

Planning & Zoning 2.8.2024 – Correspondence Mabee

It's great to see all the efforts of the commission & additions to the packet this past week. That said, much like the work session held last month, the assignment, expectation & intent were news to me / misinterpreted until the final hour. Because of the complexity of the issue, I do not feel a consent agenda is an appropriate tool as none of these items are routine, non-controversial or should be pushed through hastily as one item. The importance of this commission in addressing the housing issue, maintaining clear integrity & accountability within our community, is both necessary & needs to be supported by more discussion, opportunity for input of the community & deliberation of Planning & Zoning Commission (P&Z). The inclusion of recommendations for this meeting from what I submitted last month, for what I believed was a work session are not appropriate items for the consent agenda as the inclusion & submission were intended to be work items. The use of a work session to create a consent agenda seems counter intuitive in the manner we did & I urge more complex thinking before attempting to move it forward or allow. That said I have provided action items to include tonight, removing what I provided for the work session, should the board choose to press the recommendations to the assembly tonight.

- **Work Sessions** can be vehicles for addressing major issues more effectively. They can also provide opportunities for members to focus on long-term decisions rather than the day-to-day management issues that confront the city. Presumably they also make regular sessions more productive and shorter. Work sessions can also help members relate better to one another because of the greater informality of such sessions.
- **Consent Agenda** is a board meeting practice that groups routine business and reports into one agenda item. The consent agenda can be approved in one action, rather than filing motions on each item separately.

Looking forward to it & see you soon! Laura

Action Items -

1. **Request of Mayor & Assembly:** "Establish a one- to two-year Mayor's Housing Taskforce with staff support through Managers Office to accomplish housing objectives." ([Skagway Action Plan PG 34 - Objectives](#)) I believe the Mayor's Housing Taskforce is needed to address the complexity of the issue & ensure our local government is working in tandem, not duplicating or impeding efforts at different tables.. I would urge the commission to request that the Mayor's Housing Taskforce consist of members from all commissions, as housing affects every aspect.

"Lack of understanding of options, ambivalence, or opposition to various possible Municipality of Skagway roles in stimulating housing development (beyond selling land) has stymied action on development of senior housing and affordable housing. To break this cycle, refer to the Housing chapter section on "[Options to Facilitate Increased Housing Affordability and Construction of Housing](#)" (Page 107)"
2. **Request P&Z Work Session:** Zoning needs to be addressed prior to freeing up land. What type of housing are we hoping to see improved availability for & identify code the supports, is missing or needs to be amended.

As we saw in 2020 & 2021, the lack of our seasonal economy freed up housing for year-round residents. Rents went down, availability went up when the demand for seasonal units went away. This past year, this community has observed & endured the pendulum swing to one that has our year-round population dwindling & businesses closing doors.

I interpret this to show that we are currently driven by our seasonal economy & the code does not meet the needs of maintaining a sustainable community. Prioritizing code prior to freeing up land & minimizing loss of existing dwelling units for our year-round residents, should take priority.

One key challenge I believe we are already pursuing & should continue to work on. "Current zoning code lacks clustered or cottage housing standards and planned unit development standards, which limits flexibility and creativity of landowners and developers to build more homes and more affordable homes. Code should also encourage higher density housing in certain areas."

3. Need for New Dwelling Units in November 2020:

Request for Support Assembly/Manager: Analysis of how many units is needed today, by figuring out current use & development between 2020 & 2024 would be advantageous with the delay in progress due to the pandemic & uncertainty.

Population is projected to add 160 more people by 2030. By 2030, 150 to 200 new dwelling units will be needed. By 2025, 46-75 new dwelling units will be needed for new year-round residents, plus an additional 80 dwelling units will be needed for seasonal residents or visitors from Garden City RV Park. This totals 126 to 155 new dwelling units needed in Skagway. Between 2025 and 2030, another 30-49 new dwelling units are likely to be needed bringing the total need to 150 to 200. And, by 2035, another 25-41 dwellings will be needed if population forecasts prove accurate.

This does not include changes from 2020 in regards to the numbers of year-round housing units lost to the seasonal/transient market.

4. Housing Needed to Sustain a Healthy Year-Round Population

Request for Support Assembly/Manager: To support/commit work on identifying possible incentives/disincentives for current & new property owners. Additional analysis required here with any proposed changes to code, to ensure no contradictory actions are being made.

There is a pent-up need for houses available for rent or sale for year-round use that are affordable for young adults and families.

'Starter' homes are needed for Skagway's resident young couples that want to start a family and need more space and for the summer workers that want to stay year-round and settle in Skagway. **These are just the people a community needs to sustain its population, keep the number of school-age kids steady or growing, and provide a market for businesses that want to stay open year-round.**

Affordability: Approximately half of Skagway households cannot afford to buy the median priced home without becoming cost-burdened (paying more than 30% of their income on housing and related costs).

***Using the US HUD median house price in Skagway of \$336,000 translates to monthly mortgage payments (using reasonable assumptions about credit status, interest etc.) including

utilities, taxes, insurance, etc., of between \$1,350 and \$1,900/month. This means that without becoming cost burdened (paying more than 30% of your family income) the buyer or renter must earn approximately \$54,000-\$75,000 annually.

Figure H-6. Skagway Resident Incomes		Annual Income
Starting Skagway teacher BA ¹		\$48,202
Experienced Skagway teacher BA ¹		\$57,896
Starting MOS Grade 13 ² (such as maintenance and clerical support, 911 dispatcher, recreation worker, medical assistant, community service officers)		\$45,032
Experienced MOS Grade 13 ²		\$61,506
Average employment wage 2018 ⁴		\$40,980
Median earnings for workers ³		\$50,167
Median earnings for men full-time, year-round workers ³		\$52,083
Median earning for women full-time, year-round workers ³		\$49,000
Median Household income ³		\$72,237
Area Median Income (AMI) for a Family of Four ⁵		\$86,400
Average Household Income ³		\$83,881
Sources: 1 - Cindy O'Daniel, Business Manager Skagway Schools, 2- Emily Deach, Municipal Clerk, 3 - ACS 2018 5-yr estimate, 4 - ADOLWD QCEW 2018, 5 - US HUD FY 2019		
NOTE: Depending on data point, ACS margin of error are ± \$5,000-\$9000 (\$416 to \$750 monthly)		

Losing Housing to the Seasonal Market & Need for Increased Variety of Seasonal Housing

A housing market complication occurs when seasonal business owners buy up homes or property to meet their seasonal housing needs, a phenomenon that happens in many places with strong seasonal economies.

Civic-minded business employers/managers who are committed to meeting their seasonal housing needs purchase housing to accomplish this; however, this reduces housing available for year-round rentals and sales.

Objectives (Page 34 Skagway Action Plan)

1. By 2030, there will be construction of at least 150 new dwelling units (compared to 2019), which includes replacement stock of 50 RVs for seasonal workers and 30 spaces for day visitors. New housing should be a mix of housing styles.
2. Establish a one- to two-year Mayor's Housing Taskforce with staff support through Managers Office to accomplish housing objectives.
3. Cause housing development on municipal land at Garden City RV Park (Blocks 95 and 102) and on a portion of the 15-acre site off Klondike Highway. A variety of municipal roles are expected, such as subdivision and sale of individual lots, sale of larger parcels or issuance of RFPs then sale to facilitate clustered housing subdivision and Planned Unit Development (PUD)s, retention of some land or discounted sale to facilitate construction of permanently affordable homes and senior housing.
4. See construction of at least 10 permanently affordable housing units.
5. Help Skagway's growing senior population stay in town by ensuring an adequate supply of aging-appropriate housing that those on fixed incomes can afford. In 2018, there are about 155 residents age 65 or older. Projections are for 65 more residents this age (220 total) by 2030 and 40 more (260 total) by 2040.)
6. Skagway has enough safe, sanitary seasonal worker housing to meet the demand.
7. Stimulate rehabilitation of uninhabitable housing stock through a combination of incentives and disincentives.
8. Enforce zoning and other code rules consistently—particularly in summer—so residents, business owners, developers, and investors have predictability and assurance.