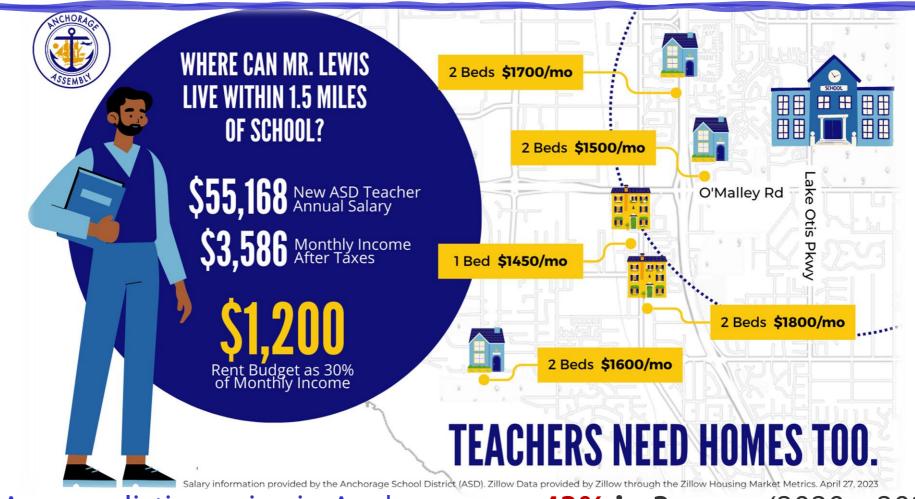
HOUSING OPPORTUNITIES IN THE MUNICIPALITY FOR EVERYONE **Federation of Community Councils Presentation**

April 17, 2024

Assembly Sponsors: Daniel Volland, Anna Brawley, and Meg Zaletel

Anchorage needs more housing.



- Average listing price in Anchorage: +43% in 3 years (2020 2023)
- Average rent increase in Anchorage: +7% in 1 year (2022 2023)
- UAA students experiencing homelessness: 8.3% in 2017

8.3% in 2017 10.4% in 2019 - 2020

Anchorage needs more housing.



ANCHORAGE ASSEMBLY HOUSING ACTION PLAN

THE ASSEMBLY'S HOUSING VISION

The Municipality of Anchorage has affordable, abundant, and diverse housing opportunities, so everyone who wants to live here can find a home that fits their needs and preferences.

We Want More Housing!

Cottage	Duplexes, 3-	Supportive	Housing	Starter	Condominiums
houses	and 4-plexes	housing	for seniors	homes	
Affordable rentals	Multi- generational housing	Walkable neighborhoods	Innovative design	New ownership models	Apartments

More about Housing Action: <u>https://www.muni.org/Departments/Assembly/Pages/FOCUS-Housing.aspx</u>

Anchorage needs more attainable housing to rent - and buy.

Defining Attainable Housing

Housing options that are affordable and accessible to middle-income individuals and families are referred to as "attainable housing." Unlike "affordable housing," which is targeted to low-income individuals and families, attainable housing is targeted towards households with incomes at or near the areawide median. Attainable housing is economically feasible for a middle-income population, bridging the gap between high-priced market-rate residences and government-subsidized housing.

We don't have enough condos, small-unit homes for sale (or the equivalent rental units). Many people don't have real options in our housing market. Average Housing Prices in 2022

• \$456,000 to buy

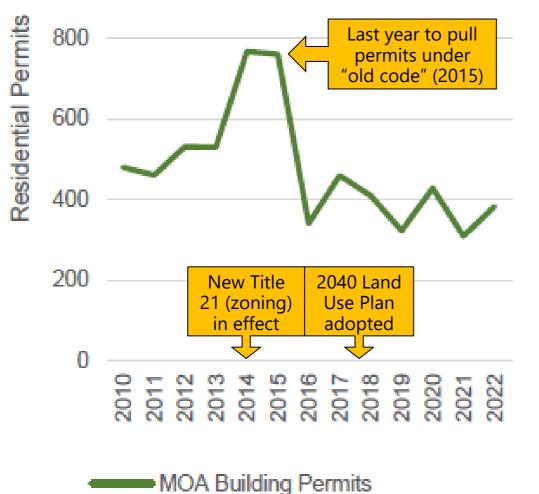
Attainable Housing in 2022

- \$264,800 (at 80% Areawide Median Income)
- \$331,000 (at 100% Areawide Median Income)
- \$397,200 (at 120% Areawide Median Income)



Source: ACDA, Incentives for Market-Rate Attainable Development (2023)

Zoning changes are a key part of the solution for more housing.



- Anchorage's last zoning code (Title 21) rewrite was adopted in early 2010s, went into effect in 2014. It added additional rules, but did not make substantive changes to residential zoning districts to encourage compact housing.
- Development projects could opt to use "old code" until Dec. 31, 2015 – most did.
- Title 21 has been amended several times, but serious problems remain.
- The 2040 Land Use Plan (2017) includes policies for zoning changes to make housing production easier.
- The Assembly is working on several strategies to increase housing: zoning reform is needed to make it easier to build.

Source: Planning Department, *Housing White Paper* (May 2023)

What is the **HOME Initiative**?

Predictable Residential Development By-Right.

AO 2023-87 proposes **streamlined residential zoning**, based on the **2040 Land Use Plan**'s land use designations.

Changes to be implemented through zoning: Title 21 in Municipal Code (AMC 21)

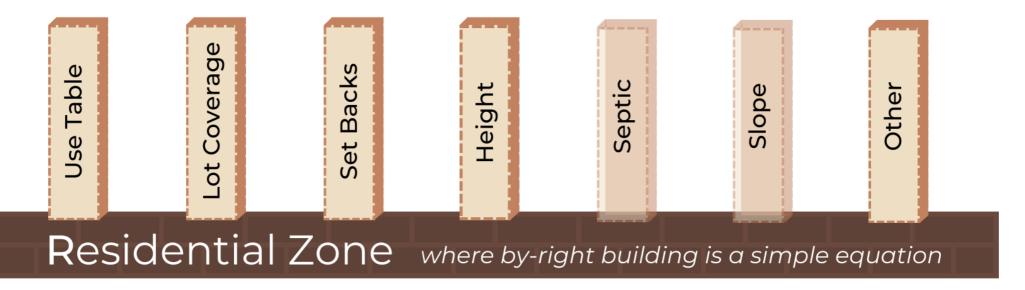
Find more information online: https://www.muni.org/Departments/Assembly/Pages/ FOCUS-Housing.aspx



Zoning districts have many components.

VARIABLE FRAMEWORK

Every lot is unique, but building on your property doesn't have to be complicated. Compatible uses can be buildable by-right with clear variables that lay a strong foundation for building in the residential zone.



HOME's Guiding Principles

2

3

Uphold the 2040 Land Use Plan (LUP) by consolidating district types consistent with LUP Land Use Designations.

Make the code **shorter**, **simpler**, and **focused on** the intent of the Comprehensive Plan & 2040 LUP.

Set baseline dimensions & policies of new zones using **less restrictive, more uniform** standards.

Keep the good, functional, low-cost parts of Title 21.

Adjust the code to be **more flexible** and **easier to update and administer.**

HOME helps implement Anchorage's 2020 Comprehensive Plan.

Preferred Scenario: <u>Urban Transition</u>

Downtown, Midtown, and older in-town neighborhoods develop a more intensive urban character. Initiatives to foster more intense mixeduse development and neighborhood renewal in the northern half of the Bowl are introduced. Suburban/rural neighborhood character in South Anchorage is retained.



Excerpted Goals

Land Use & Transportation

<u>General Land Use</u>: A forward-looking approach to community growth and redevelopment.

<u>Residential Uses</u>: A variety of housing types and densities in safe, attractive neighborhoods that offer a choice of urban, suburban, and rural lifestyles that are appropriate for northern conditions and in harmony with our natural setting.

Design & Environment

Neighborhood Identity and Vitality: A variety of safe, pleasant, and distinctive neighborhoods responsive to the diverse needs of residents, with good access to schools, recreation, natural areas, and community facilities.

Housing: A balanced, diverse supply of affordable, quality

housing, located in safe and livable neighborhoods with amenities and infrastructure, that reflects Anchorage's varied social, cultural, and physical environment.

Excerpts from Anchorage 2020 Comprehensive Plan (2001)

HOME helps implement Anchorage's 2020 Comprehensive Plan and 2040 Land Use Plan.

Figure 1-2. Vision, Plan, and Action





Excerpts from Anchorage 2040 Land Use Plan (2017)

2040 Land Use Plan Designations

76 Anchorage 2040 Land Use Plan

Figure 3-2. 2040 LUP and Zoning District Cross-Reference

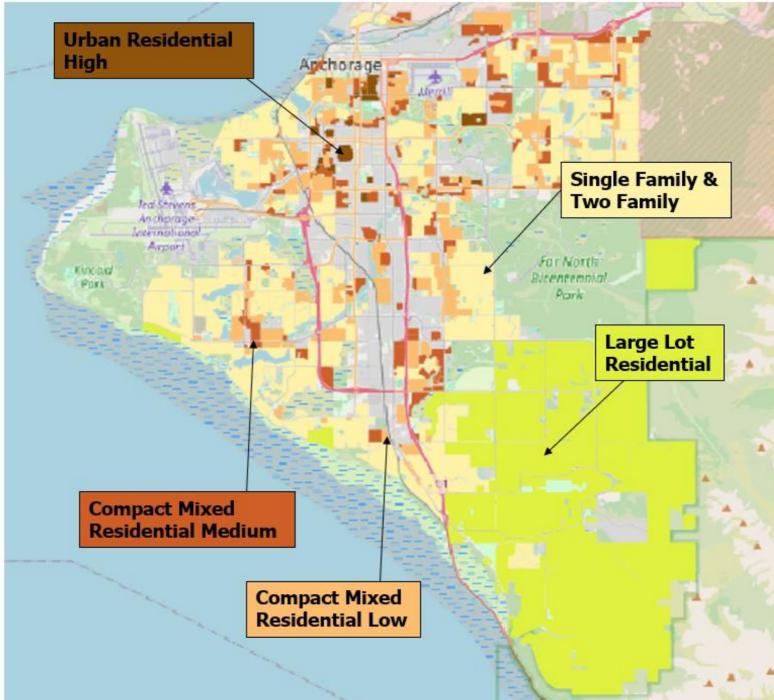
Types of Places	Land Use Designations	Potential Implementation Zoning Districts as Established in Section 2			
Neighborhoods	Large-lot Residential	R-6, R-8, R-9, and R-10; R-7 where designated in HDP Map 2.1 Land Use Plan for 1-3 units per acre.			
	Single-family and Two-family	R-1 and R-1A; R-2A and R-2D in attached and two-family areas.			
	Compact Mixed Residential-Low	R-2M; R-2D in transition areas; New compact housing district between R-2D and R-2M.			
	Compact Mixed Residential-Medium	R-3; R-2M in transition areas; New R-3A mixed-use variation of R-3 in "Residential Mixed-use Development" areas.			
	Urban Residential–High	R-4; R-3 in transition areas; R-4A in "Residential Mixed-use Development" areas.			
	Small-s ale commercial uses in the Neighbor rood designations above	B-1A in existing locations or in new locations designated by a neighborhood or district plan; R-4 allows lim ground-floor commercial space within residential projects.			
Centers	Neighborh. od Center	B-1A and B-1B; CCO overlay zone. Potential new form-based district or overlay zone in "Traditional Neighborhood Design" areas.			
	Town Center	B-3 and B-1B; CCO overlay zone. New form-based overlay or district. R-3 and new R-3A (mixed-use variation of R-3) also possible for housing sites.			
	Regional Commel, ial Center B-3 District.				
	City Center Typ	oes of Places	Land Use Designations	und failure 4A also	
Corridors	Commercial Corridor Ne	ighborhoods	Large-lot Residential		
	Main Street Corridor		Single-family and Two-family	new ·use	
Open Spaces	Park or Natural Area		Compact Mixed Residential-Low		
	Other Open Space			1	
			Compact Mixed Residential–Medium		
			Urban Residential–High		

HOME uses the 5 Land Use Designations to simplify zoning

Land Use Designation (2040 LUP)	Current Residential Zones (Title 21)
1. LLR – Large Lot Residential	R-6, R-7, R-8, R-9, R-10
2. STFR – Single Family and Two-Family Residential	R-1, R-1A, R-2A, R-5 [and R-2D*]
3. CMRL – Compact Mixed Residential, Low	<mark>R-2D</mark> *, R-2M
4. CMRM – Compact Mixed Residential, Medium	R-3, R-3A
5. URH – Urban Residential, High	R-4, R-4A

* R-2D appears in both land use designations. Sponsors discussing including in STFR, not CMRL

Land Use Designations (2040 LUP)



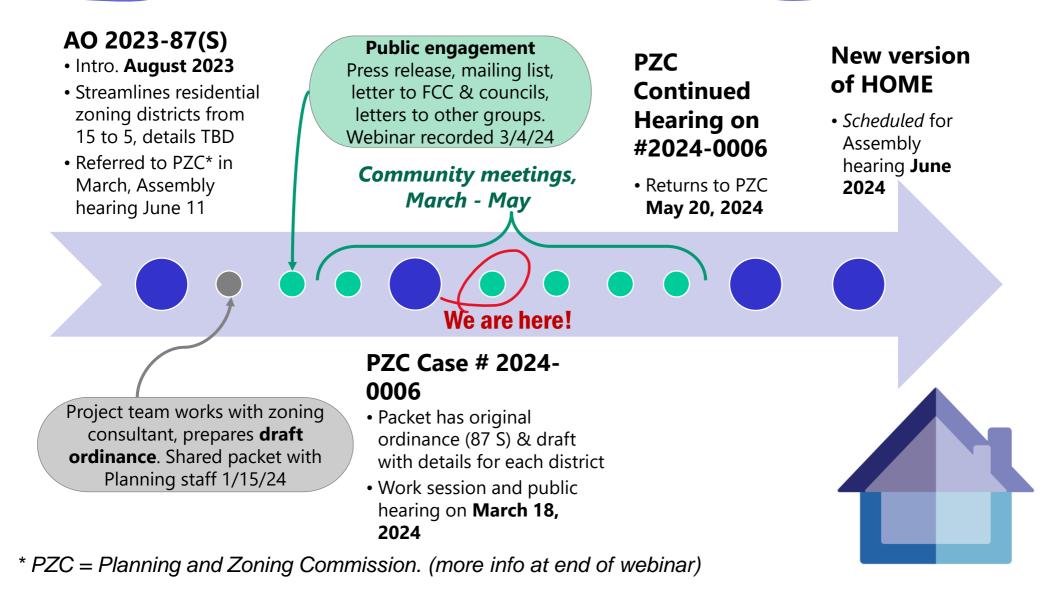
How can HOME help Anchorage's housing shortage?

- 1. Carries out intent of Comprehensive Plan & 2040 LUP:
 - "Variety of housing types and densities in safe, attractive neighborhoods"
 - *"Safe, pleasant, and distinctive neighborhoods responsive to the diverse needs of residents"*
- 2. Encourages "gentle density" in existing neighborhoods
- 3. Reduces physical restrictions on property development (more flexible dimensional standards)
- 4. Creates greatest opportunities for denser housing in our most dense existing zones (R3 & 3A, R4 & 4A)
- 5. Creates more opportunities for **by-right** housing development and reusing existing stock

Anticipated Outcomes & Impacts

- **1. Zoning rules shape development** (new construction, rehabs). Generally, property owners won't see immediate changes.
- 2. Smaller minimum lot sizes will allow **subdivision of parcels** (example: a 10,000 sf lot could become multiple new homes).
- 3. Allowing more housing types by-right, with less strict dimensional standards, will **reduce rezones and variances**.
- 4. More by-right development will also **reduce the time and cost associated with permitting** and entitlement approval.
- Property owners in Planned Unit Developments (PUDs), subdivisions with HOAs, condos, etc. remain governed by existing privately-enforced rules, many of which restrict denser development.

Timeline for HOME A0 2023-87(S)



Public Engagement So Far

Engagement to Date

January: Initial meetings with Planning staff, prepare draft, public engagement plan

February:

- Press release for process, 2/12/24
- Outreach to Federation of Community Councils and all councils, 2/20/24
- Sponsors' Webinar, 3/4/24
- Planning and Zoning Commission Work session & hearing, 3/18/24

Meetings & Events so far:

- ACDA Board, 3/6/24
- Anchorage Homebuilders (AHBA), 3/6/24
- Anchorage Chamber of Commerce Make it Monday, 3/11/24
- Anc. Chamber Young Professionals 3/12/24
- Anchorage Chamber MAC, 3/13/24
- North Star CC, 3/13/24
- South Addition CC, 3/14/24
- Government Hill CC, 3/21/24

- Geotechnical Advisory Commission, 3/26/24
- Rabbit Creek CC committee, 3/26/24
- Alaska Native Sisterhood, ANS Camp 87, 3/27/24
- Spenard CC, 4/3/24
- Assembly Community & Economic Development Committee (CEDC), 4/4/24
- Alaska Black Caucus, 4/7/24
- Sand Lake CC, 4/8/24
- Federation of CCs, 4/17/24

Future meetings:

- Airport Heights CC, 4/18/24
- Watershed & Natural Resource Advisory Commission, 4/24/24
- Turnagain CC committee, 4/29/24
- HALO, 5/4/24
- University Area CC, TBD
- Federation of CCs forum, TBD
- (Other councils, TBD)



Engage in the Public Process!

Planning and Zoning Commission (PZC)

Continued Public Hearing on Case # 2024-0006 (HOME) Monday, May 20, 2024 | Loussac Library, 3600 Denali St.

Find the HOME Initiative packet online.

The PZC case number for this ordinance is 2024-0006. Link: <u>https://www.muni.org/CityViewPortal/Planning/Status?planningId=17913</u>

You can download the full packet as a PDF, and post comments.

More about HOME: Assembly Housing Website

https://www.muni.org/Departments/Assembly/Pages/FOCUS-Housing.aspx

Have feedback on how to improve HOME?

Please contact the sponsors with recommendations, and/or submit them as comments to PZC.

Additional Reference Slides

HOME helps implement Anchorage's 2040 Land Use Plan.

Goal 1 Plan for Growth and Livability

Anchorage achieves residential and commercial growth, which improves community resiliency and citizens' quality of life as it supports their vision for the future expressed in the Comprehensive Plan.

Goal 2 Infill and Redevelopment

Infill and redevelopment meet the housing and employment needs of residents and businesses in Anchorage.

Goal 4 Neighborhood Housing

Anchorage's neighborhoods provide a range of places to live, meeting the housing needs of residents at all income levels, household sizes, interests, ages, abilities, and races and ethnicities. LUP 1.4. Use the 2040 LUP and area-specific plans in conjunction with other elements of the *Comprehensive Plan* to determine appropriate zoning in the Bowl, and evaluate proposed changes to land use regulations. (Supersedes Anchorage 2020: Policy 4).

LUP 1.8. Engage Anchorage residents, businesses, and property owners in a predictable and transparent process leading to the adoption of plans that guide growth. Engage affected communities when making long-term land use decisions, with particular attention to communities that are historically underrepresented.

LUP 2.3. Remove barriers to desired infill development and incorporate flexibility in development requirements to promote adaptive reuse of older buildings and compact infill/redevelopment, including that which reflects traditional urban neighborhood design contexts. LUP 4.2. Allow and encourage innovative compact housing types and a variety of housing options that respond to changing preferences.

LUP 4.3. Promote balanced neighborhoods with diverse infill housing, and provide opportunities for development of affordable and accessible housing that avoids creating areas of concentrated low-income housing.

LUP 4.4. Encourage property owners to preserve, rehabilitate, or redevelop properties in ways that minimize housing displacement and maintain affordability, health, and safety for residents.

4-10 Amend Title 21 to reduce restrictions that currently deter construction of compact housing types; and expand provisions that allow for compact housing types, including small-lot housing, cottage houses with shared courtyards, townhouses, and smallscale garden apartments. Determine appropriate measures through a meaningful, collaborative public process and make subject to site development standards including standards for neighborhood compatibility.



Excerpts from Anchorage 2040 Land Use Plan (2017)

New Residential Zoning District -Single and Two Family Residential

Single and Two Family Residential (STFR)

"Purpose: Intended primarily for residential development with up to eight (8) dwelling units per acre. These areas generally have well-developed infrastructure and municipal services."

<u>Replaces</u>:

- R-1 Single Family Residential
- R-1A Single Family Residential (Larger Lot)
- R-2A Two-Family Residential (Larger Lot)
- R-5 Low Density Residential
- R-2D* Two-Family Residential

Anchorage 2040 Land Use Plan

LUP Designation: Single-family and Two-Family Neighborhoods



* R-2D appears in 2 land use designations. Sponsors discussing including in STFR, not CMRL

New Residential Zoning District – Compact Mixed Residential - Low

Compact Mixed Residential-Low (CMRL)

"Purpose: Intended primarily for residential development of up to 24 dwelling units per acre. These areas generally have well developed infrastructure and municipal services."

Replaces:

- (R-2D, as written in January draft)
- R-2M Mixed Residential District

Anchorage 2040 Land Use Plan

LUP Designation: Compact Mixed Residential-Low



* R-2D appears in 2 land use designations. Sponsors discussing including in STFR, not CMRL

New Residential Zoning District – Compact Mixed Residental - Med.

Compact Mixed Residential-Medium (CMRM)

"Purpose: Intended primarily for residential development with up to fifty (50) dwelling units per acre. These areas generally have well-developed infrastructure and municipal services."

District Location Requirements:

Areas designated as Compact Mixed Residential Medium in Land Use Plan Map, or corresponding designation in a neighborhood or district plan."

Replaces:

- R-3
- R-3A

Anchorage 2040 Land Use Plan

LUP Designation: Compact Mixed Residential-Medium



New Residential Zoning District -Urban Residential - High

Urban Residential-High (URH)

"Purpose: Intended primarily for residential development of over 49 dwelling units per acre, with some limited non-residential uses for mixed use developments. These areas shall generally have well-developed infrastructure and municipal services.

District Location Requirements:

Areas designated or allowing R-4 or R-4A in Land Use Plan Map, or corresponding designation in a neighborhood or district plan."

Replaces:

- R-4
- R-4A

Anchorage 2040 Land Use Plan

LUP Designation: Urban Residential-High R-4, R-4A in Mixed-use areas



New Residential Zoning District – Large Lot Residential

Large Lot Residential (LLR)

The LLR district is intended primarily for single- and two-family residential areas with gross densities of one housing unit or less per gross acre, and up to three dwelling units per acre in areas designated by approved district plans.

Replaces:

- R-6– Low-Density Residential
- R-7 Single-Family Residential (1/2 Acre)
- R-8 Low-Density Residential (4 Acres)
- R-9 Low-Density Residential (2 Acres)
- R-10 Low-Density Residential, Alpine/Slope

Anchorage 2040 Land Use Plan

LUP Designation: Large-lot Residential



Some Key Questions & Issues Raised in Staff Report, Presented to PZC March 18

- 1. Consistency with the Comprehensive Plan and 2040 Land Use Plan
 - Memo provided in response to staff report details sponsors' assertion, this <u>does</u> meet the intent of the Comprehensive Plan and 2040 Land Use Plan (*see memo for details*).
 - Sponsors agree that there may be needed amendments to the plan(s).
 - Sponsors requested in January that staff identify needed plan amendments.
- 2. What to do with low-density housing areas
 - (page 15-16) Moving to STFR zones may not be sufficient to address housing needs.
 - Staff proposes new consideration: allow 3 and 4-plexes in all neighborhoods, including with low-density detached housing?
- 3. Addressing physical hazards (slope, soil, etc.)
 - Sponsors propose these standards be applied <u>throughout the LLR zones</u>, where applicable.
 - Areas of environmental hazard may not be suitable for any housing, regardless of type.
- 4. Allowing commercial uses without residential requirements now in R3A, R4A
 - Proposed ordinance language retains (and excludes) the current commercial use types.
 - "Vertical" mixed use (same structure) is often infeasible; current requirements are a hindrance.
- 5. "Compatibility" with existing neighborhood developments
 - Key question: How do we balance and consider <u>everyone's</u> property rights?
 - Separating physical/environmental, infrastructure, economic, and aesthetic impacts.