | Eagle River, Alaska  | Volunteers of America          | 2011       |
| USCG Cordova Base Housing        | Cordova, Alaska      | United States Coast Guard      | 2010       |
| Woodridge Apartments             | Kenai, Alaska        | Allied Pacific                 | 2010       |
| Fir Terrace Apartments           | Kodiak, Alaska       | Allied Pacific                 | 2010       |
| Forest Apartments                | Palmer, Alaska       | Allied Pacific                 | 2010       |
| Northridge Apartments            | Palmer, Alaska       | Allied Pacific                 | 2010       |
| Swatzell Terrance Senior Housing | Homer, Alaska        | Homer Seniors                  | 2010       |
| Hillcrest Housing                | Soldotna, Alaska     | Kenai Peninsula Housing Inc.   | 2010       |
| Silverwood Senior Housing        | Soldotna, Alaska     | Kenai Peninsula Housing Inc.   | 2010       |
| Napaskiak Teacher Housing        | Napaskiak, Alaska    | Lower Kuskokwim School Dist    | 2010       |
| Kipnuk Teacher Housing           | Kipnuk, Alaska       | Lower Kuskokwim School Dist.   | 2010       |
| Togiak Senior Housing            | Togiak, Alaska       | Rouse & Associates             | 2010       |
| Crestview Special Needs Housing  | Soldotna, Alaska     | Kenai Peninsula Housing Inc.   | 2009       |
| Togiak Teacher Housing           | Togiak, Alaska       | Southwest School Dist.         | 2009       |
| Eagle Ridge Low Income           | Palmer, Alaska       | Cordes Development             | 2007       |
| Tovarish Manor Senior Housing    | Ninilchik, Alaska    | Kenai Peninsula Housing Inc.   | 2007       |
| Terrace View Apartments          | Homer, Alaska        | Kenai Peninsula Housing Inc.   | 2007       |
| New Stuyahok Teacher Housing     | New Stuyahok, Alaska | Southwest School Dist.         | 2007       |
| Chugach Manor Senior Housing     | Anchorage, Alaska    | Alaska Housing Finance Corp.   | 2006       |
| Dillingham Senior Housing        | Dillingham, Alaska   | Cordes Development             | 2006       |
| Nikiski Senior Housing           | Nikiski, Alaska      | Nikiski Seniors                | 2006       |
| Soldotna Senior Housing          | Soldotna, Alaska     | Soldotna Seniors               | 2005       |
| Sterling Senior Center Phase II  | Sterling, Alaska     | Sterling Seniors               | 2005       |
| FTW 284 Barracks                 | Fairbanks, Alaska    | United States Air Force        | 2005       |
| Togiak Manor Apartments          | Togiak, Alaska       | Bristol Bay Housing Authority  | 2004       |
| Gateway Apartments               | Seward, Alaska       | Cordes Development             | 2004       |
| Birch Terrace Apartments         | Homer, Alaska        | Kenai Peninsula Housing Inc.   | 2004       |



## Example Projects

BDS has completed designs for more than \$150M worth of multi-family residential construction. Facility types have included mixed and limited income housing, military housing, independent senior housing and community centers, teacher housing, and special needs housing. Eighteen (18) of our multi-family residential projects utilized Low Income Housing Tax Credits. Many others were completed in the context of complex funding cycles or programs.

### Laurawood Arms Seniors, 2011

Located in Soldotna, Alaska this 23 unit project was a remodel with limited scope. It was important to phase and schedule the renovation tasks since the apartments remained occupied during the course of construction. Of the several improvements to the facility, residents and employees now enjoy accessible sidewalks, parking spaces and entries.

### Woodridge Apartments, 2011

This 24 unit senior housing facility is located in Kenai, Alaska and was primarily a remodel with limited scope. Residents remained in the apartments throughout the renovation, thus requiring that the project undertake a phased design and construction approach. Several improvements include accessible sidewalks, parking spaces and entries.

### Togiak Senior Housing, 2010

This design build senior housing project consisted of five (5) senior apartments and one (1) manager's apartment. This project used Universal Design Principles as follows. Units were designed with ample area that includes an open floor plan kitchen/dining area and living room with a separate bedroom, bathroom and storage room. Common areas were designed to foster social interaction among the residents, and provide for maximum visit ability. A common laundry room with a work area was located next to the community room to facilitate social interaction while residents are participating in routine chores. The manager's unit overlooks the main entry and is adjacent to the common room adding a measure of security and safety for the residents. Resident comfort was enhanced with a well insulated building. This project achieved BEES certification.



*Crestview Special Needs Housing  
Soldotna, AK  
Scope Of Work: Programming, Planning, Design, Interior Design  
Construction Administration*





*Togiak Senior Housing  
Togiak, AK*

*Scope Of Work: Programming, Planning, Design, Interior Design  
Construction Administration*

## Example Projects

### **Soldotna Independent Senior Housing, 2005**

BDS completed the planning, design, estimating, and grant writing for an eight-unit senior housing facility constructed adjacent to the existing senior center. Grant funding was awarded in 2006 by AHFC and the Denali Commission. AHFC standards for BEES and Universal Design were integrated into the design so the project would be fully accessible and be affordable to operate and maintain.

### **Chugach Manor Senior Housing Complex, 2003**

Located in the heart of Anchorage this project renovated all 120 apartments. A technical improvement relocated the boilers from the bottom floor to the third floor to avoid a building code problem associated with boiler stacking. The innovative approach to relocate the boiler also mitigated dangerous ice glaciations associated with falling ice at the main entrance of the building. The relocation allowed for new, lighter and more energy efficient boilers to be installed.

The old boiler room was rededicated to new air handlers which provide much needed makeup air. The new boiler room location conveniently tied into a new chiller which relieved some overheated community spaces. Site upgrades included a heated sidewalk at the entrance to connect to local public transportation options. Another heated sidewalk connected this building to its sister building located on site.

## References

Wes Wilson, United States Coast Guard (USCG)  
(206) 220-7364

Tim Krug, State Architect, USDA Rural Development  
(907) 761-7777

Kim Mahoney, Project Manager, AK DOT&PF  
(907) 269-0822

Rick Vann, Sundance Construction  
(907) 260-3690

## Contact

Eric Spangler  
Principal - Senior Housing Specialist  
Bezek Durst Seiser  
3800 C Street  
Anchorage, AK 99503  
p: 907-562-6076  
e: erics@bdsak.com

# Eric Spangler, RA

## Principal

### Bezek Durst Seiser Architects



Eric Spangler joined BDS in 1998 and became a Principal in 2010. In 2006 his design for the State of Alaska Department of Transportation and Public Facilities, Department of Natural Resources, Plant Material Center won the AIA Honor Award for Design Excellence. Eric enjoys design and construction challenges, and for this reason has earned the respect of many local contractors and project managers. His approach is very no-nonsense and his accessibility to clients is second to none.

Eric is the multi-family housing design leader for BDS's and has honed his expertise throughout communities across the state. Eric is especially known for his understanding of the features and benefits of designing within energy efficiency guidelines.

Over the years Eric has personally been engaged in design teams that respond to the challenges of renovations including limited budgets, lack of ADA accessibility and poor thermal performance. As a result, various entities including developers, Alaska Housing Finance Corporation, USDA Rural Development as well as various housing authorities and rural school districts have come to know Eric's work and the BDS Housing Team for their successful residential remodels.

Eric's recent projects include:

- Harbor Ridge Apartments, 2013
- Kimberly Court Apartments, 2013
- Silverwood II, 2013
- Sawmill Creek Apartments, 2013
- UAA MAC Housing Renewal, 2012
- Conifer Woods Apartments, Homer, 2011
- Laurel Wood Apartments, Soldotna, 2011
- Tanana Apartments, North Pole, 2011
- Birchwood Apartments, Eagle River, 2011
- Togiak Senior Apartments, 2010
- U.S. Coast Guard Housing, Cordova, 2010
- Hillcrest Housing, Soldotna, 2010
- Silverwood Senior Housing, Soldotna, 2010
- Napaskiak Housing, Napaskiak, 2010
- Fir Terrace Apartments, Kodiak, 2010
- Forest Apartments, Palmer, 2010
- North Ridge Apartments, Palmer, 2010
- Crestview Special Needs Housing, 2009
- Eagle Ridge Low Income Housing, Palmer, 2007
- Chugach Manor Senior Housing, Anchorage, 2006



Registration: Alaska A10225  
State of Residency: Alaska  
Total Years of Alaskan Experience: 15

#### Education:

B.ARCH, Virginia Polytechnic Institute, 1991  
M.ARCH, Virginia Polytechnic Institute, 1996  
Certification, Northern Design, UAA, 1999

#### Professional Affiliations:

US Green Building Council (USGBC) Alaska Chapter

#### References:

Kyle Scalts  
Criterion General, Inc.  
(907) 277-3200

Rick Van  
Sundance Construction  
(907) 252-2905

Kim Mahoney, AK DOT&PF  
(907) 269-0822

# MULTI-FAMILY HOUSING DESIGN



presented to:

**CORDES  
DEVELOPMENT III  
LLC**

## Statement of Qualifications

October 15, 2019



3330 C STREET, SUITE 200  
ANCHORAGE, AK 99503

(907) 562-6076  
bdsak.com



## OUR FIRM

BDS Architects (BDS) has provided architectural, planning, programming and project management expertise to private agencies, native corporations, municipal, state, and federal agencies, universities and school districts across Alaska since 1981. An Alaskan-owned corporation, the firm includes 11 talented full-time staff, including 6 registered architects, 1 architectural designer, 2 roof technology specialists, and 2 administrative staff members.

BDS has completed hundreds of projects on various facility types including commercial, industrial, education and academic, research, defense, health care, and multi-family housing. The firm's most experienced architectural professionals are involved in each of the firm's commitments, and every member of the team maintains an availability that allows exceptional access for its clients. BDS believes in a collaborative design environment based on a balance between aesthetic beauty and mechanical efficiencies.

Seven of the firm's staff members are LEED Accredited Professionals, and the firm is a proud member-supporter of the U.S. Green Building Council and the Cold Climate Housing Research Center.

BDS believes we have the creative energy to envision buildings that exceed expectations. Our goal is always to achieve efficient, adaptable, and simple solutions that balance the real world needs of people, buildings, and the natural environment while pursuing aesthetically original designs.

## MULTI-FAMILY RESIDENTIAL QUALIFICATIONS

BDS has worked on multi-family public housing projects since the firm's inception. Facility types have included public teacher housing, limited and mixed income housing, senior housing, and special needs housing. BDS has completed projects of all sizes, from single-story, multi-family residences throughout the state to a 120-unit urban facility for senior living in Anchorage.

Known for practical design excellence and facility planning, BDS has extensive experience building high performance living environments that provide attractive,

healthy, energy efficient and sustainable homes for a variety of lifestyles, ages, needs, and family sizes. We believe good design improves quality of life through:

- Common sense building forms for the Alaskan environment.
- "Universal design" considerations to provide for accessibility.
- Privacy through use of good acoustics and unit design.
- Solar orientation to maximize day lighting and sun exposure.
- Defensible space design concepts to improve security and sense of safety.
- Energy conservation strategies to reduce consumption and maintenance costs.
- Integrated community and family gathering space.
- Winter climate design (snowdrift, walkways, storage needs, access to transportation, etc.).

Since each location is unique, BDS avoids a "one size fits all" approach. Each project is designed specifically to improve the quality of life of the intended residents within the context of the needs of applicable support staff and/or site managers.

## MULTI-FAMILY RESIDENTIAL DESIGN APPROACH

Our multi-family housing designs begin with the residents, their specific needs, and the shared vision of the future development. To accomplish this we use many methods that go beyond standards for a functional and flexible design. We maximize energy efficiencies to save money on utilities and take advantage of sunlight to create a comfortable environment. All BDS residential facilities meet or exceed AHFC BEES requirements.

We use Universal Design that takes into consideration a flexible plan for the future of residents. Our kitchen designs are large and open with plenty of cabinet space. Some rooms are oversized, such as the bathrooms, and we exceed minimum standards for accessibility. Extra storage is provided in the unit and elsewhere in the building for seasonal needs associated with life in Alaska. We do not typically design separate ADA units as all the units will meet these requirements. This allows future flexibilities for owners and residents.

Designing for a multifamily environment is all about the details. How well materials stand up to the activities of the residence is critical. BDS recommends fire retardant materials, radiant heat fixtures, doors with monitored access, alarmed exits, solid vinyl protective wall elements, and a design that allows for a primary entrance and audio/video equipment for efficient monitoring of public areas. We understand that noise disturbances can have a negative impact on others, and therefore recommend appropriate construction measures to meet maximize sound ratings, including solid core doors and laminated glazing.

### BDS EXPERIENCE

30 Low-income/Special Needs Housing Projects

14 KPHI Projects

25 Senior Facility Projects

19 Years Multi-family Design Experience

1,200+ Living Units Designed

Our design contains amenities for resident activities and includes spaces for community involvement. A community room off a laundry facility, for instance, can offer space in which residents meet socially or for skills training. Common spaces can be equipped to accommodate a variety of activities. Recreation areas accommodate larger gatherings. Each feature is determined with home as a mind-set with the desires of residents as well as long-term management and maintenance needs of the program critical to success.

## PROJECT EXPERIENCE

BDS has completed designs for more than \$150M worth of multi-family residential construction. Facility types have included mixed and limited income housing, military housing, independent senior housing and community centers, teacher housing, and special needs housing. Eighteen (18) of our multi-family residential projects utilized Low Income Housing Tax Credits. Many other were completed in the context of complex funding cycles or programs. Table 1 below presents our work on low-income multi-unit housing projects. Some of these projects are detailed on the following pages.

Table 1. BDS Low-income Housing Projects (Last 8 Years)

| PROJECT                         | UNITS | ALASKA LOCATION | CLIENT                       | COMPLETE |
|---------------------------------|-------|-----------------|------------------------------|----------|
| Cordova Mews Low-income Housing | 22    | Cordova         | Cordes Development 2         | 2016     |
| Dusty Trails Housing            | 32    | Haines          | GMD Development              | 2016     |
| Channel Terrace                 | 22    | Douglas Island  | GMD Development              | 2015     |
| Harbor Ridge Apartments         | 24    | Homer           | Cordes Development           | 2014     |
| Kimberly Court Apartments       | 24    | Seward          | GMD Development              | 2013     |
| Silverwood II                   | 6     | Soldotna        | Kenai Peninsula Housing Inc. | 2013     |
| Sawmill Creek Apartments        | 56    | Sitka           | GMD Development              | 2013     |
| Conifer Apartments              | 32    | Homer           | Allied Pacific               | 2011     |
| Tanana Apartments               | 24    | North Pole      | Allied Pacific               | 2011     |
| Alderbrook Apartments           | 4     | Homer           | Kenai Peninsula Housing Inc. | 2011     |
| Maintree Apartments             | 6     | Homer           | Kenai Peninsula Housing Inc. | 2011     |
| Birchwood Apartments            | 42    | Eagle River     | Volunteers of America        | 2011     |
| Fir Terrace Apartments          | 59    | Kodiak          | Allied Pacific               | 2010     |
| Forest Apartments               | 32    | Palmer          | Allied Pacific               | 2010     |
| Northridge Apartments           | 32    | Palmer          | Allied Pacific               | 2010     |
| Hillcrest Housing               | 4     | Soldotna        | Kenai Peninsula Housing Inc. | 2010     |
| Crestview Special Needs Housing | 8     | Soldotna        | Kenai Peninsula Housing Inc. | 2009     |
| Eagle Ridge Low-income Housing  | 32    | Palmer          | Cordes Development           | 2007     |
| Terrace View Apartments         | 4     | Homer           | Kenai Peninsula Housing Inc. | 2007     |



Sawmill Creek Apartments



Terrace View Apartments



Eagle Ridge Apartments

## FEATURED PROJECTS

### SILVERWOOD PHASE 1, 2, & 3

SOLDOTNA, ALASKA / 2010, 2013, AND 2015

BDS provided design (architectural and site) services for Phase 1, 2, and 3. Each phase consists of two, 6-unit apartments complexes. Construction is one story wood on an insulated concrete foundation. Each building features a combination of both one and two bedrooms units, heated storage, and attached garages. Amenities such as radiant heat are featured in the garage to prevent ice accumulation and the possible safety risk to seniors. Another interesting and thoughtful feature is a sloped ceiling in the living space that ends in a tall wall with clerestory window for an abundance of natural lighting. All of the units were mobility equipped utilizing Universal Design concepts, which allow maximum accessibility throughout the units and the complex as a whole. Universal Design Standards afford seniors the opportunity to age in place with greater ease and safety and allowed the design team to achieve one of the central objectives for the Silverwood Projects. These buildings achieved a 5 Star Energy Plus rating from Alaska Housing Finance Corporation (AHFC) BEES program.

### ALDERBROOK APARTMENTS

HOMER, ALASKA / 2011

New residential construction, a 6-unit low income housing project. This two story building had three units per floor providing a one, two and three bedroom combinations. Construction is two story wood on an insulated concrete foundation. Amenities included individual washers and dryers., large kitchens and bathrooms designed to universal standards. This phase 1 project was designed to utilize part of the site in anticipation of future development. This building achieved a 5 Star Energy Plus rating from Alaska Housing Finance Corporation (AHFC) BEES program.

### BIRCH TERRACE APARTMENTS

HOMER, ALASKA / 2004

One of the first projects utilizing a two story townhouse style concept, this multifamily project consisted of 5 units one accessible unit. Construction is two story wood on an insulated concrete foundation The townhouse style which eliminates a shared common space reduced maintenance of the shared space. It also invoked ownership and pride of place with separate entrance and patio spaces. An accessible unit was achieved on one

end next to the playground. This building achieved a 5 Star Energy Plus rating from Alaska Housing Finance Corporation (AHFC) BEES program.

### HILLCREST HOUSING PHASE 1 & 2

SOLDOTNA, ALASKA / 2012

These multifamily projects were constructed in two phases from 2010 to 2012. Phase one constructed a townhouse style building with five units. Construction is two story wood on an insulated concrete foundation. Once accessible unit is equipped for mobility impaired and one unit is equipped for sight and hearing impaired. Phase two consisted of two four unit buildings. Generous entrances bring light in the entry corridor. The one and two bedroom units utilized an island concept kitchen providing a contemporary open floor plan. A shared playground separates the two phases. These buildings achieved a 5 Star Energy Plus rating from Alaska Housing Finance Corporation (AHFC) BEES program.

### CRESTVIEW SPECIAL NEEDS HOUSING

SOLDOTNA, ALASKA / 2006

BDS designed this 7,300-SF residence for adults with special needs, which includes eight 1-bedroom units and an additional live-in manager's unit. Central to the design is a community room comprised of a full kitchen and adjacent craft room, around which daily living activities revolve. Standards for BEES and Universal Design were integrated into the design, thereby making the facility fully accessible and affordable to operate and maintain. BDS utilized its pre-assembled residential project team for Crestview. The team has completed similar facilities throughout the Kenai Peninsula.

## BDS REFERENCES

### MULTI-FAMILY HOUSING CLIENT REFERENCES

- Steven Rouse, Kenai Peninsula Housing Initiative-(907) 235-4357
- Brian Shelton-Kelley, NeighborWorks Alaska-(907) 677-8406

### PUBLIC AGENCY REFERENCES

- Tim Krug, USDA Rural Development-(907) 761-7777
- Brent Fagerstrom, State of Alaska-(907) 465-6877

### CONTRACTOR REFERENCES

- Kyle Scalts, Criterion General, Inc.-(907) 277-3200
- Rick Vann, Sundance Construction-(907) 252-2905



*Northridge Apartments*



*Forest Apartments*



*Fir Terrace Apartments*

*Photos by Ken Graham Photography*



## ERIC SPANGLER, AIA – PROJECT MANAGER & LEAD ARCHITECT



AK REGISTRATION: A-10225

STATE OF RESIDENCY: Alaska

### EDUCATION:

- Certification, Northern Design, University of Alaska Anchorage (UAA), 1999
- M. ARCH, Virginia Tech, 1996
- B. ARCH, Virginia Tech, 1991

### PROFESSIONAL AFFILIATIONS:

- American Institute of Architects (AIA)
- UAA Northern Design – Adjunct Professor

### BACKGROUND:

Eric Spangler joined BDS in 1998. In 2010, he became a Principal and as such, he brings renewed leadership to the firm. As BDS's Term Contract Manager, he leads and manages term contracts, enabling him to manage and quickly respond to several projects simultaneously, while appointing the best-suited team members. Eric enjoys the challenge of balancing design and construction, and has earned the respect of both owners and project managers. His approach is no-nonsense, and his accessibility to clients is second to none. Eric received the AIA Honor Award for Design Excellence for both the Palmer Plant Material Center in 2006 and the Access Alaska Headquarters Planning and Design in 2013.

Eric leads design for all BDS housing projects and has honed his expertise through project for communities throughout Alaska. Over the years, Eric has personally been engaged in design teams that responds to the challenges of renovations including limited budgets, lack of ADA accessibility, and poor facility performance. As a result, numerous entities including the Alaska Housing Finance Corporation, USDA Rural Development (USDA RA), and various housing authorities and rural school districts have come to know BDS as a leader in the industry.

### MULTI-FAMILY HOUSING PROJECTS:

In addition to leading design on all of the multi-family projects list in Table 1 on page 2 of this Statement of Qualifications, Eric has served as Principal in Charge/Project Manager on the following projects:

- Department of Health and Social Services Anchorage Pioneer Home Upgrades; 2015; Anchorage
- Northwood Apartments; 2014; Soldotna
- Chinook Villa Apartments; 2014; Wasilla
- NeighborWorks Capital Needs Assessment; 2013; Anchorage
- Tyee Court Senior Housing; 2013; Soldotna
- Harbor Ridge Apartments; 2013; Homer
- Kimberly Court Apartments; 2013; Seward
- Silverwood II Multi-Family Housing; 2013; Seward
- Sawmill Creek Apartments; 2013; Sitka
- University of Alaska Anchorage, MAC Housing Renewal; 2013; Anchorage
- Alderbrook Apartments; 2011; Homer
- U.S. Coast Guard Cordova Housing; 2010; Cordova

### ADDITIONAL RELEVANT EXPERIENCE

- National Parks Service, Noma Housing Condition Survey; Lead Architect/Project Manager; 2015; Nome
- Access Alaska Headquarters Renovation Planning, Design, Interiors; Planner/Principal in Charge; 2013; Anchorage

### REFERENCES:

- Kyle Scalas, President, Criterion General, (907) 277-3200
- Rick Vann, Sundance Construction, (907) 252-2905
- Jim Beck, Access Alaska, (907) 248-4777



Rick Vann, owner/operator and site superintendent of Sundance Construction, has been a licensed general contractor in the state of Alaska since 1981.

Sundance Construction, originated in Kasilof in 1981, and briefly relocated to Juneau in 1995 - 1999, but returned back to its home in Kasilof. Although based in Kasilof, Sundance Construction continues to work throughout the state of Alaska.

Sundance Construction, over the years has proven to be a success, especially in meeting and beating a deadline with quality work. Sundance Construction prides itself by completing projects on time and on budget and has never been in court. The scope of work performed ranges from new construction of single family, commercial, multi-family units, motels, hotels, restaurants, warehouses, office space to remodels, and additions on residential and commercial buildings.

Sundance Construction is a small but very capable company, and has worked all over the state of Alaska in difficult and remote locations, from the rain forests of southeast to the Arctic Circle villages. Along with completing all of the projects as scheduled, we have made a lot of friends throughout Alaska, and have numerous letters of reference that we would like to share with you upon request.

Sundance Construction Company, Inc. is an equal opportunity employer. A significant portion of the subcontract work is performed by minority and woman-owned businesses.

Thank you for considering us to perform the construction on your projects.

Rick & Connie Vann



## PROJECT HISTORY

- 24 Multifamily projects
- 19 Senior Housing projects
- 5 Multifamily Rehab projects
- 4 Teacher Housing projects
- 5 Special Needs projects
- 1 Assisted Living project

| PROJECT                             | # UNITS                    | LOCATION       | YEAR    |
|-------------------------------------|----------------------------|----------------|---------|
| Port Heiden VSPO Housing            | 2 units                    | Port Heiden    | 2015    |
| Silverwood Senior Housing Phase III | 6 units                    | Soldotna       | 2015    |
| Alderbrook Apts Phase II            | 6 units                    | Homer          | 2014    |
| Iliamna VPSO Housing                | 2 units                    | Iliamna        | 2014    |
| Silverwood Senior Housing Phase II  | 6 units                    | Soldotna       | 2013    |
| Harbor Ridge Apts - Renovation      | 24 units                   | Homer          | 2013    |
| Tyee Court Housing                  | 8 units                    | Soldotna       | 2012    |
| Manokotak VPSO Housing              | 2 units                    | Manokotak      | 2012    |
| Hillcrest II                        | 8 units                    | Soldotna       | 2012    |
| Maintree Supportive Housing         | 10 units                   | Homer          | 2011    |
| Alderwood Apartments                | 6 units                    | Homer          | 2011    |
| Tuyuryarmait Tegganritta Enitt      | 6 units – Senior           | Togiak         | 2010    |
| Silverwood Senior                   | 6 units – Senior           | Soldotna       | 2010    |
| Hillcrest Manor                     | 5 units                    | Soldotna       | 2010    |
| Togiak Housing                      | 4 units                    | Togiak         | 2009    |
| Manokotak Housing                   | 8 units                    | Manokotak      | 2009    |
| Raven View Senior Apartments        | 6 units – Senior           | Cooper Landing | 2008    |
| New Stuyahok Housing                | 12 units                   | New Stuyahok   | 2008    |
| Tovarish Manor Phase II             | 6 units                    | Ninilchik      | 2008    |
| Moose River Manor Phase II          | 10 units                   | Sterling       | 2007    |
| Soldotna Seniors                    | 8 units – Senior           | Soldotna       | 2007    |
| Crestview Apartments                | 9 units – Special needs    | Soldotna       | 2007    |
| Eagle Ridge Townhouse Apartments    | 33 units                   | Palmer         | 2006-07 |
| Tovarish Manor                      | 6 units – Senior           | Ninilchik      | 2006    |
| Terrace View                        | 4 units – ADA              | Homer          | 2006    |
| Nikiski Senior Housing              | 8 units – Senior           | Nikiski        | 2006    |
| Birch Terrace Apartments            | 5 units                    | Homer          | 2005    |
| Togiak View Apartments              | 16 units                   | Togiak         | 2005    |
| Gateway Apartments                  | 20 units – Rehab           | Seward         | 2004/05 |
| Qiivalaria Senior Apartments        | 6 units – Senior           | New Stuyahok   | 2004/05 |
| Brookside Apartments                | 9 units – Special needs    | Homer          | 2004    |
| Moose River Manor Senior Apartments | 10 units – Senior          | Sterling       | 2004    |
| Muklung Manor Apartments            | 16 units                   | Dillingham     | 2003    |
| Parkview Apartments                 | 26 units – Rehab           | Soldotna       | 2003    |
| Hunter Creek Apartments             | 32 units                   | Palmer         | 2002    |
| Iglut Senior Apartments             | 16 units – Senior          | Kotzebue       | 2001    |
| Bayview Apartments                  | 18 units – Rehab           | Seward         | 2001    |
| Tradewinds Apartments               | 16 units                   | Unalaska       | 2000    |
| Marrulut Eniit Assisted Living      | 11 units – Assisted Living | Dillingham     | 2000    |
| Southwest Elders Home               | 11 units – Senior          | Naknek         | 1999    |
| Taiga View Apartments               | 16 units                   | King Salmon    | 1999    |
| Munagsri Senior Apartments          | 17 units – Senior          | Nome           | 1998    |
| Orca Point Apartments               | 47 units                   | Juneau         | 1998    |
| Sound View Apartments               | 20 units                   | Valdez         | 1997    |
| Forest View Apartments              | 24 units                   | Dillingham     | 1997    |
| Eaglewood Apartments                | 24 units                   | Juneau         | 1997    |
| Douglas Terrace                     | 15 units – (JAMI)          | Juneau         | 1997    |
| Haines Senior Village               | 14 units – Senior          | Haines         | 1996    |
| Cordova Mews                        | 20 units – Rehab           | Cordova        | 1996    |

|                           |                   |          |      |
|---------------------------|-------------------|----------|------|
| Hillview Apartments       | 16 units          | Douglas  | 1996 |
| Ravenwood Apartments      | 16 units          | Juneau   | 1995 |
| Willow Pointe Apartments  | 24 units – Senior | Palmer   | 1994 |
| Chinook Villa Apartments  | 32 units – Senior | Wasilla  | 1993 |
| Dusty Trails Apartments   | 32 units          | Haines   | 1992 |
| Northwood Apartments      | 23 units – Senior | Soldotna | 1991 |
| Tyson Terrace             | 16 units          | Sitka    | 1990 |
| Kimberly Court Apartments | 24 units          | Seward   | 1989 |

## ***PROFESSIONAL REFERENCES***

Cordes Development  
Dave or Diane  
(303) 617-1297

AHDC  
Tamara Rowcroft  
(907) 780-6666

Human Resource Investment, Corp.  
Marty Frantz  
(208) 762-0427

Spenard Builders Supply  
Rick Abbott, Manager Soldotna Store  
(907) 262-9143

Key Bank of Alaska  
Kristen, Kenai Manager  
(907) 283-7542

Parker, Smith & Feek  
Ellen Ball  
(206) 382-7900

Eric Spangler, Architect  
(907) 771-3719

Robert Minch, Architect  
(907) 586-1371

Hansen & Associates, Architect  
(612) 487-3281

Please feel free to contact any of the above references regarding Sundance Construction's credibility, financial stability, professional integrity, and efficient, quality workmanship.

## NORTH STAR MANAGEMENT, LLC

1209 Pacific Avenue  
P.O. Box 188  
Benson, MN 56215-0188  
(320) 843-4344  
(320) 843-4345 Fax  
northstar@northstarbiz.com

### FIRM RESUME AND QUALIFICATIONS SUMMARY

North Star Management is a domestic Minnesota Limited Liability Company formed for the purposes of providing development and rental management services for owned and contractually managed elderly, congregate, multi-family and commercial rental properties. Members of the Chevalier family wholly own the Corporation and its principals have extensive rental management experience dating back to 1950.

North Star Management's offices are located in Benson, Minnesota, and the firm has managed and/or has developed properties in Minnesota, Alaska, Wyoming, Wisconsin, North Dakota and South Dakota. The Principals and staff are trained in the specialized areas where the business has focused its expertise including:

- Housing Tax Credit Program (IRC Section 42, participating with Alaska Housing Finance Corporation, Minnesota Housing Finance Agency, Wyoming Community Development Authority, North Dakota Housing Finance Agency and the South Dakota Housing Development Authority)
- Home Investment Partnerships Program (HOME)
- Affordable Housing Program (AHP) participating with Federal Home Loan Bank of Seattle
- Senior Citizens Housing Development Fund (SCHDF) Program participating with Alaska Housing Finance Corporation
- USDA Rural Development (Formerly Farmers Home Section 515 Program)
- HUD Section 8 and Section 236
- Elderly Congregate Care Programs (Includes providing daily meals, coordinated health care, wellness programs, supervised living environments and community events)
- Market rate multi-family apartment rentals
- Commercial property management

## **NORTH STAR MANAGEMENT, LLC**

### **PROFILES OF PRINCIPALS AND KEY STAFF:**

#### **MICHEL D. CHEVALIER**

Has over 25 years' experience in residential and commercial property asset management for developer/owner firms and is a General Partner/Owner of Market Rate, Rural Development financed, and Low Income Housing Tax Credit (LIHTC) financed residential rental properties in Minnesota, Wyoming, and Alaska. Previous employment includes Deputy Executive Director and Housing Director at Anchorage Neighborhood Housing Services, Inc., Anchorage, Alaska, from 1992 - 1996. As Deputy Executive Director, he assisted with coordination of all programmatic functions of this community development firm including, residential and small business loans, real estate development, and general community development activities. As Housing Director, he was responsible for rental management and program compliance of an 1,100 unit residential rental portfolio with projects ranging in size from 16 to over 250 units, and compliance of Tax-Exempt, LIHTC and Section 8 programs.

Prior to 1991, he was Director of Property Asset Management at SB Real Estate Services, Inc., Minneapolis, Minnesota, from 1987 - 1991. He managed over 750 residential rental units and 250,000 square feet of commercial retail space for this owner/developer firm.

He is part owner of North Star Management, LLC, which is currently managing over 800 residential rental units, most of which are Rural Development and LIHTC financed projects. He has management and development experience participating with The Housing Tax Credit (HTC) Program, USDA Rural Development, Minnesota Housing Finance Agency, Alaska Housing Finance Corporation, Wyoming Community Development Authority, HUD, Federal Home Loan Bank of Seattle, Neighborhood Reinvestment Corporation, and various state and local public housing authorities. He is a Licensed Real Estate Broker in Alaska, Minnesota, and Wyoming.

#### **MOLLY J. HANSON**

Oversees all accounting functions for North Star Management, LLC, which has a management portfolio comprised of over 30 projects with 800+ units of Rural Development FmHA Section 515, Low Income Housing Tax Credit, HOME and Market Rent units. Duties include general ledger entry, completion and submission of annual project budgets, cash flow reports, annual financial statement preparation and submission to investors and asset managers, oversees accounts payable and accounts receivable. Also completes annual CPA Audit packages, assists with agency compliance audits, and submits monthly rental assistance requests through the USDA MINC system. Assists with integration of new updates to property management and compliance software.

#### **KATIE M. MAURER**

Lead Compliance Manager and Fair Housing staff person for North Star Management and works with housing assistance programs including IRS Section 42 (LIHTC), Section 515 Rent Subsidy (USDA Rural Development), HUD Project Based Section 8 and HUD HOME programs. Supervises and works closely with site managers to ensure program compliance for 30 residential properties in Alaska, Minnesota, and Wyoming. Works directly with compliance and audit personnel/site auditors during annual or triennial site visits, compliance monitoring

reviews, and desk audits. This includes responding to asset managers and housing agencies and ensures each review is successfully completed. Has assisted in many new lease-up projects in several states and has income qualified tenants for those projects to ensure full tax credit awards and critical first-year compliance.

Professional references will be provided upon request.

**NORTH STAR MANAGEMENT  
MANAGEMENT PORTFOLIO**

| <b>PROJECT NAME</b>        | <b>LOCATION</b>         |                            | <b>UNITS</b> | <b>PROGRAM TYPE</b>     |
|----------------------------|-------------------------|----------------------------|--------------|-------------------------|
| Dewal                      | 550 Cheyenne Drive      | Evanston, WY 82930         | 24           | RD/LIHTC                |
| Glacier Park               | 660 South Yorktown      | Ketchikan, AK 99901        | 22           | RD/LIHTC                |
| Green Rock                 | 700 Crossbow Drive      | Green River, WY 82935      | 48           | RD/LIHTC                |
| Harbor Ridge               | 4047 Main Street        | Homer, AK 99603            | 24           | RD/LIHTC/HOME           |
| Hunter Creek               | 855 West Fern           | Palmer, AK 99645           | 32           | LIHTC                   |
| Owl Creek                  | 2220 Rose Lane          | Riverton, WY 82501         | 68           | RD/LIHTC                |
| The Pines                  | 408 Park Ave            | Madison, MN 56256          | 16           | MARKET (NON-SUBSIDIZED) |
| Sunshine                   | 1620 Clary Street       | Worthington, MN 56187      | 47           | RD/LIHTC                |
| Tradewinds                 | 62 Lear Rd              | Unalaska, AK 99685         | 24           | RD/LIHTC/HOME           |
| Willow Pointe              | 925 South Chugach       | Palmer, AK 99645           | 16           | RD/LIHTC                |
| Windsong                   | 401 Village Drive       | Marshall, MN 56258         | 39           | RD                      |
| Bayview                    | 214 6th Ave             | Seward, AK 99664           | 18           | RD/LIHTC/HOME           |
| Cordova Mews               | 406 6th & Council       | Cordova, AK 99574          | 22           | RD/LIHTC                |
| Cottonwood                 | 158 4th Ave             | Spicer, MN 56228           | 24           | RD/LIHTC                |
| Eagle Ridge                | 1775 North Thuma Street | Palmer, AK 99645           | 33           | LIHTC                   |
| Gateway                    | 1810 Phoenix Doad       | Seward, AK 99664           | 20           | RD/LIHTC                |
| Lulu Heron                 | 405 Ptarmigan Rd        | Bethel, AK 99559           | 16           | RD/SCHDFC/AHFC          |
| MLH Manor                  | 301 7th Avenue          | Fairbanks, AK 99701        | 34           | LIHTC                   |
| Munaqsri                   | 515 Steadman            | Nome, AK 99762             | 17           | RD/LIHTC/SCHDF          |
| New Paris                  | Countryside Dr.         | Benson, MN 56215           | 40           | RD/LIHTC                |
| Parkview                   | 330 Columbine           | Soldotna, AK 99669         | 26           | RD/LIHTC                |
| Pioneer I                  | 300 South Rancher St.   | Jackson, WY 83001          | 28           | RD                      |
| Pioneer II                 | 835 E Hansen Ave        | Jackson, WY 83001          | 25           | RD/LIHTC                |
| Pioneer III                | 280 South Rancher       | Jackson, WY 83001          | 25           | LIHTC/HOME              |
| Rendezvous                 | 901 East Sunset         | Riverton, WY 82501         | 30           | RD                      |
| Shelter                    | West Main St.           | Osakis, MN 56360           | 17           | RD                      |
| Single Family Home Project | Various                 | Mountain Village, AK 99632 | 8            | RD/FHLB                 |
| Sound View                 | 454 W. Hanagita         | Valdez, AK 99686           | 20           | RD/LIHTC                |
| Wrangell Senior            | 351 Bennett St.         | Wrangell, AK 99929         | 25           | RD                      |
| Mill Bay Townhomes         | 1223 Mill Bay Road      | Kodiak, AK 99615           | 20           | LIHTC                   |
| Turnagain Place Apartments | 2708 Coho Way           | Anchorage, AK              | 29           | LIHTC                   |
| Total Units Managed        |                         |                            | 837          |                         |



## Legislation Text

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**File #:** 20-0131, **Version:** 1

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**ITEM TITLE:**

COVID-19 Local Response Update

**SUBMITTED BY:** Mark Detter, City Manager

**FISCAL NOTES:**

Expenditure Required: [Click here to enter text.](#)

Unencumbered Balance: [Click here to enter text.](#)

Funding Source: [Click here to enter text.](#)

**RECOMMENDATION:**

[Click here to enter text.](#)

**SUMMARY STATEMENT:**

The City Incident Management Team (IMT) will provide an update on the local COVID-19 response.