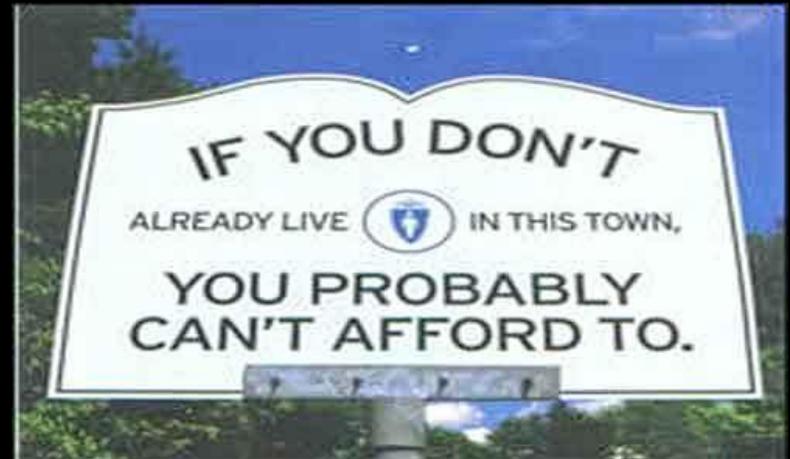


MSB Housing Needs Assessment Summit



Joshua Allen, MPA
MSB Planner II
February 5, 2015

Purpose



Statistics



Six out of seven dwarves are not happy.

Change Happens...

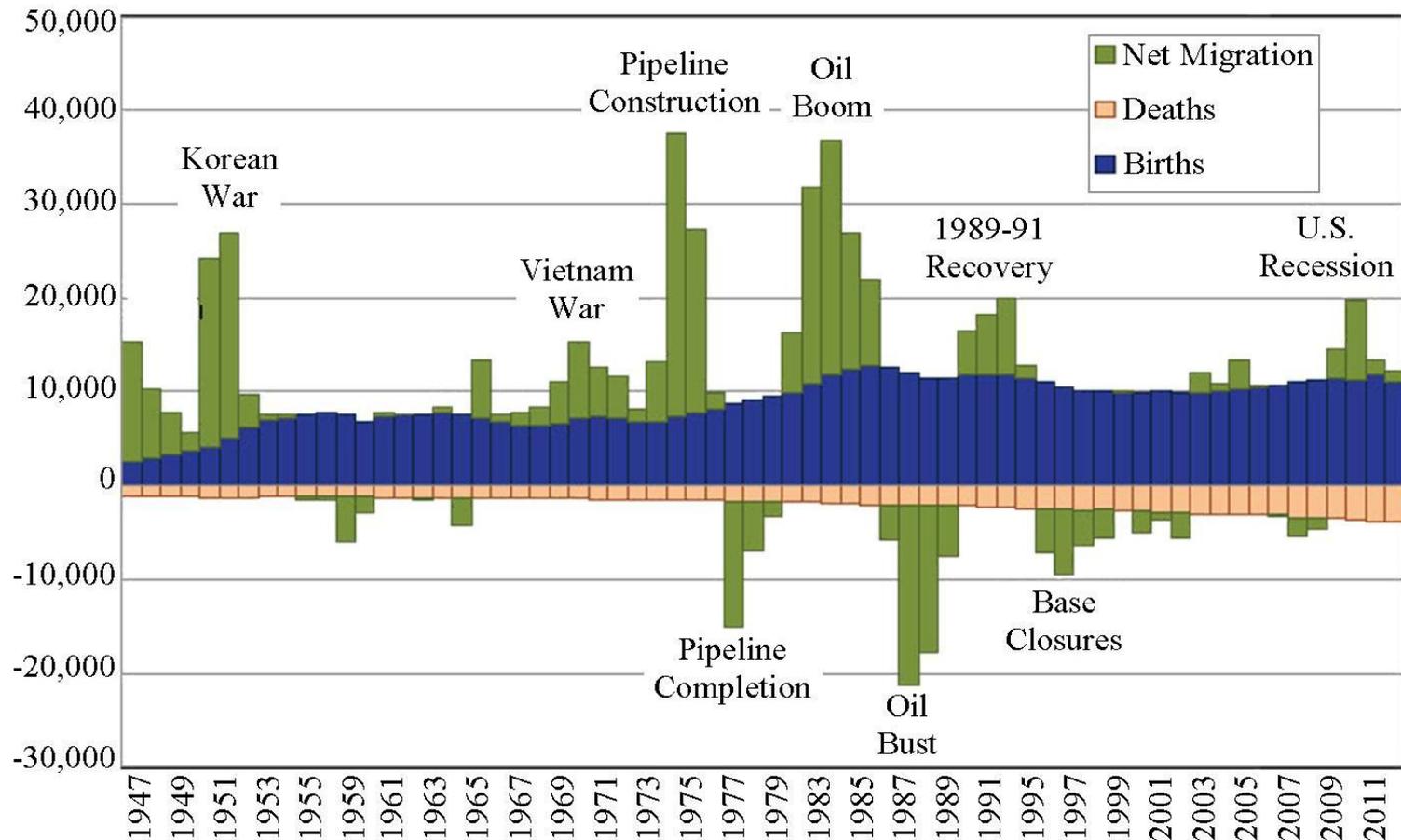


In the MSB and...



Especially in Alaska!

**Figure 1: Alaska's Population Changes
1947 to 2012**



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

A SHORT HISTORY OF AMERICA
— by R. CRUMB

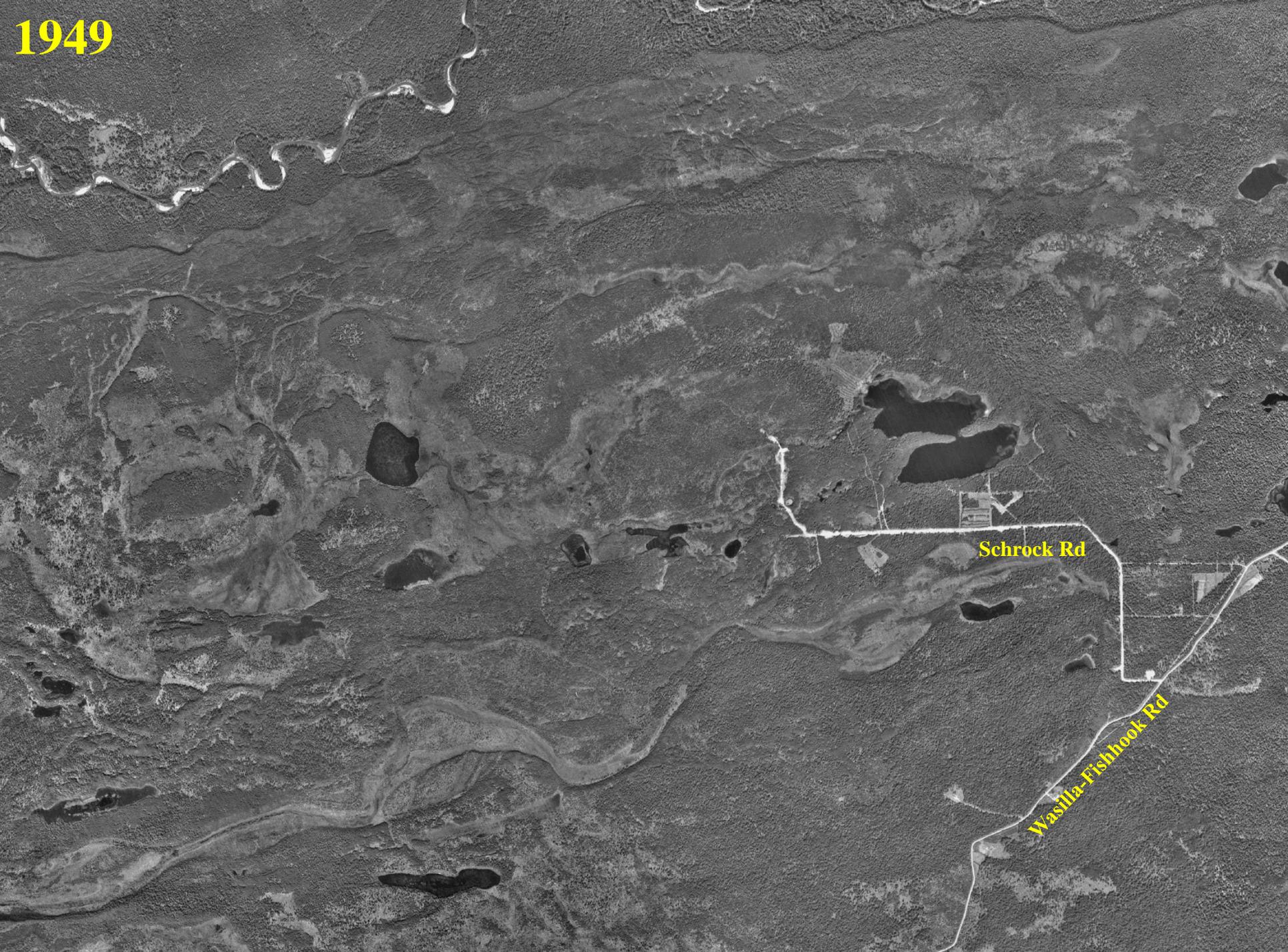


WHAT NEXT?

BACK IN TIME



1949



Schrock Rd

Wasilla-Fishhook Rd



1978

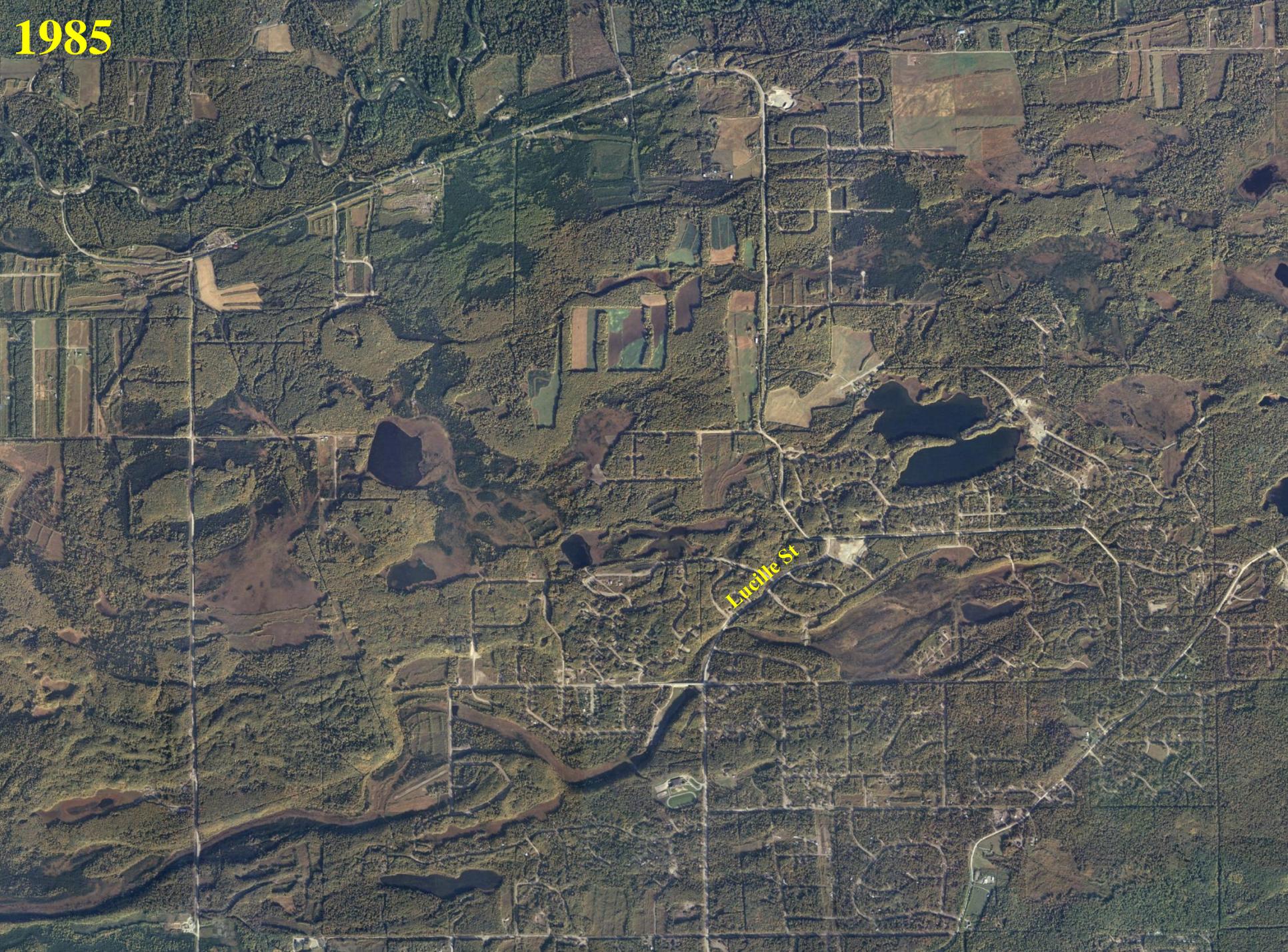
Schrock Rd

Church Rd

Seldon Rd

Lucille St

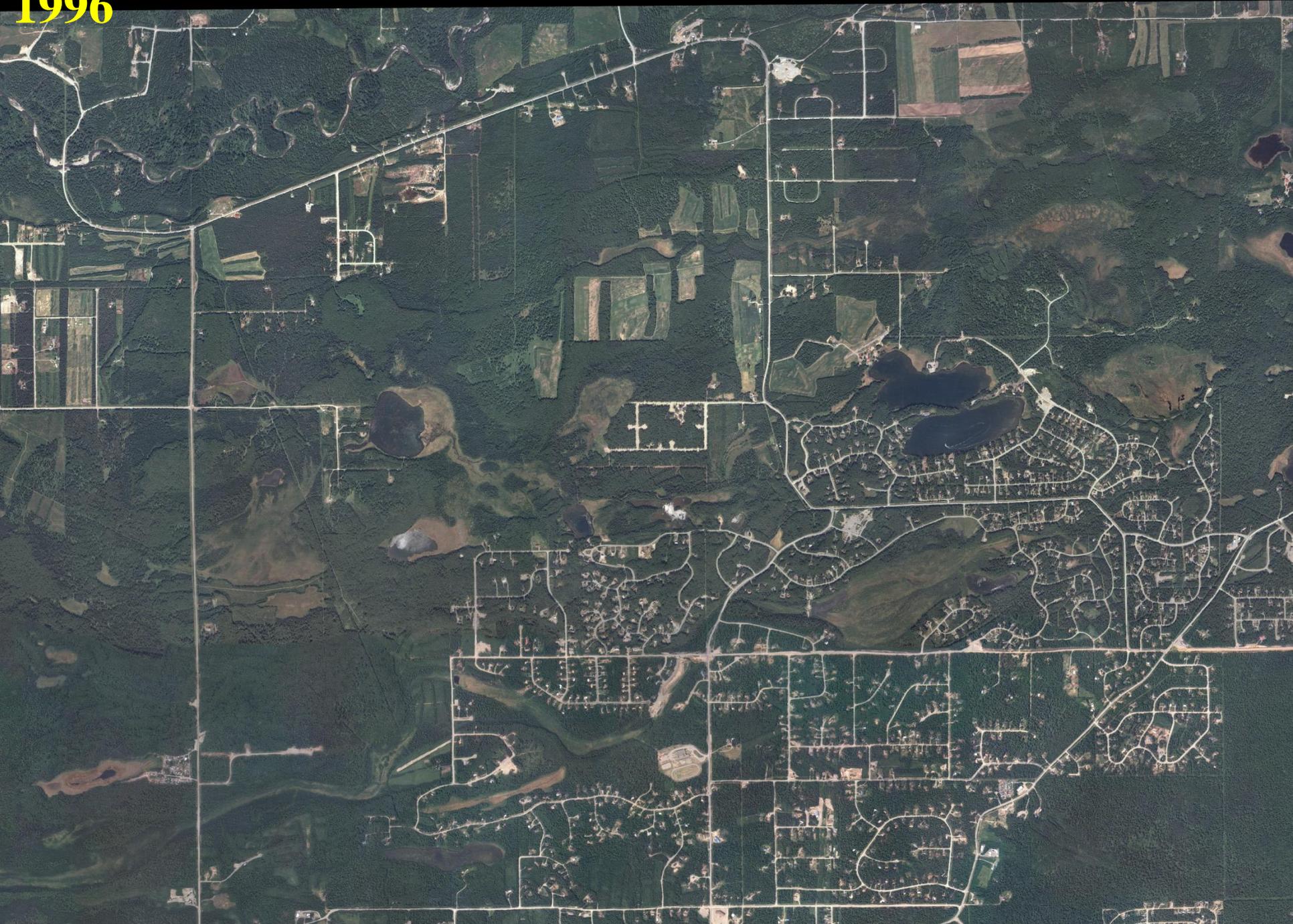
Spruce Ave



1985

Lyville St

1996

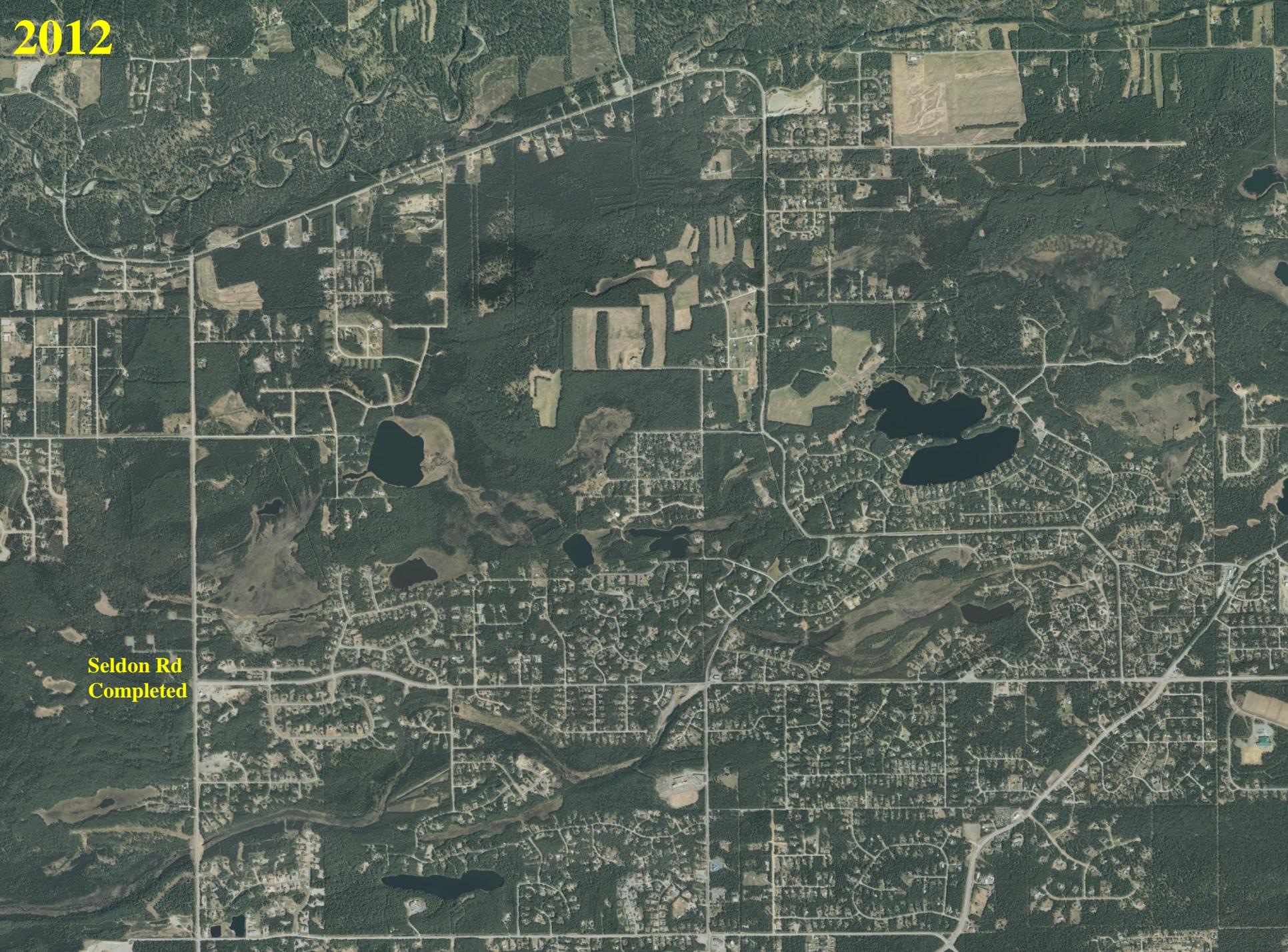




2000



2004

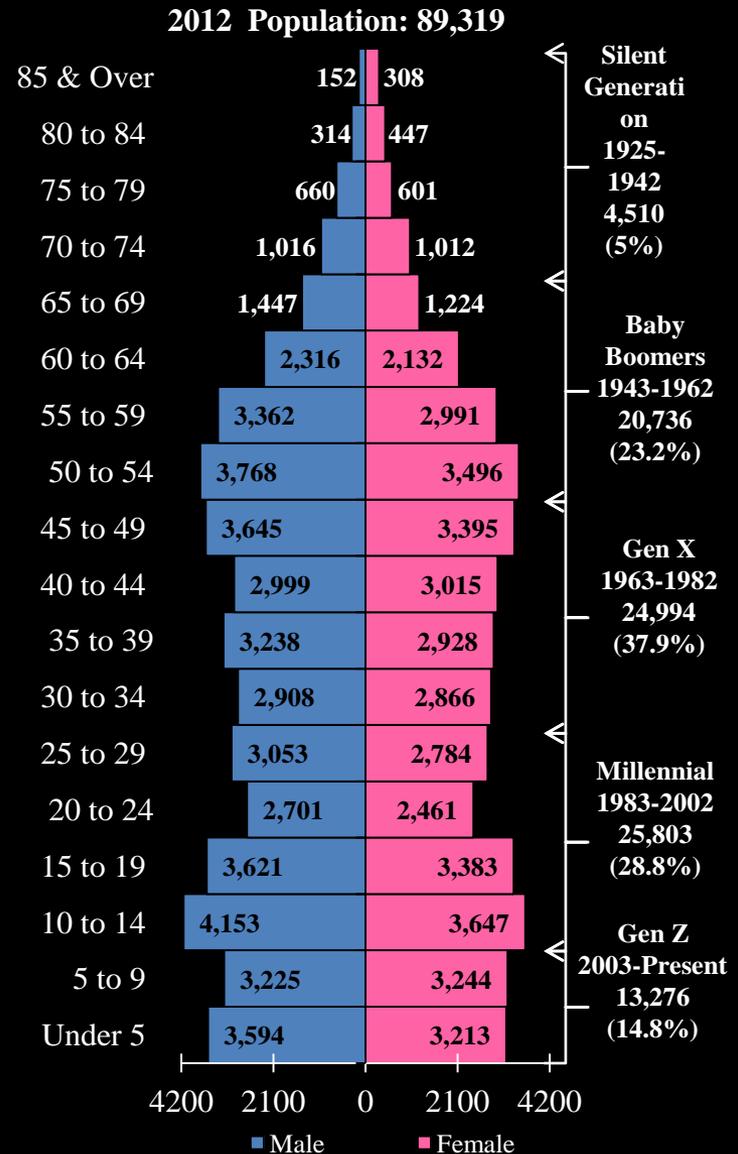
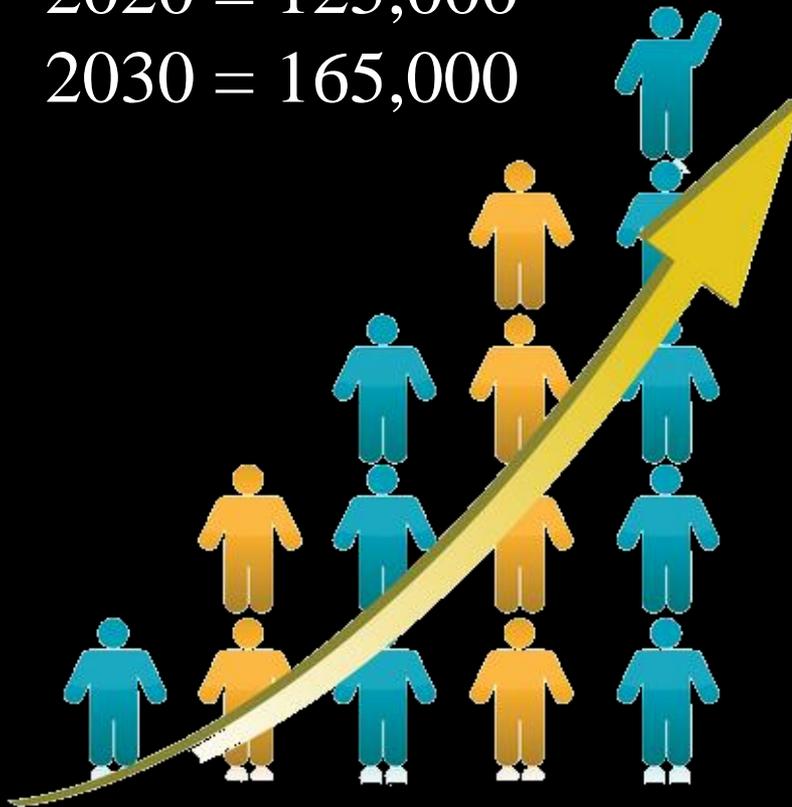


2012

**Seldon Rd
Completed**

MSB Population

And Still Growing!
 Current = 98,063
 2020 = 125,000
 2030 = 165,000



Other Projections

	2010	2014/ 2015	2020	2025	2030	2035
Alaska Dept. of Labor (2012 Press Release)	89,721	103,070	117,222	131,764	146,328	160,693
MSB Southwest 2060 Future Study	N/A	N/A	120,300	N/A	162,618	N/A
Knik Arm Crossing Forecast w/o Bridge (ISER 2005)	92,100	119,000	136,900	161,900	187,500	N/A
Knik Arm Crossing Forecast w/Bridge (ISER 2005)	96,000	120,000	144,800	174,000	204,400	N/A
Knik Arm Crossing Forecast w/Bridge (ISER 2009)	N/A	95,400	117,200	153,600	169,000	170,800
ISER 2014 Land Use Scenarios (Base)	N/A	97,591	109,903	N/A	133,971	N/A
Cardno/Agnew::Beck 2014 Forecast w/o Bridge	N/A	99,212	116,670	137,178	161,372	196,873
Cardno/Agnew::Beck 2014 Forecast w/Bridge	N/A	99,212	118,518	143,183	168,627	186,754

Source: AK Dept. Labor, Cardno/Agnew::Beck, ISER, MSB, and HDR Alaska

Past and Present Population Growth



Children of the future

2020 = 35,000

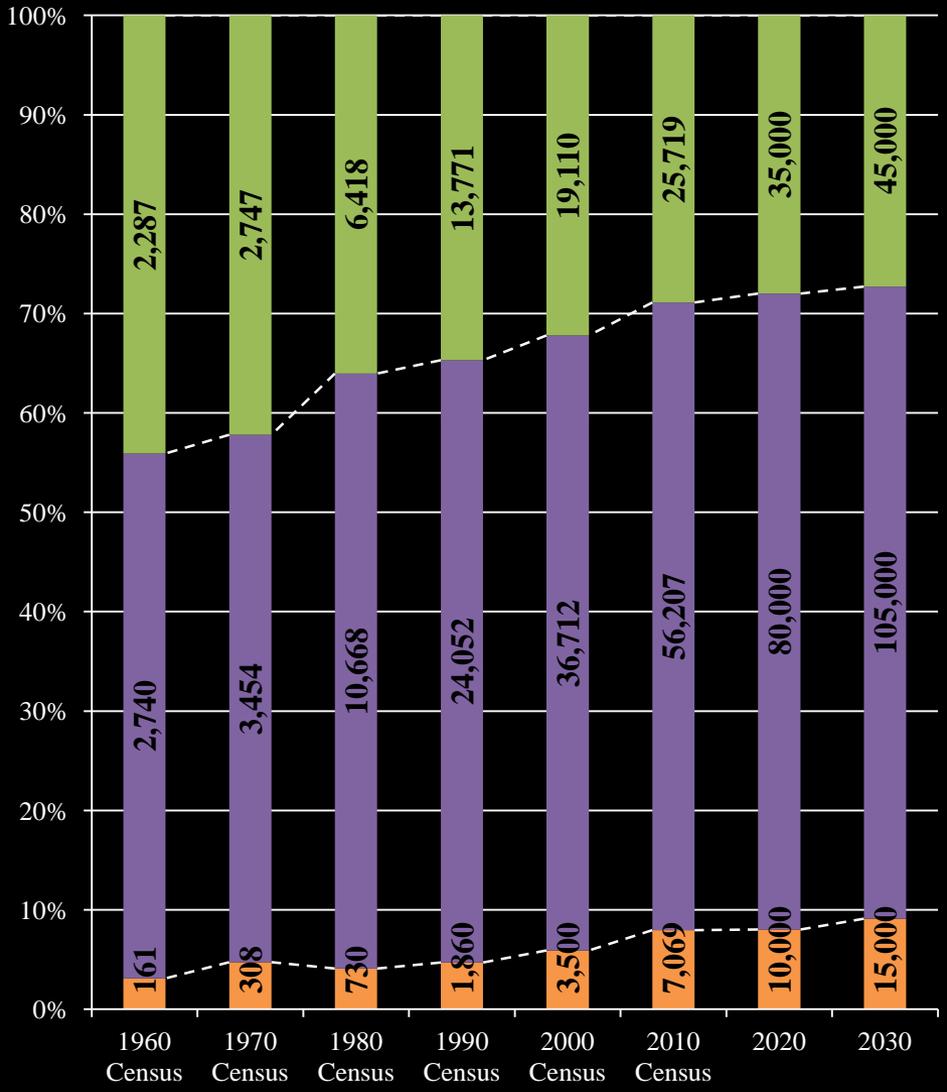
2030 = 45,000



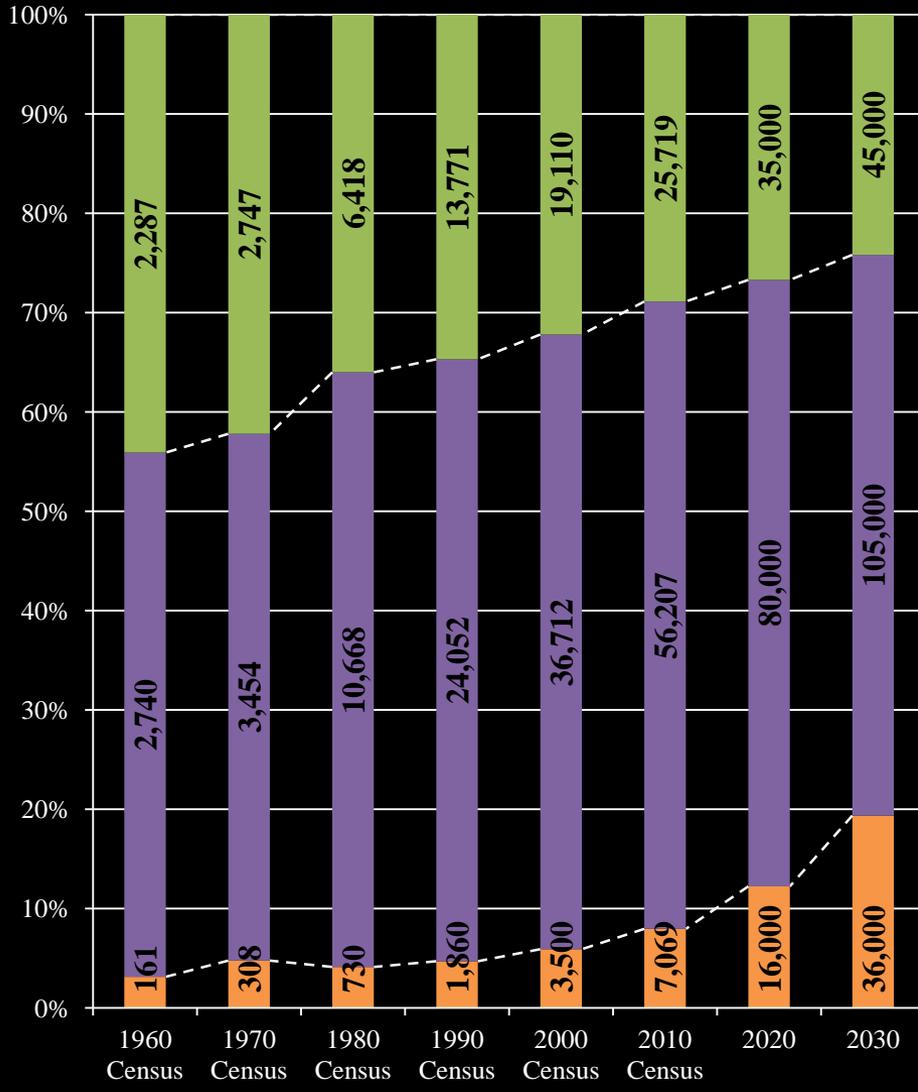


Seniors (65+)

Moderate Growth



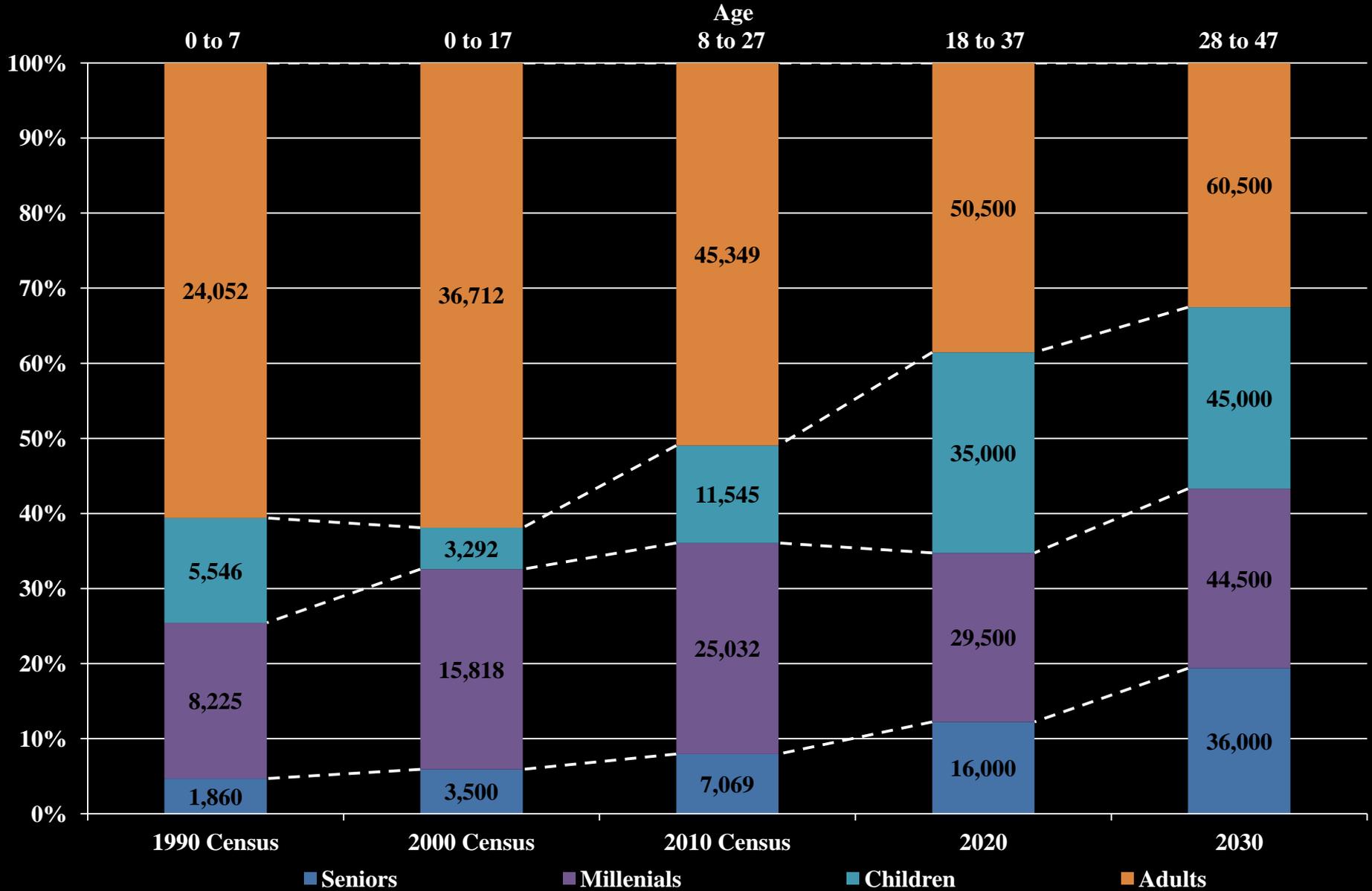
Fast Growth



Seniors Adults Children

Seniors Adults Children

Millennials





Millennial Issues and Desires



Let's accumulate debt together to delay having children together.



your  cards
someecards.com



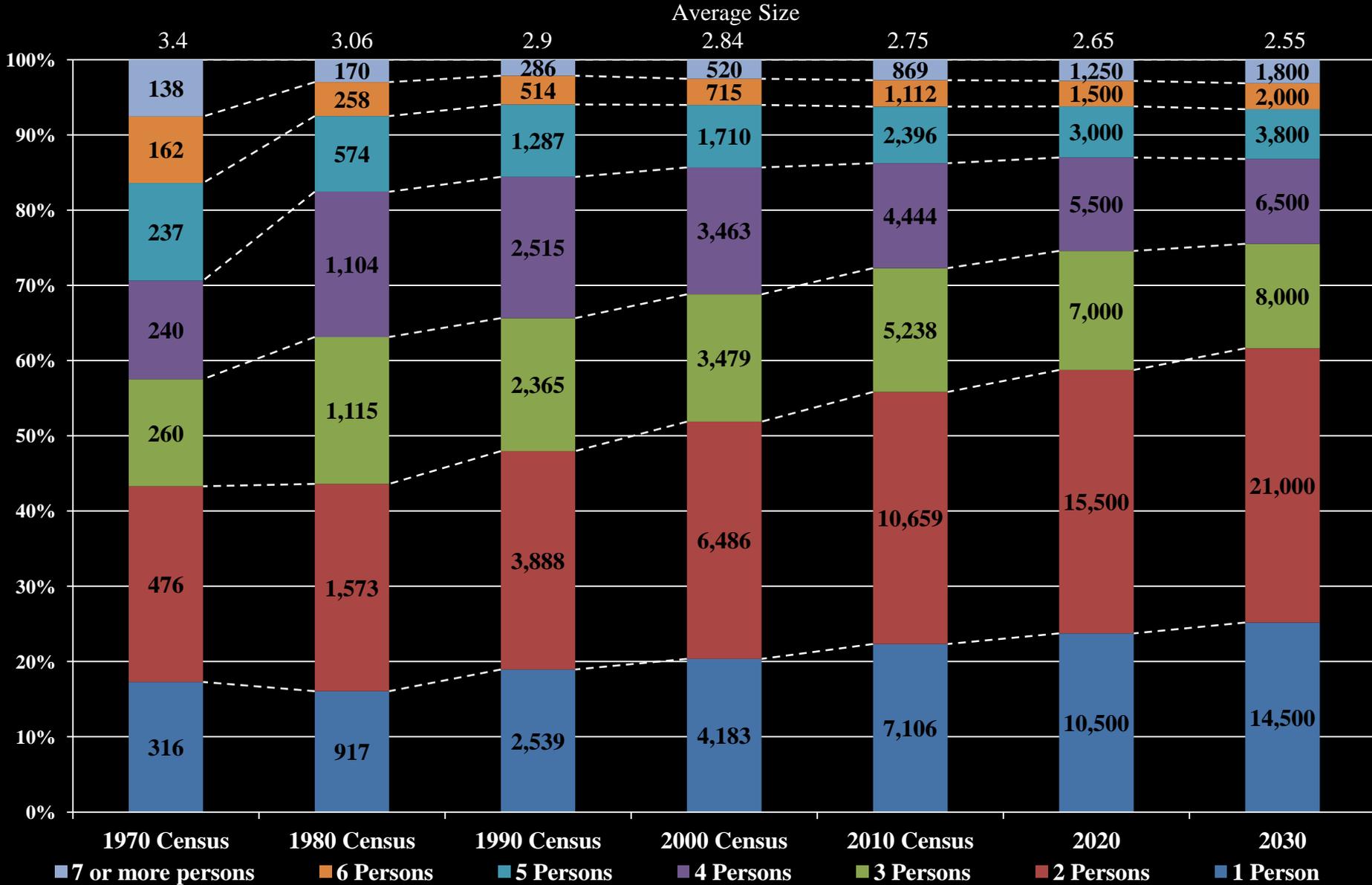
WHAT MODE OF TRANSPORTATION DO MILLENNIALS PREFER?



APTA "MILLENNIALS AND MOBILITY" REPORT

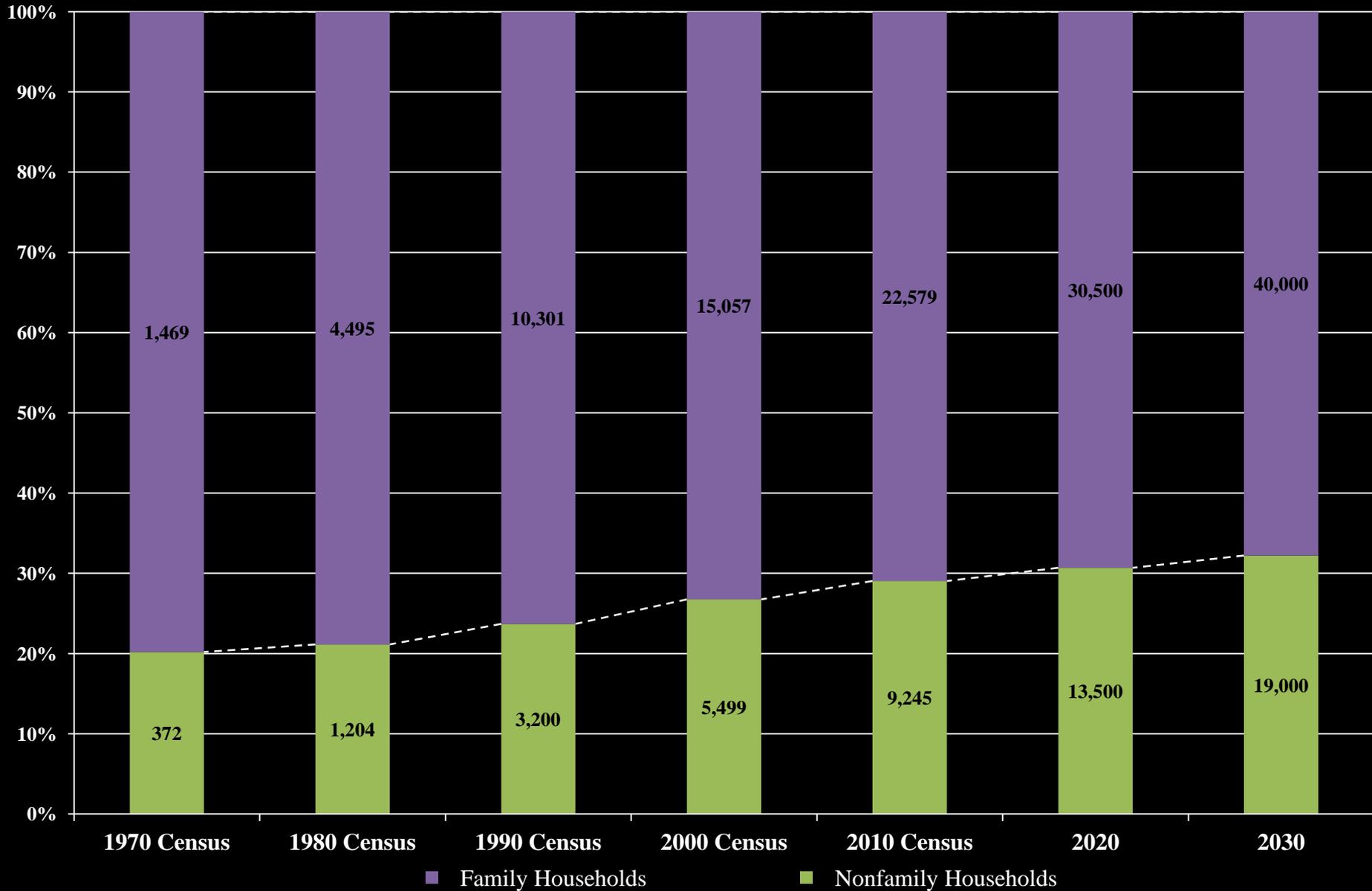


Household Change



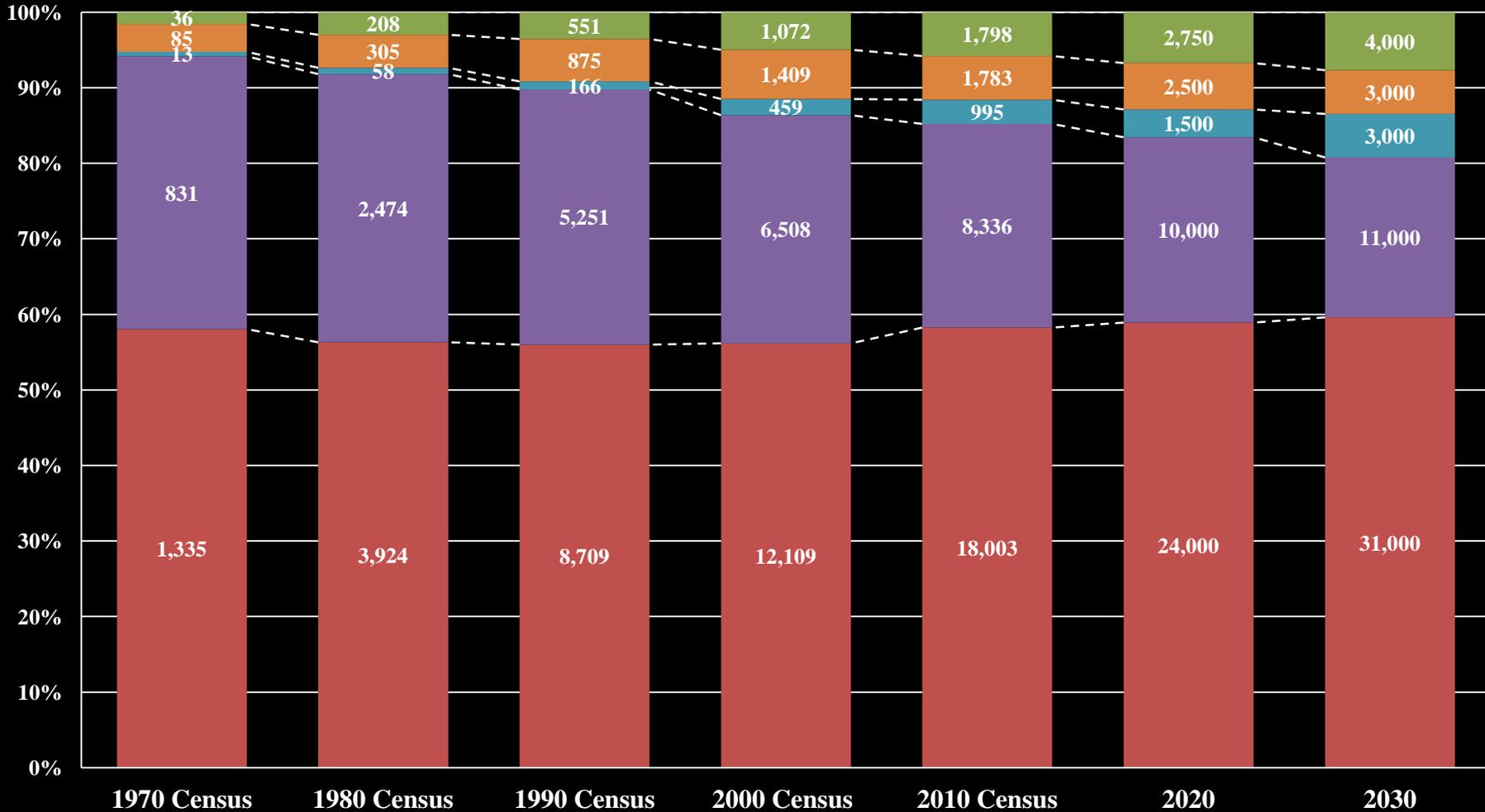


Household Change





Family Households



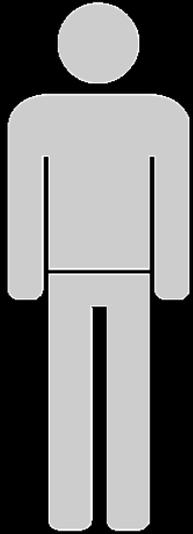
- Male householder, no wife present
- Female Single Parent With Own Children Under 18 Years
- Female Householder, no husband present
- Married Couple With Own Children Under 18 Years
- Married-Couple Family

Average Household 3.3 Persons



Nonfamily Households

Overall

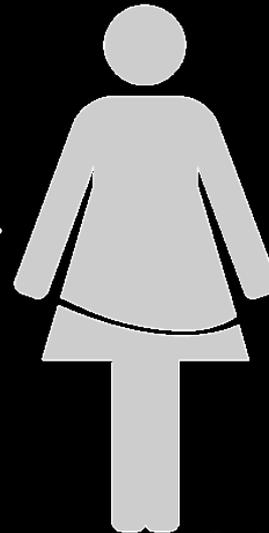


6 out of 10

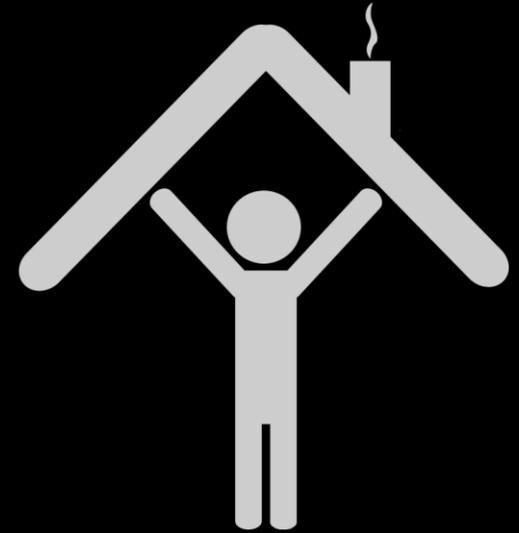
Average Household
1.3 Persons



1 out of 4



6 out of 10



Overall: 77%
Seniors: 90%

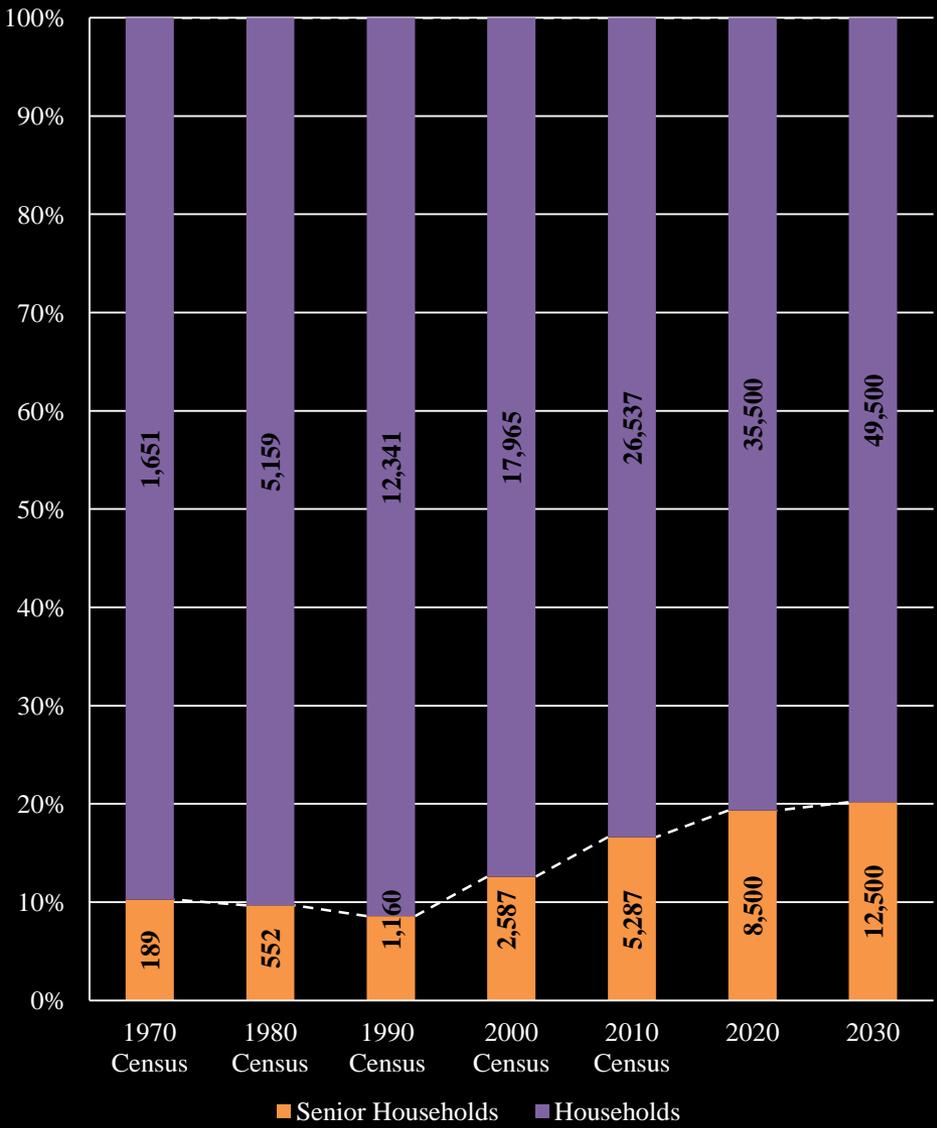
Demographic Change

Quickly becoming a 1/3 of the population!

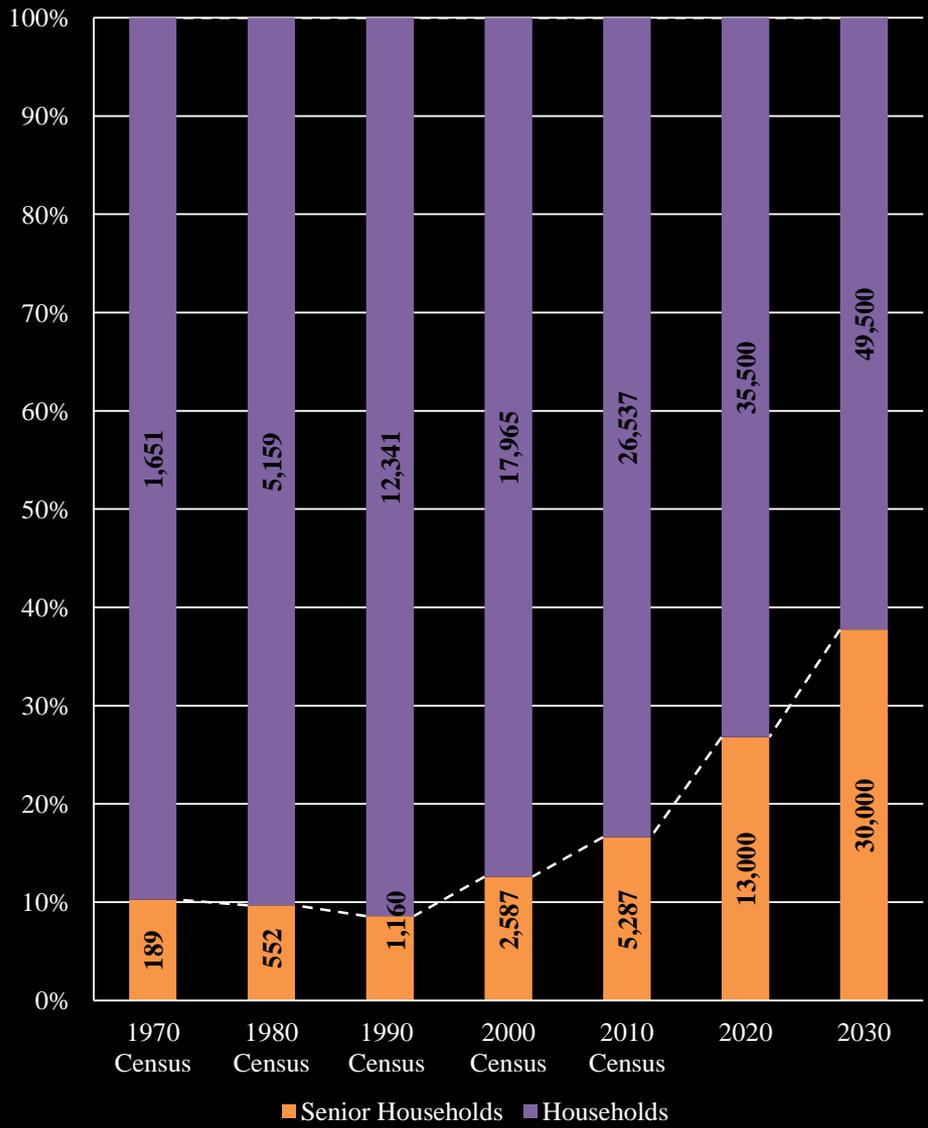


Senior (65+) Households

Moderate Growth



Fast Growth





Is there an Affordable Housing Needs
Problem in the MSB?

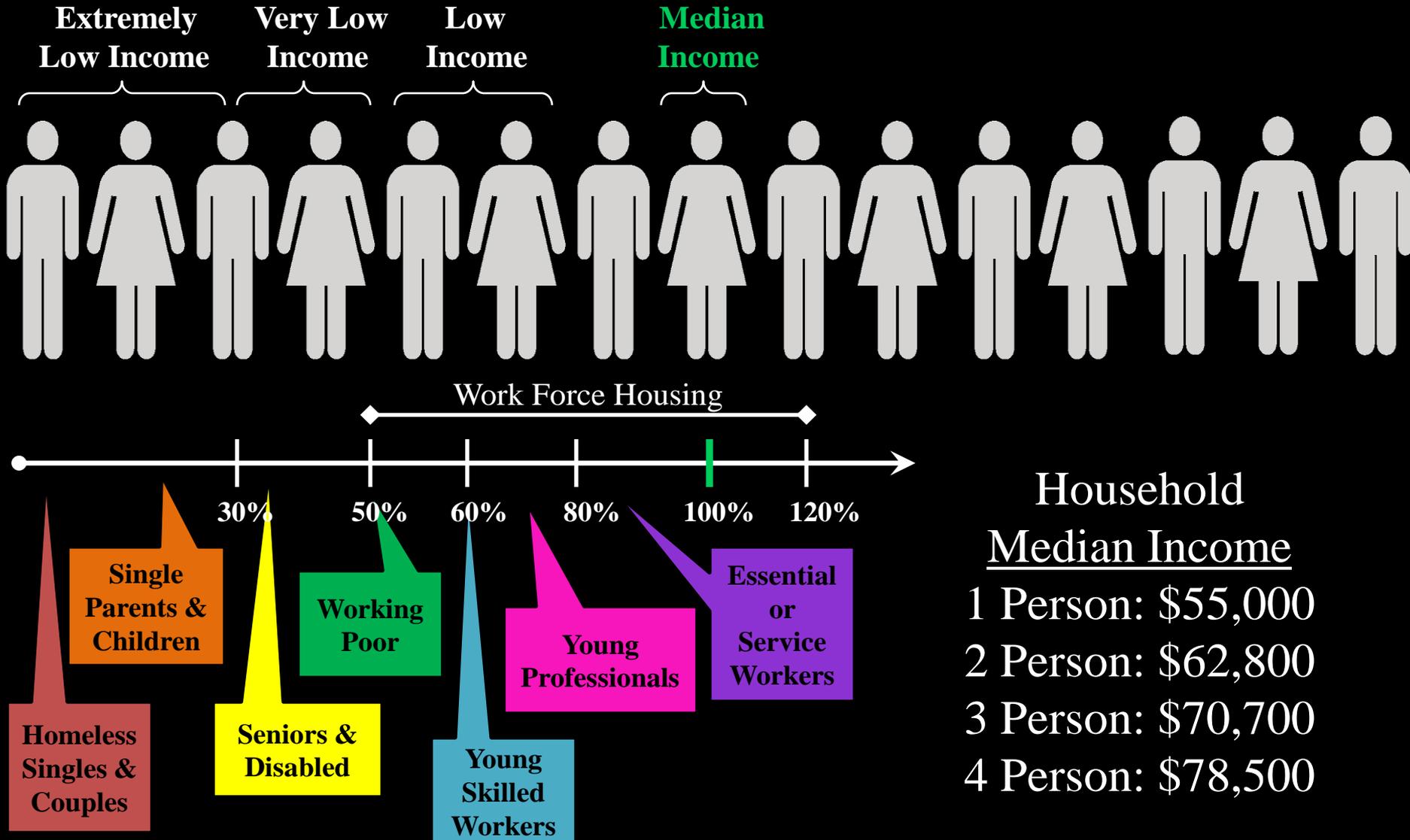
Let's hear from the Degraw Family...

Household Income

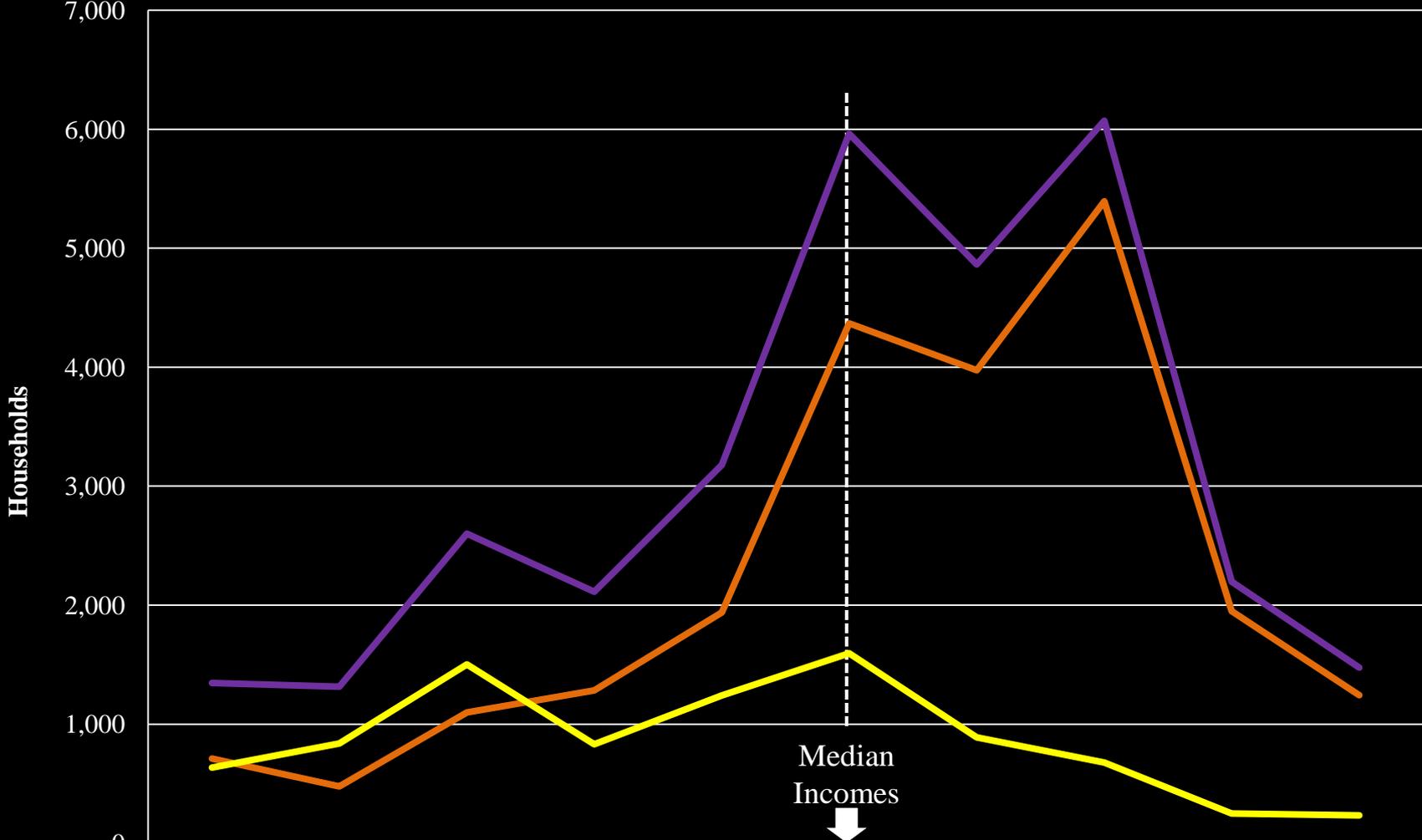


	Nonfamily Households	Family Households
Federal 2014 Poverty Level for Alaska	\$14,580	\$24,740
Census 2012 ACS 5yr Median Income	\$37,267	\$80,865
Census 2012 ACS 5yr Mean (Average) Income	\$51,858	\$92,335
HUD 2014 Median Income Limit for MSB	\$55,000	\$70,700

Income Spectrum



MSB Household Income Distribution

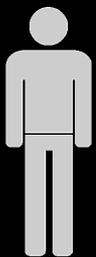
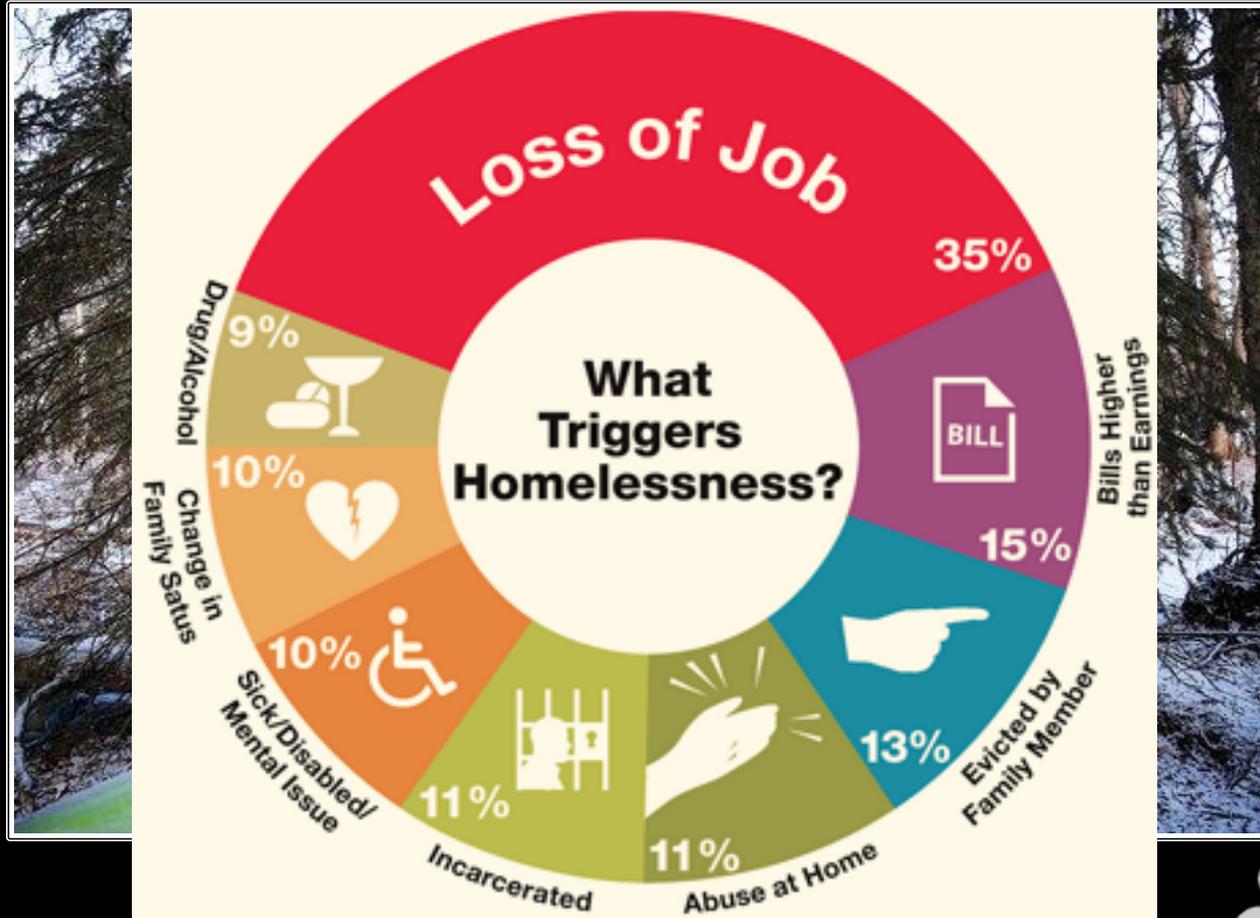


	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 to \$149,999	\$150,000 to \$199,999	\$200,000 or more
All Households	1,346	1,314	2,600	2,113	3,178	5,963	4,863	6,072	2,198	1,476
Family Households	711	477	1,099	1,283	1,938	4,368	3,974	5,395	1,950	1,242
Nonfamily Households	635	837	1,501	830	1,240	1,595	889	677	248	234

Source: US Census 2013 ACS 5-yr Estimate



Poverty



Nonfamily

\$14,580
1,582
2,057

Poverty
Households in Poverty
Population in Poverty

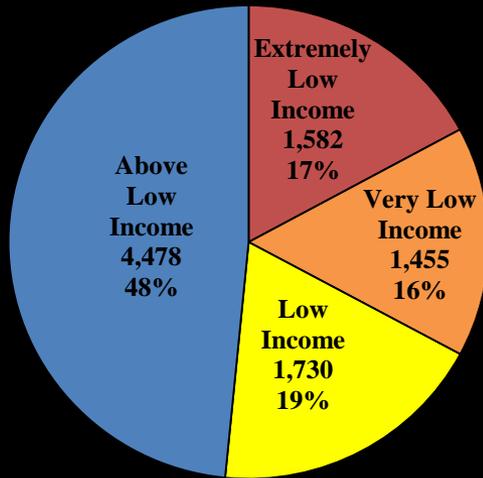
\$24,740
2,263
7,468



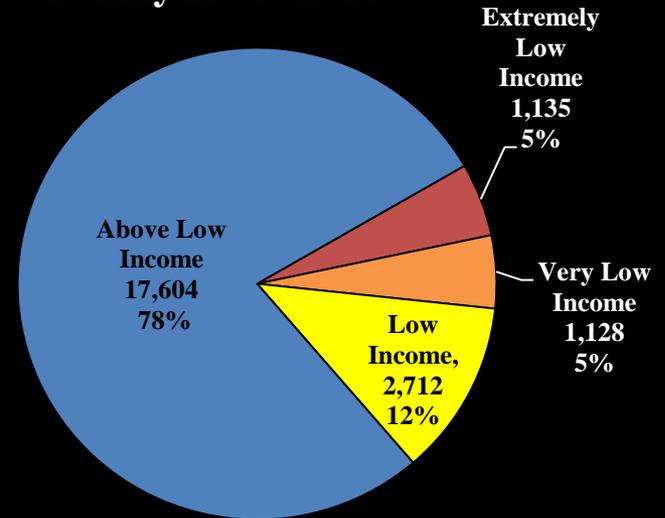
Family

Household Income

Nonfamily Households



Family Households



\$16,500
2,057

Extremely Low Income
Population

\$24,740
3,746

\$27,500
1,892

Very Low Income
Population

\$35,350
3,722

\$44,000
2,249

Low Income
Population

\$56,550
8,950

\$55,000
5,821

Median Income
Population

\$70,700
58,093

Housing Unit Supply

Single Family



Multifamily



Duplex

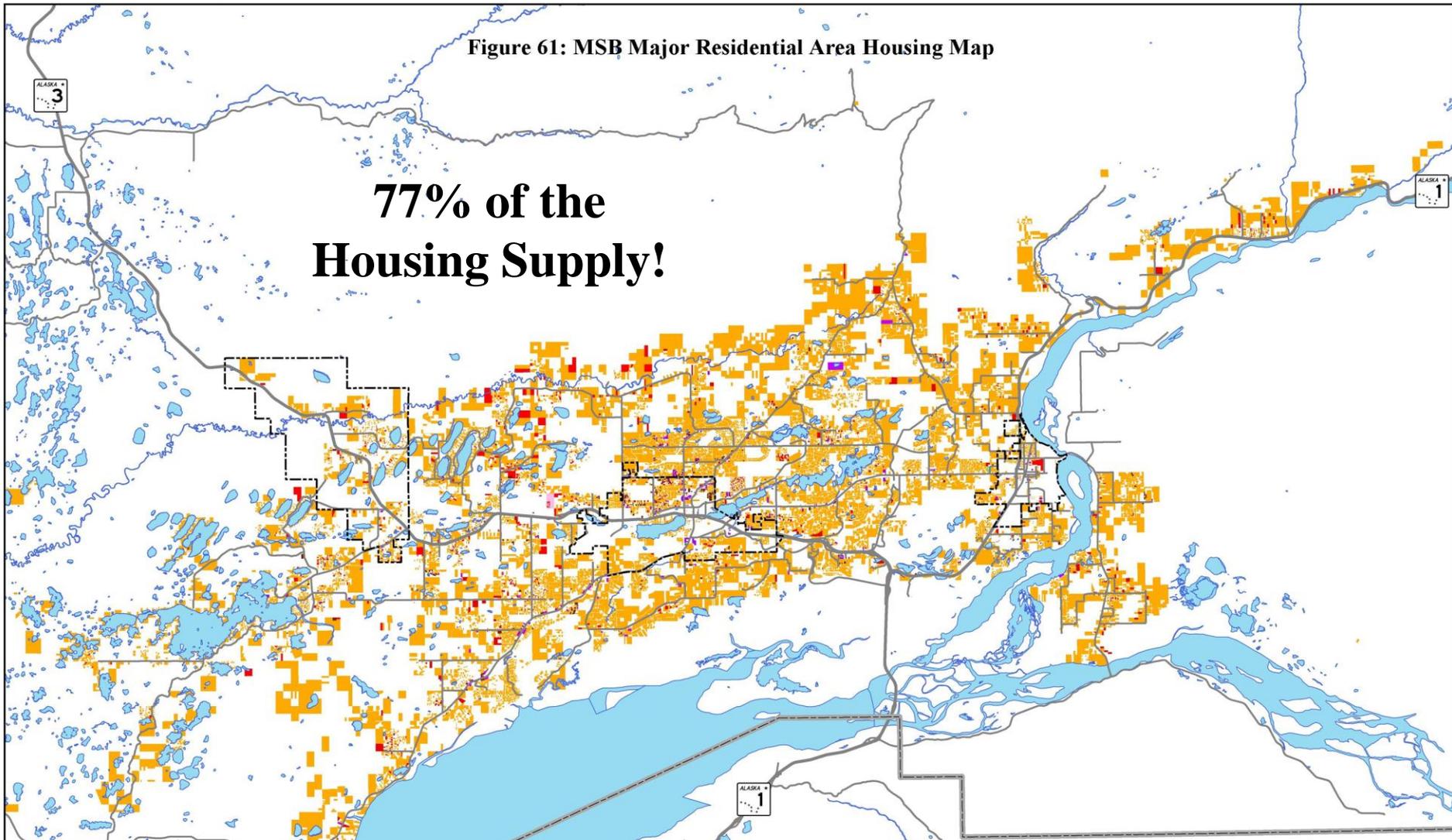


Mobile Home



Figure 61: MSB Major Residential Area Housing Map

**77% of the
Housing Supply!**



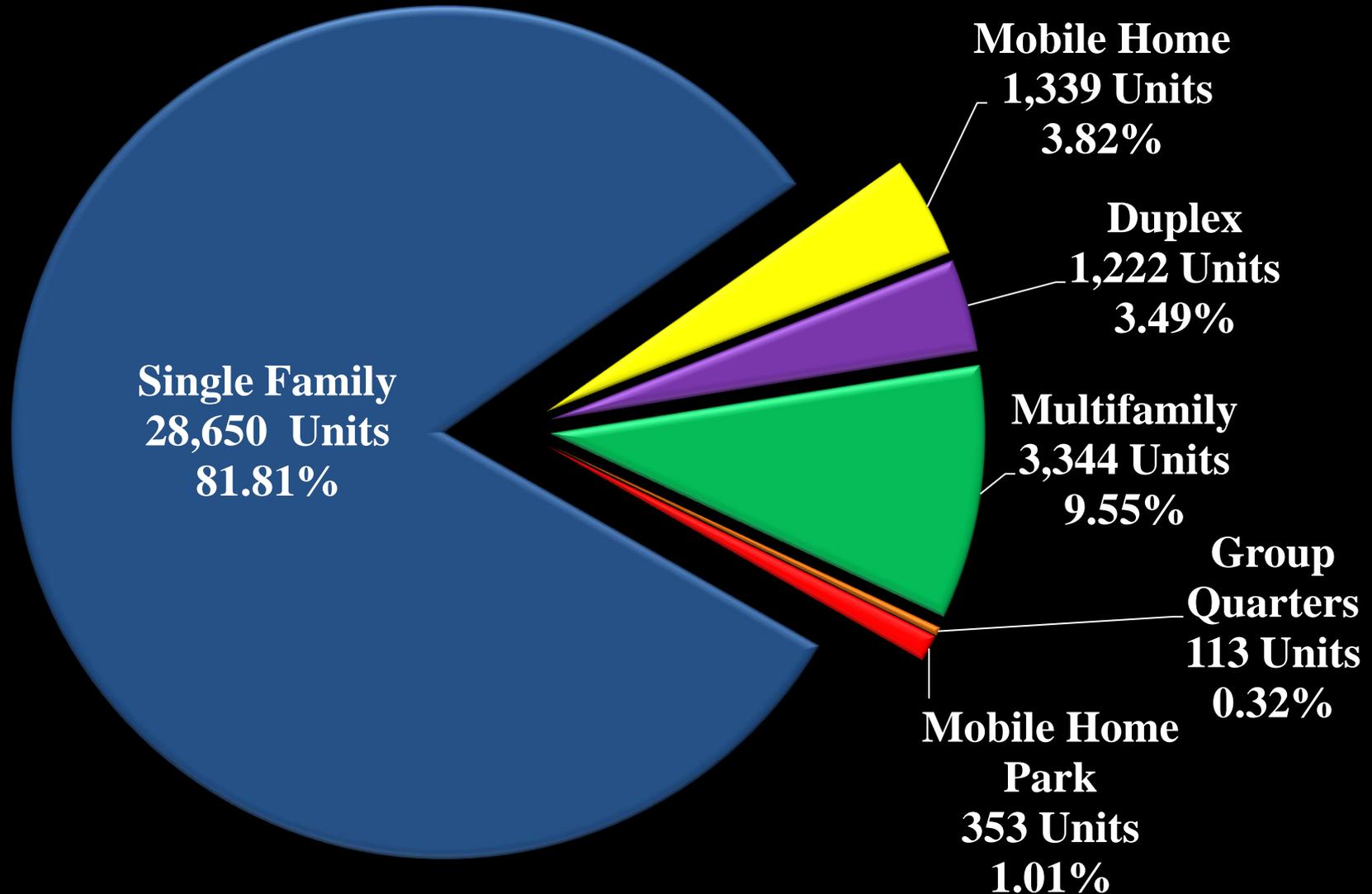
Total Units: 35,021
Total Parcels: 29,924
Total Acres: 81,092
Average Acreage: 2.71
Unit Density Per Acre: 0.43
Average Units Per Parcel: 1.17
Average Acreage Per Unit: 2.32

Legend

MSB Boundary	Single Family
City Boundary	Multifamily
Highway	Duplex
Dot Street	Mobile Home
Lakes	Mobile Home Park
	Group Home

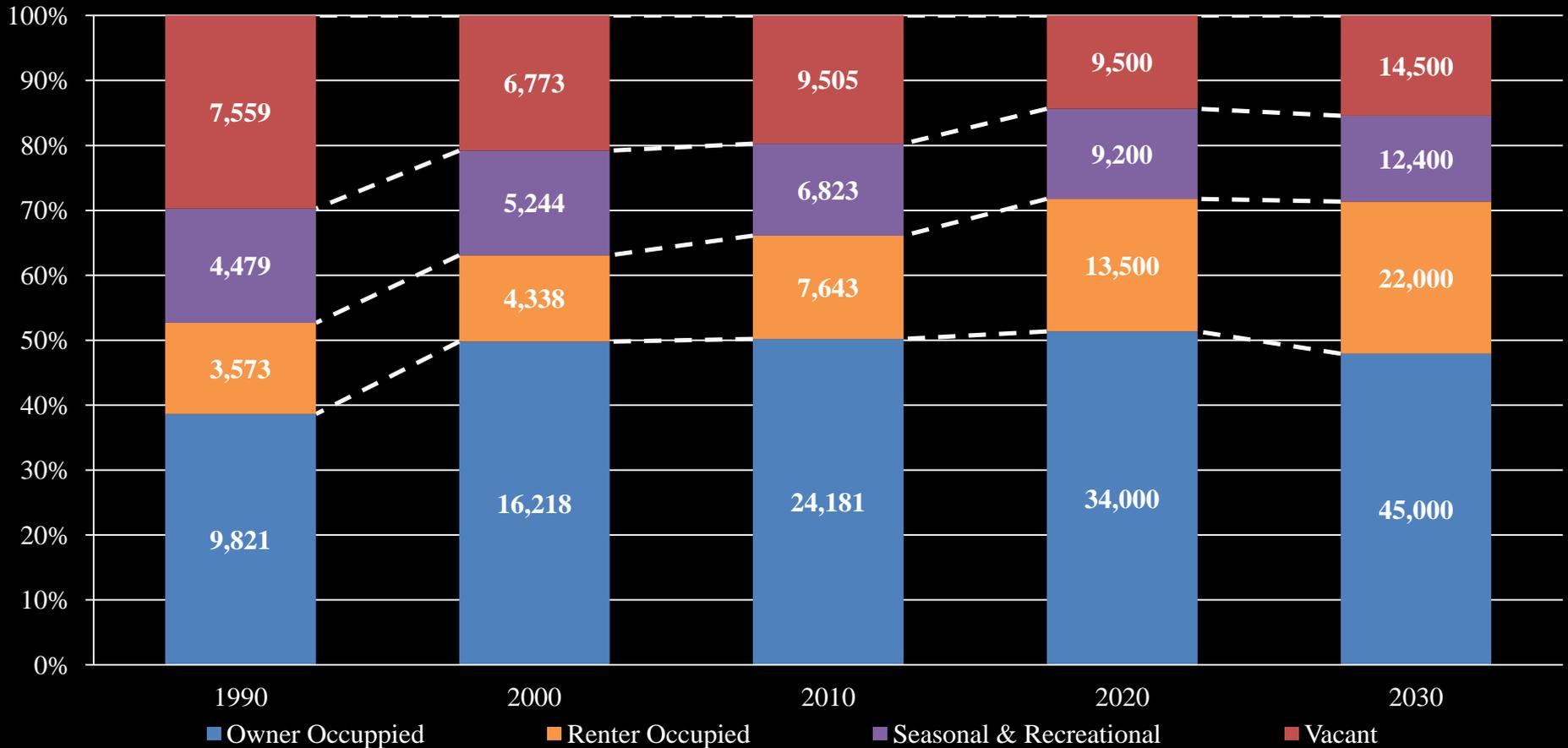
0 2.5 5 10 miles

Major Residential Area Housing





Housing Supply



Projected housing shortage if development remains unchanged!

Population Needs	Meet Average Vacancy	Projected Built	Shortage
2020: 47,170 units	59,863 units	56,700 units	3,000+ units
2030: 64,706 units	82,118 units	79,244 units	2,800+ units

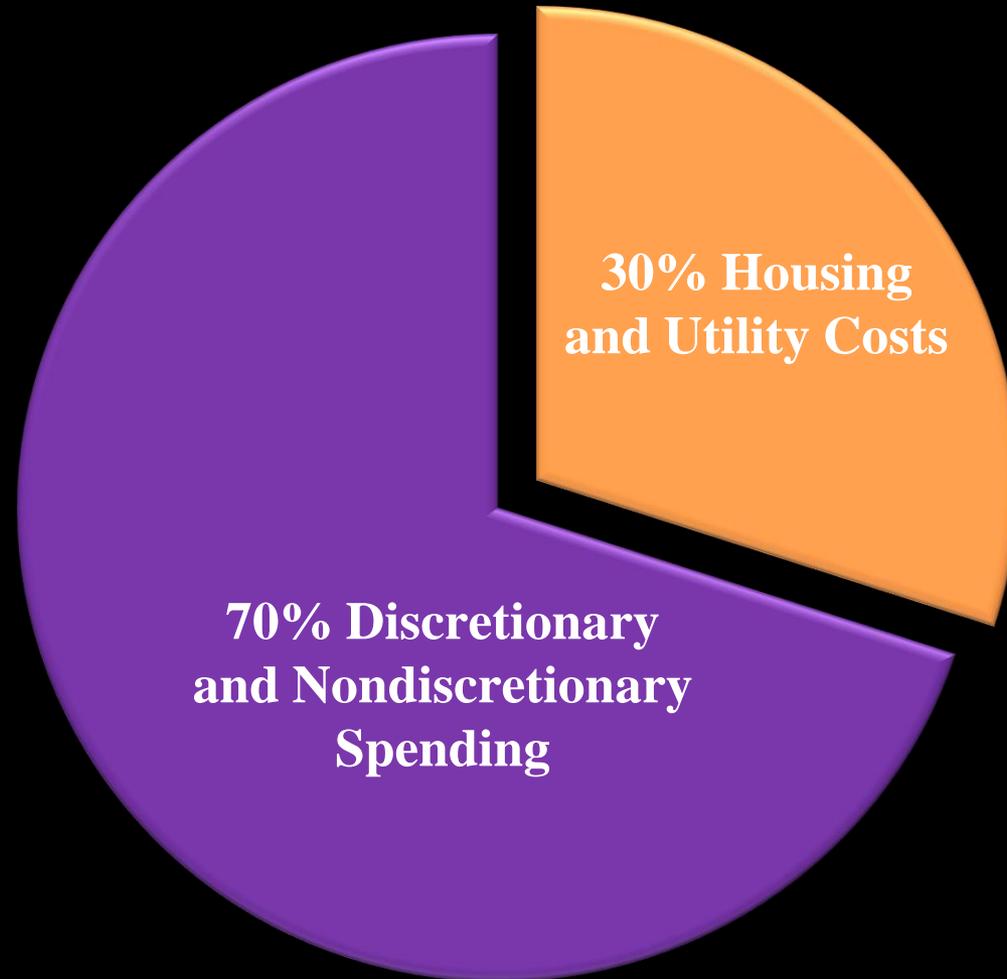
Housing Cost Trends



versus



Affordable Housing Costs



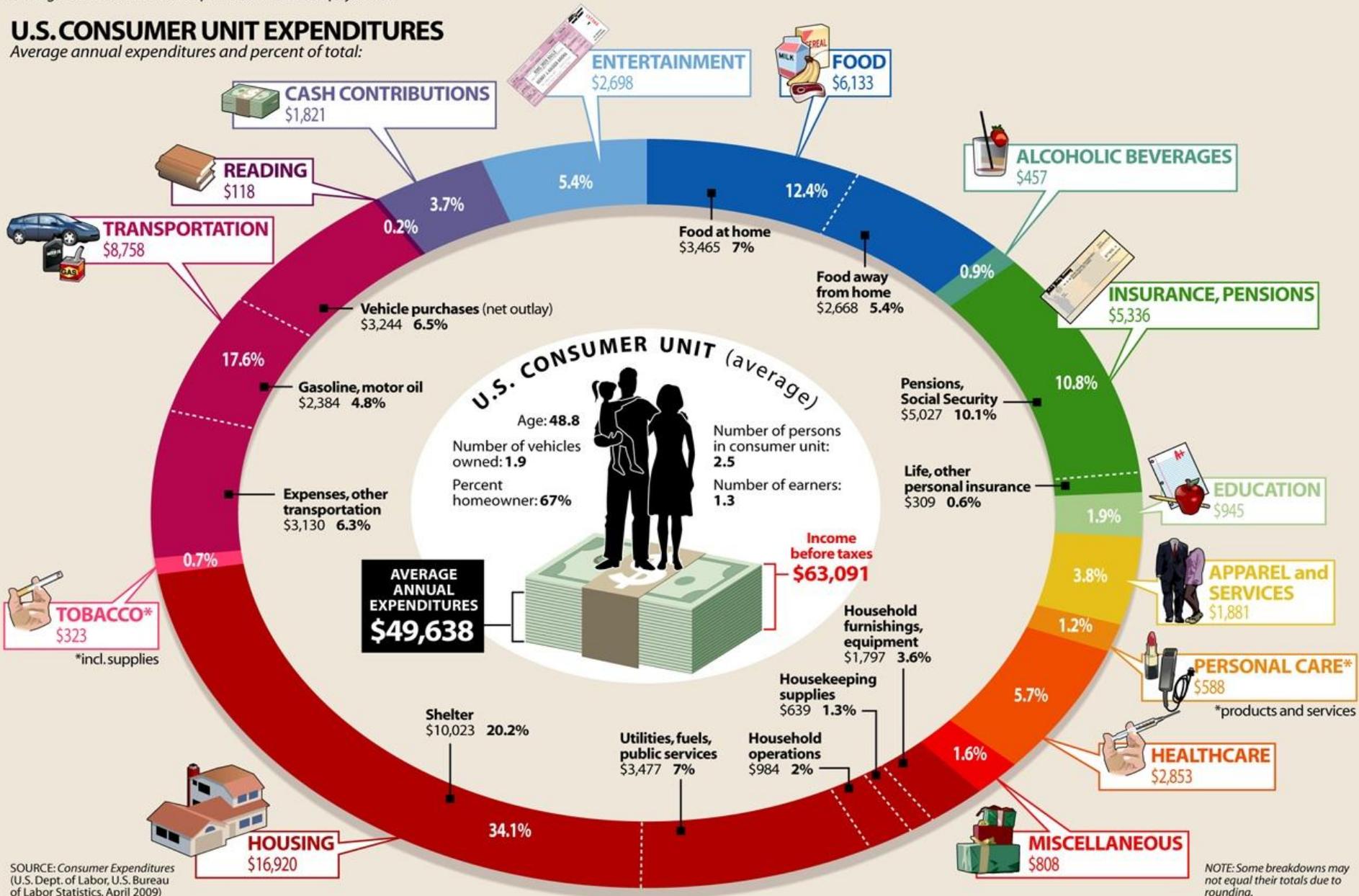
Above 30% spent for housing is a cost burden and unaffordable for incomes at or below median

Where Does the Money Go?

The Department of Labor's latest survey provides a detailed look into how the average U.S. consumer unit spends their annual paycheck.

U.S. CONSUMER UNIT EXPENDITURES

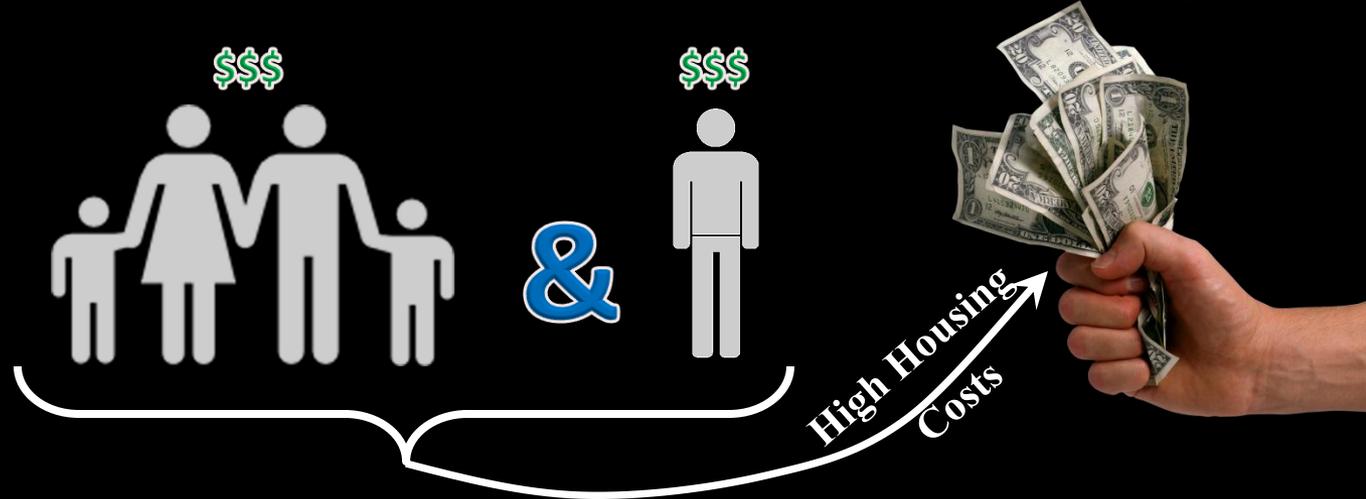
Average annual expenditures and percent of total:



SOURCE: Consumer Expenditures (U.S. Dept. of Labor, U.S. Bureau of Labor Statistics, April 2009)

NOTE: Some breakdowns may not equal their totals due to rounding.

Importance of Affordable Housing



Local Economic Growth

\$\$\$\$\$ \$\$\$\$\$\$



Median Income Adjusted for Inflation

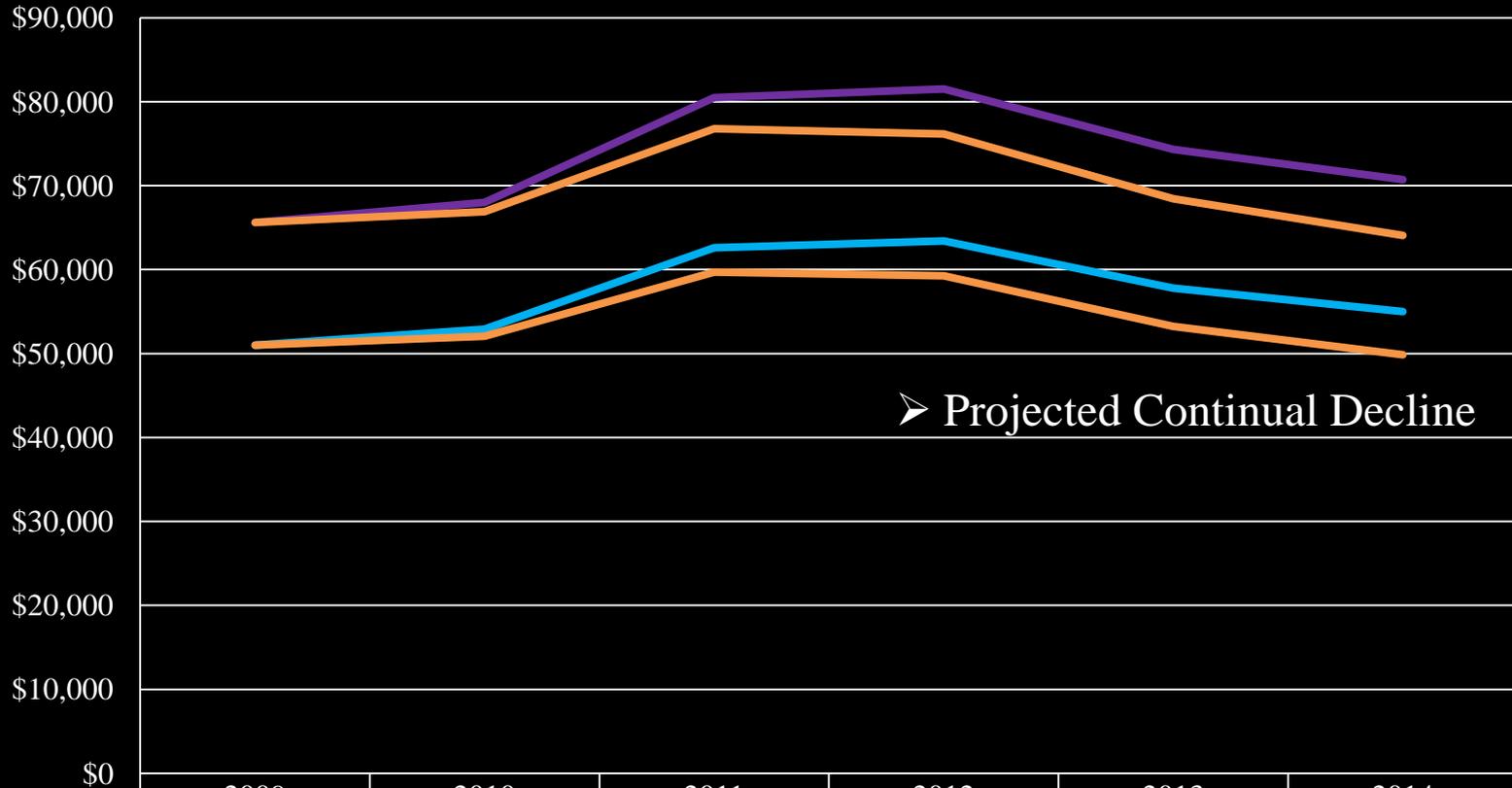
10 Year Average

\$68,000

Family of Three

\$53,000

Nonfamily

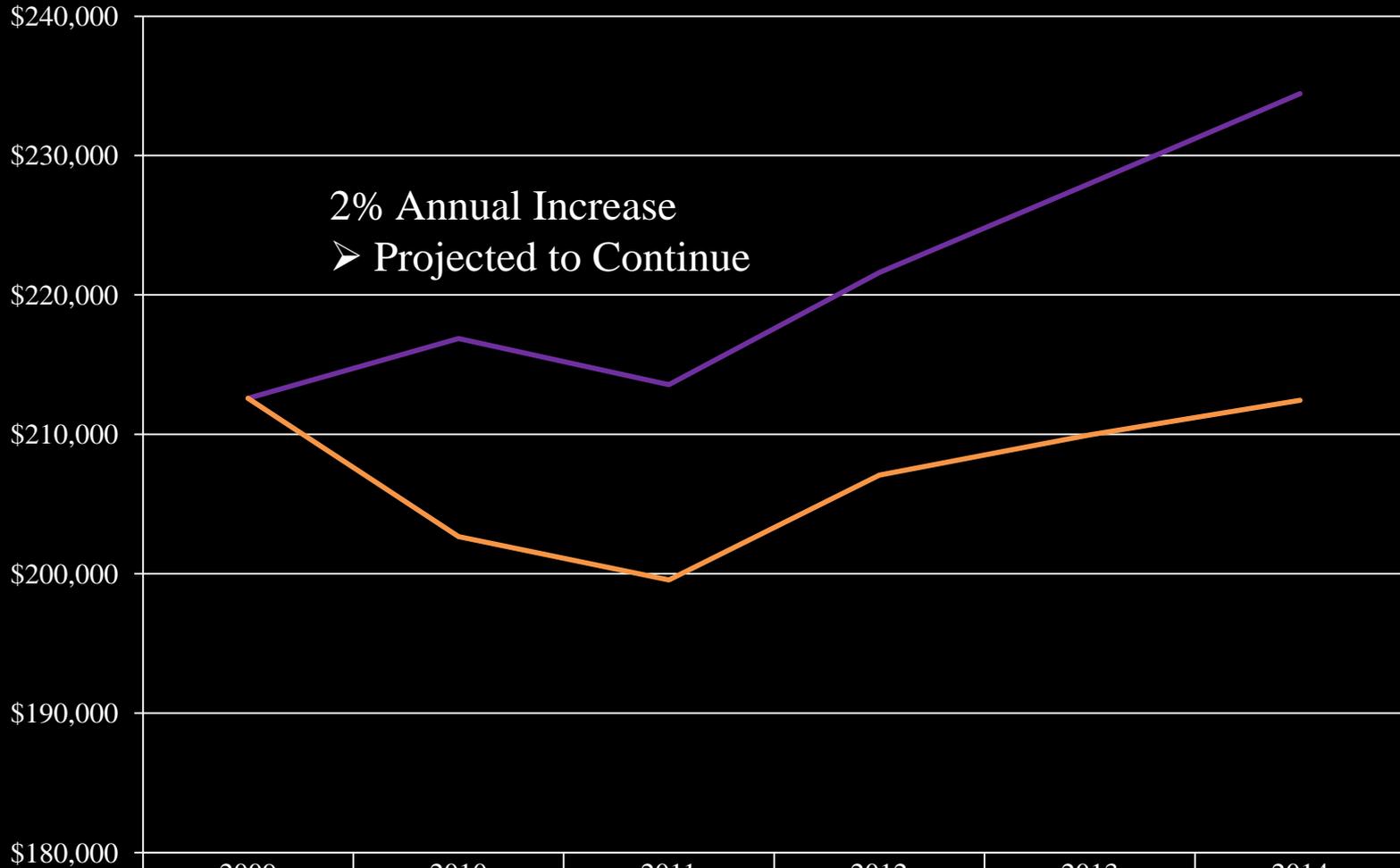


Nonfamily Household	\$51,000	\$52,900	\$62,600	\$63,400	\$57,800	\$55,000
Adjusted for Inflation in 2009 Dollars	\$51,000	\$52,046	\$59,705	\$59,242	\$53,230	\$49,843
Family Household	\$65,600	\$68,000	\$80,500	\$81,500	\$74,300	\$70,700
Adjusted for Inflation in 2009 Dollars	\$65,600	\$66,903	\$76,777	\$76,155	\$68,425	\$64,070

	2009	2010	2011	2012	2013	2014
Nonfamily Household	\$51,000	\$52,900	\$62,600	\$63,400	\$57,800	\$55,000
Adjusted for Inflation in 2009 Dollars	\$51,000	\$52,046	\$59,705	\$59,242	\$53,230	\$49,843
Family Household	\$65,600	\$68,000	\$80,500	\$81,500	\$74,300	\$70,700
Adjusted for Inflation in 2009 Dollars	\$65,600	\$66,903	\$76,777	\$76,155	\$68,425	\$64,070

Source: US Census & US Bureau of Labor Statistics CPI Inflation Calculator http://www.bls.gov/data/inflation_calculator.htm

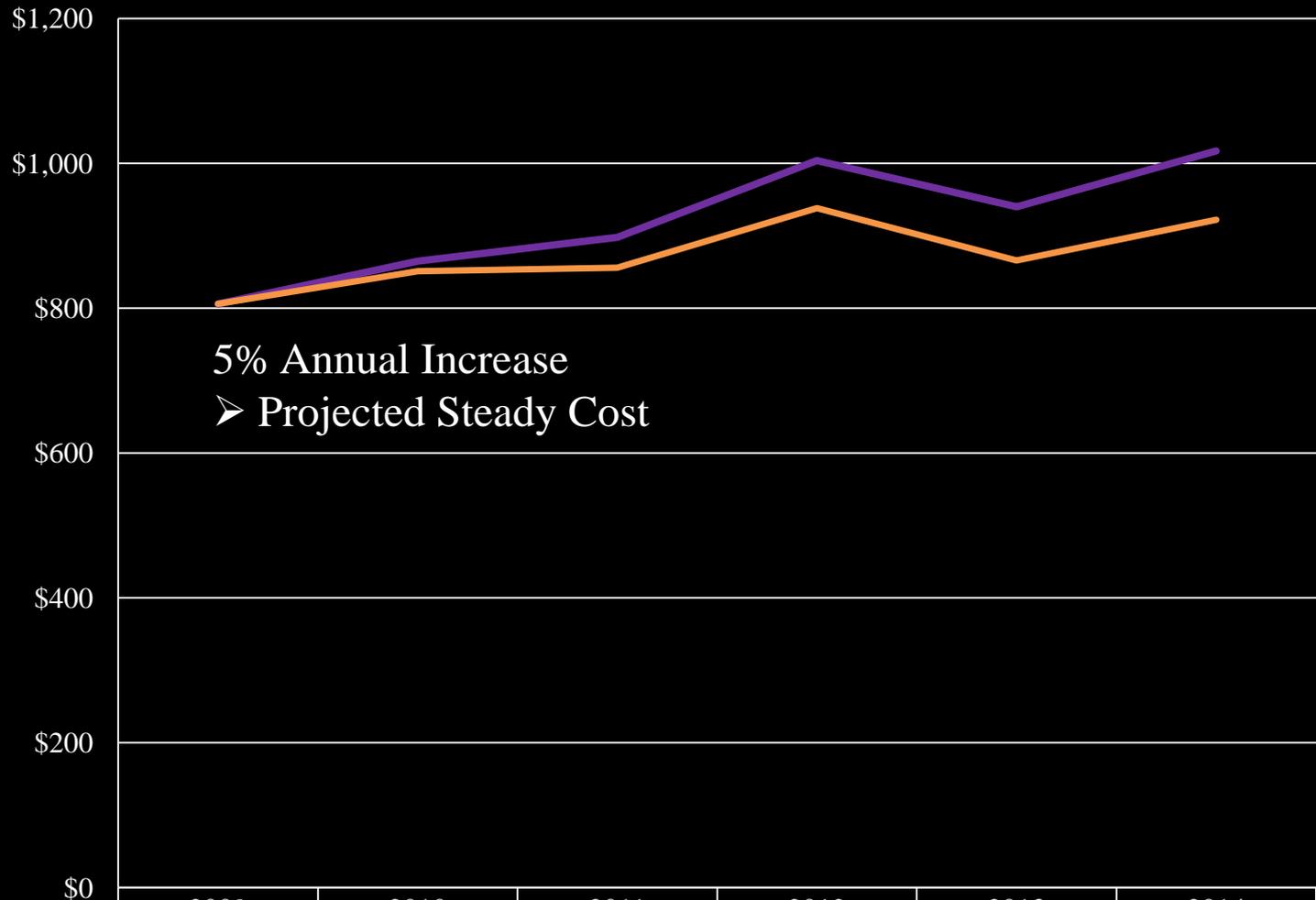
Home Sales Average Cost Adjusted for Inflation



	2009	2010	2011	2012	2013	2014
Average Home Sales Price	\$212,594	\$216,880	\$213,569	\$221,607	\$227,990	\$234,437
Adjusted for Inflation in 2009 Dollars	\$212,594	\$202,657	\$199,563	\$207,074	\$209,963	\$212,454



Median Gross Rent Cost Adjusted for Inflation



	2009	2010	2011	2012	2013	2014
Median Gross Rent	\$806	\$865	\$898	\$1,004	\$940	\$1,017
Adjusted for Inflation in 2009 Dollars	\$806	\$851	\$856	\$938	\$866	\$922

Let's get back to the Degraw Family...



Affordable Housing for the Degraws?

Rent



Rental Cost
\$975/mo + \$200 Utilities
Total: \$1,175/mo

Income Considered Affordable
\$23/hr or \$48,000/yr

Income from two minimum wage earners (\$7.75/hr) = \$32,000/yr

Buy



20yr Mortgage Cost @ 4%
Payment: \$667/mo
Utilities: \$200/mo
Insurance: \$67/mo
Taxes: \$110/mo
PMI: \$90
Total: \$1,134/mo

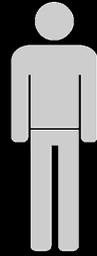
Income Considered Affordable
\$21/hr or \$44,000/yr

Would the Degraw's qualify for a loan?

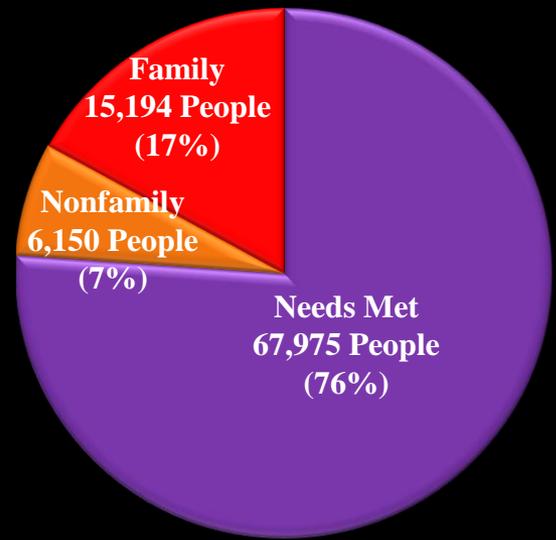
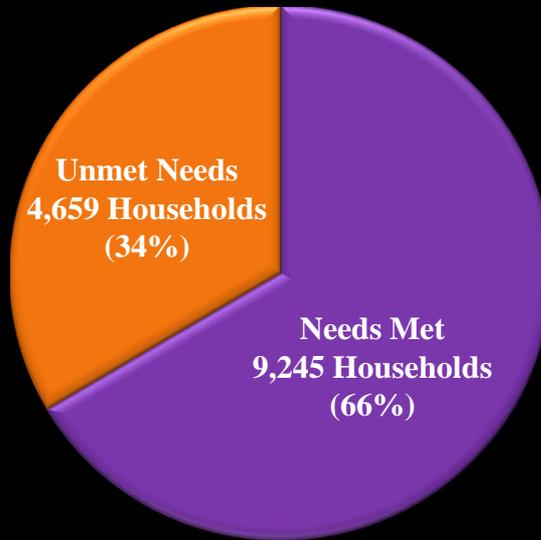
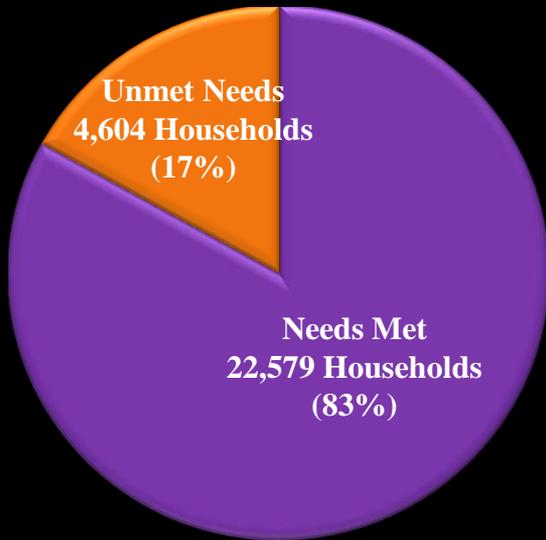
Unmet Housing Needs



Family Households



Nonfamily Households

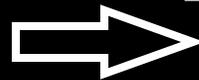


29% of Population!

Unmet Housing Needs



Affordable Units



~~Low Income
or Less~~



511 Units

1% of All Units

Rental Affordability

Rental costs greater than 30% = Housing Affordability Problem

Average
Rentals



Median Income



Low Income
(80% Median)



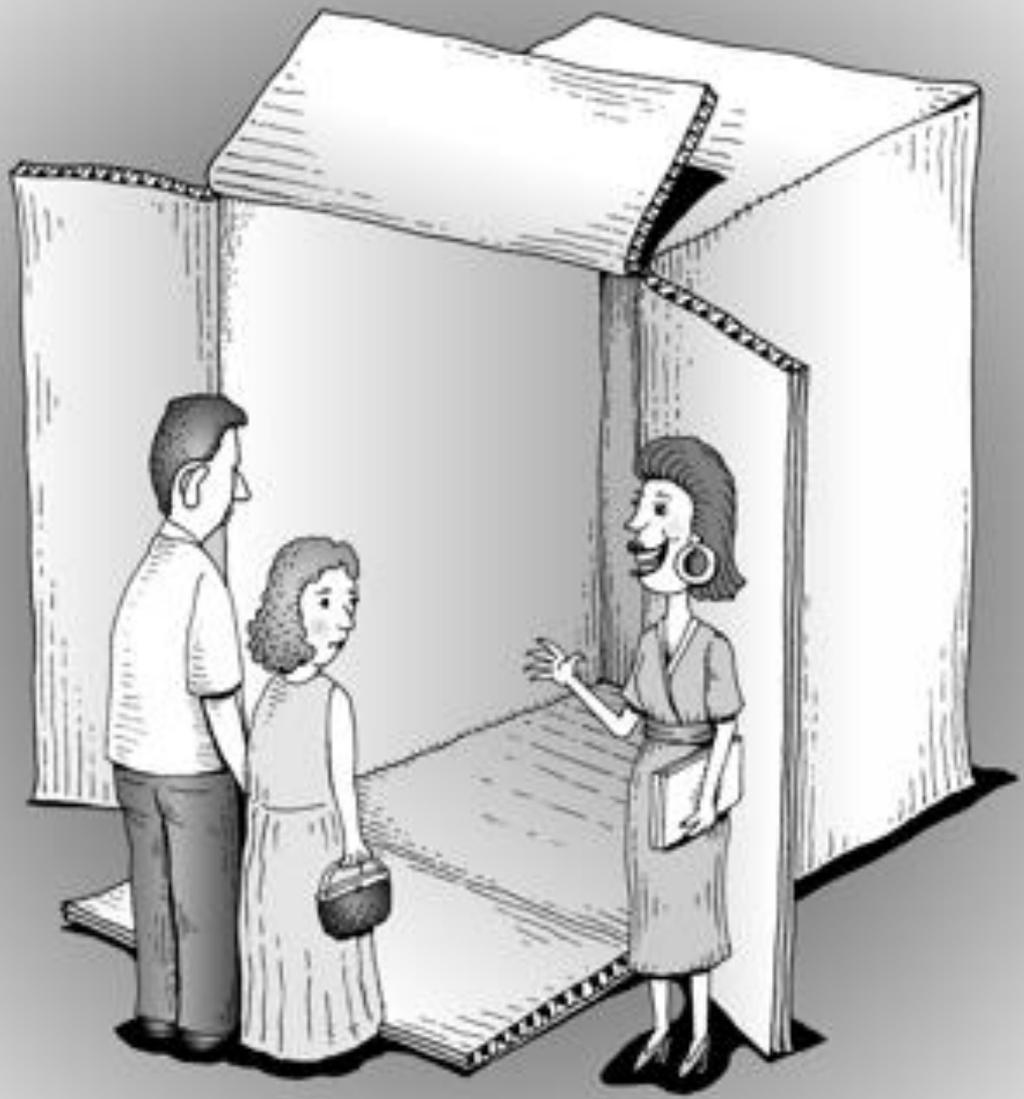
Very Low Income
(50% Median)



Extremely Low
Income - Poverty
(30% Median)



AFFORDABLE HOUSING

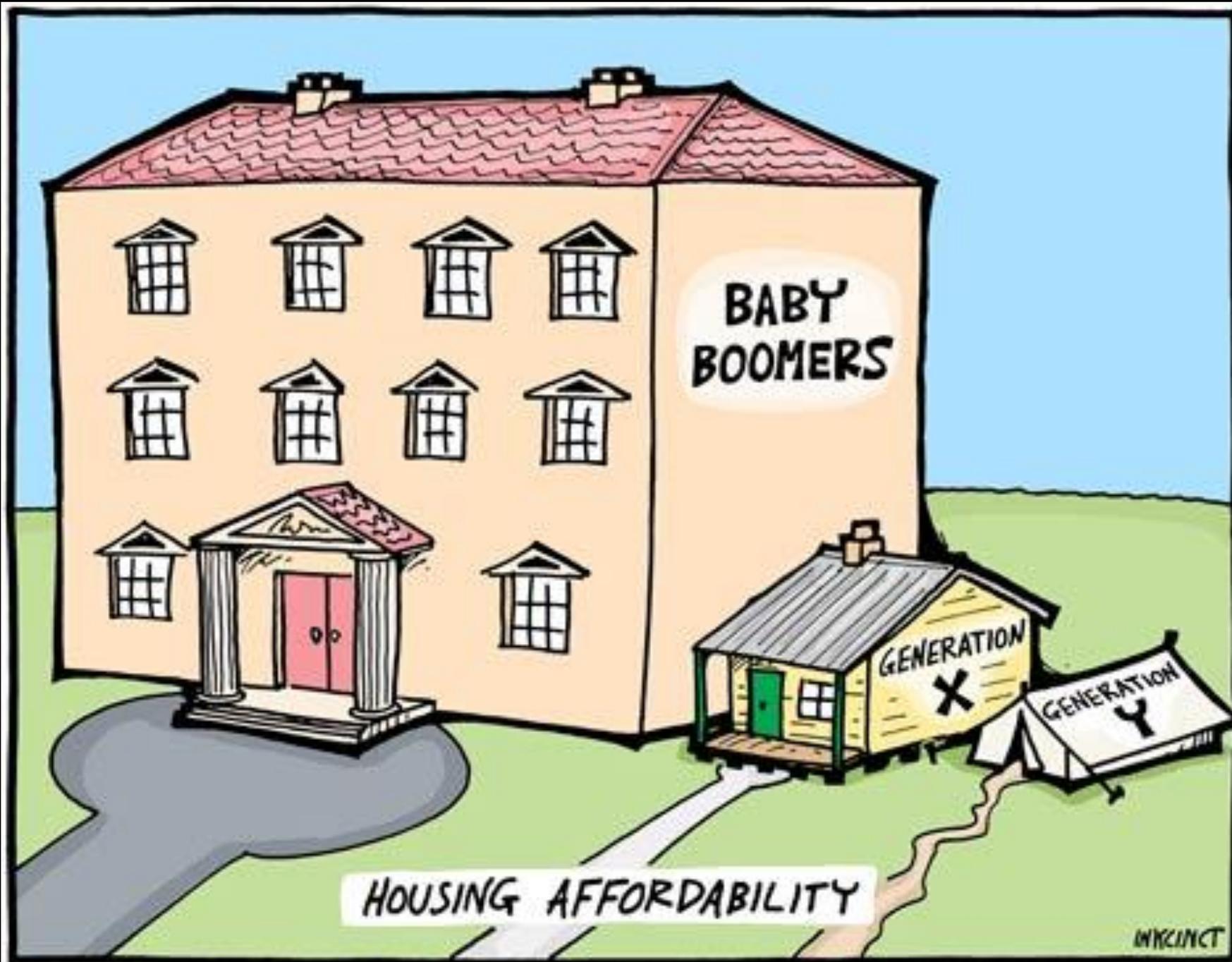


...AND IT'S ONLY \$500 PER MONTH!

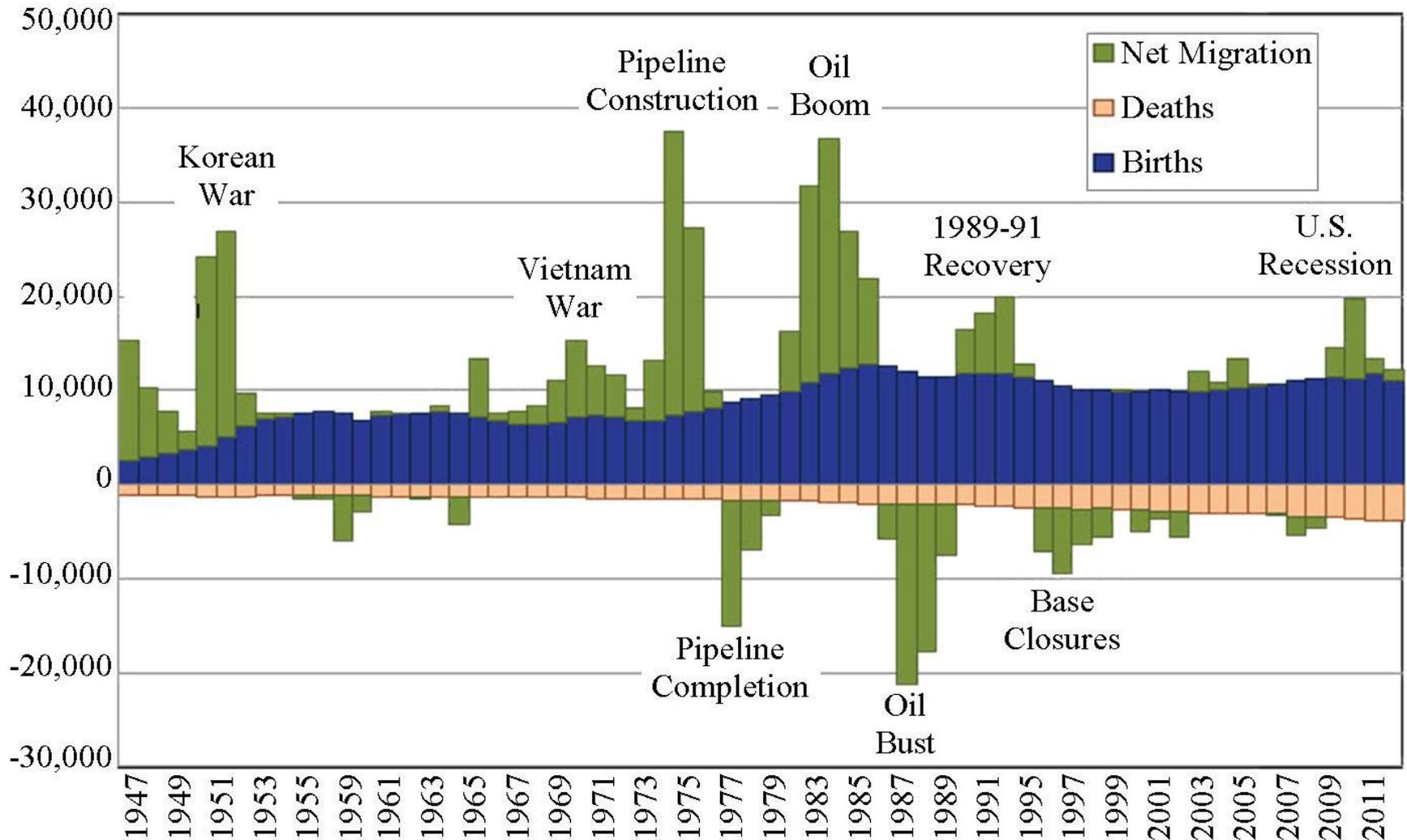
The Current Situation
for Households with
Median Income or Less

The Current Situation for
Nonfamily Households



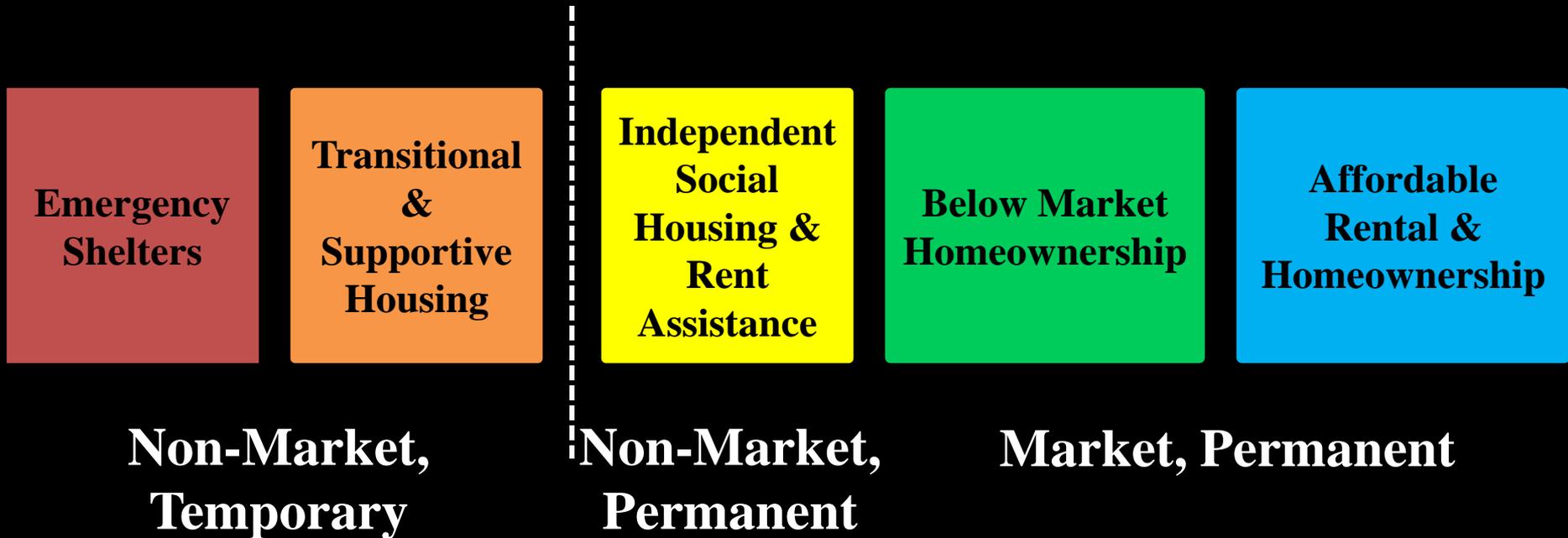


**Figure 1: Alaska's Population Changes
1947 to 2012**



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

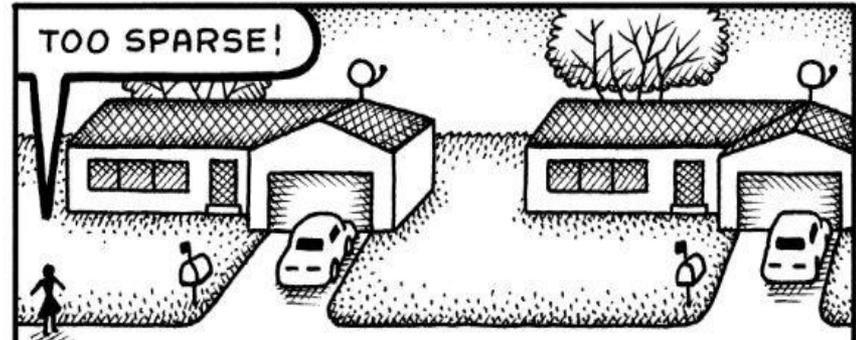
Affordable Housing Continuum



Development Opportunities



GOLDILOCKS EVALUATES DENSITY:



Can Help Achieve Affordable Housing & Diversity Goals



Opticos Design, Inc.

Household Income:

\$23,000

To Afford this House

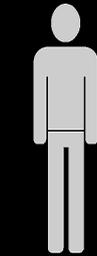
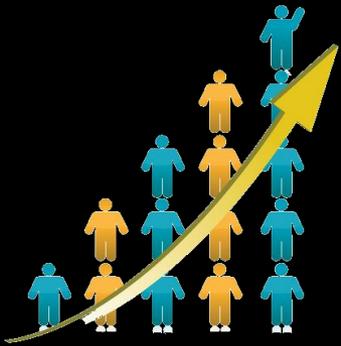
Larger Issues

A HISTORY OF RURAL AMERICA



- Mismatch housing to population
- Not enough housing for workers
- Slower local economic growth
- Potential overcrowding
- Unknown housing conditions
- Increased infrastructure costs
- Loans requirements
- Long term effects on youth

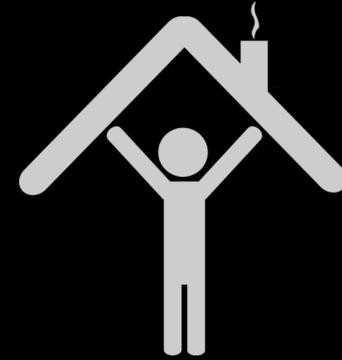
Conclusion



Nonfamily



Family



Ownership



Rentals

Questions?

Thank You!

For More Info Contact:
Joshua Allen, MSB Planner II
350 E. Dahlia Ave.
Palmer, AK 99645
(907)861-8514
joshua.allen@matsugov.us