



Agenda

Planning Commission Regular Meeting

Wednesday, March 04, 2026 at 6:30 PM

City Hall Cowles Council Chambers In-Person & Via Zoom Webinar

Homer City Hall

491 E. Pioneer Avenue
Homer, Alaska 99603
www.cityofhomer-ak.gov

Zoom Webinar ID: 205 093 973 Password: 610853

<https://cityofhomer.zoom.us>
Dial: 346-248-7799 or 669-900-6833;
(Toll Free) 888-788-0099 or 877-853-5247

CALL TO ORDER, 6:30 P.M.

AGENDA APPROVAL

PUBLIC COMMENTS The public may speak to the Commission regarding matters on the agenda that are not scheduled for public hearing or plat consideration. (3 minute time limit).

RECONSIDERATION

CONSENT AGENDA All items on the consent agenda are considered routine and non-controversial by the Planning Commission and are approved in one motion. There will be no separate discussion of these items unless requested by a Planning Commissioner or someone from the public, in which case the item will be moved to the regular agenda.

A. Unapproved Regular Meeting Minutes of February 4, 2026

B. Decisions and Findings CUP 26-01, 960 East End Road

PRESENTATIONS / VISITORS

REPORTS

A. City Planner's Report, Staff Report 26-004

PUBLIC HEARINGS

PLAT CONSIDERATION

PENDING BUSINESS

NEW BUSINESS

A. Memorandum 2026-01, Review of Planning Commission Bylaws

B. Memorandum 2026-02, Long Term Rentals, Commissioner Harness

INFORMATIONAL MATERIALS

[A.](#) 2026 Planning Commission Meeting Calendar

[B.](#) 2026 Housing Assessment

COMMENTS OF THE AUDIENCE Members of the audience may address the Commission on any subject. (3 min limit)

COMMENTS OF THE STAFF

COMMENTS OF THE COMMISSION

COMMENTS OF THE COMMISSION

ADJOURNMENT

Next Regular Meeting is **Wednesday, March 18th, at 6:30 p.m.** All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar. Meetings will adjourn promptly at 9:30 p.m. An extension is allowed by a vote of the Commission



City of Homer
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HOMER PLANNING COMMISSION

Approved CUP 2026-01 at the Meeting of February 4, 2026

RE: Conditional Use Permit (CUP) 2026-01
Address: 960 East End Road

Legal Description: T 6S R 13W SEC 17 SEWARD MERIDIAN HM 2007089 A A MATTOX SUB
GLACIERVIEW BAPTIST CHURCH REPLAT LOT 12A.

DECISION

Introduction

Todd Martin of the Glacierview Baptist Church (the “Applicant”) applied to the Homer Planning Commission (the “Commission”) for a Conditional Use Permit (CUP) under Homer City Code 21.16.030 (b), Public or private schools; and per HCC 21.16.30 (g), More than one building containing a permitted principal use on a lot. The applicant proposes a private school on the same property as the Glacierview Baptist Church at 960 East End Road.

A public hearing was held for the application before the Commission on February 4, 2026, as required by Homer City Code 21.94. Notice of the public hearing was published in the local newspaper and sent to 42 property owners of 39 parcels as shown on the Kenai Peninsula Borough tax assessor rolls. Public notices contained information on how to submit written testimony, participate telephonically, or participate on the Zoom meeting platform.

At the February 4, 2026 meeting of the Commission, five Commissioners were present. The Commission unanimously approved CUP 2026-01 with three conditions.

Evidence Presented

City Planner, Ryan Foster, provided a detailed review of Staff Report PC 26-002 for the Commission. The Applicant was available and provided responses to Commissioners questions. Public testimony for approval of the application was provided during the public hearing portion of the meeting.

36 **Findings of Fact**

37 After careful review of the record and consideration of testimony presented at the hearing, the
38 Commission determines CUP 2026-01, to allow a private school and more than one principal
39 building at 960 East End Road satisfies the review criteria set out in HCC 21.71.030 and is hereby
40 approved.

41

42 **The criteria for granting a Conditional Use Permit is set forth in HCC 21.71.030, Review**
43 **criteria, and establishes the following conditions:**

44

45 **a. The applicable code authorizes each proposed use and structure by conditional use**
46 **permit in that zoning district;**

47 **Finding 1:** The structures and uses are authorized by the applicable code.

48

49 **b. The proposed use(s) and structure(s) are compatible with the purpose of the zoning**
50 **district in which the lot is located.**

51 **Finding 2:** The proposed structures and uses are compatible with the purpose of the district.

52

53 **c. The value of the adjoining property will not be negatively affected greater than that**
54 **anticipated from other permitted or conditionally permitted uses in this district.**

55 **Finding 3:** The proposed project is not expected to negatively impact the adjoining properties
56 greater than other permitted or conditional uses.

57

58 **d. The proposal is compatible with existing uses of surrounding land.**

59 **Finding 4:** The proposal is compatible with existing uses of surrounding land.

60

61 **e. Public services and facilities are or will be, prior to occupancy, adequate to serve the**
62 **proposed use and structure.**

63 **Finding 5:** Public services and facilities are adequate to serve the existing / proposed use.

64

65 **f. Considering harmony in scale, bulk, coverage and density, generation of traffic, the**
66 **nature and intensity of the proposed use, and other relevant effects, the proposal will not**
67 **cause undue harmful effect upon desirable neighborhood character.**

68 **Finding 6:** The proposal will not cause undue harmful effect upon desirable neighborhood
69 character.

70

71 **g. The proposal will not be unduly detrimental to the health, safety or welfare of the**
72 **surrounding area or the city as a whole.**

73 **Finding 7:** The proposal will not be unduly detrimental to the health, safety or welfare of the
74 surrounding area and the city as a whole when all applicable standards are met as required by
75 city code.

76

77 **h. The proposal does or will comply with the applicable regulations and conditions**
78 **specified in this title for such use.**

79 **Finding 8:** The proposal will comply with applicable regulations and conditions specified in
80 Title 21 when gaining the required permits.

81

82 **i. The proposal is not contrary to the applicable land use goals and objectives of the**
83 **Comprehensive Plan.**

84 **Finding 9:** The proposal is not contrary to the applicable land use goals and objectives of the
85 Comprehensive Plan. The proposal aligns with Chapter 4, Goal 1, Objective A and D, and Goal
86 3, Objective B and no evidence has been found that it is contrary to the applicable land use
87 goals and objectives of the Comprehensive Plan.

88

89 **j. The proposal will comply with the applicable provisions of the Community Design**
90 **Manual (CDM).**

91 **Condition 1:** Outdoor lighting must be down lit per HCC 21.59.030 and the CDM.

92 **Finding 10:** Project will comply with the applicable provisions of the CDM.

93

94 **HCC 21.71.040(b).** b. In approving a conditional use, the Commission may impose such
95 conditions on the use as may be deemed necessary to ensure the proposal does and will
96 continue to satisfy the applicable review criteria. Such conditions may include, but are not
97 limited to, one or more of the following:

98 **1. Special yards and spaces:** No specific conditions deemed necessary.

99 **2. Fences and walls: Condition 2:** Outdoor play areas will require fencing as depicted on the
100 application site plan.

101 **3. Surfacing of parking areas:** No specific conditions deemed necessary.

102 **4. Street and road dedications and improvements:** No specific conditions deemed
103 necessary.

104 **5. Control of points of vehicular ingress and egress:** No specific conditions deemed
105 necessary.

106 **6. Special provisions on signs:** No specific conditions deemed necessary.

107 **7. Landscaping:** No specific conditions deemed necessary.

108 **8. Maintenance of the grounds, building, or structures:** No specific conditions deemed
109 necessary.

110 **9. Control of noise, vibration, odors or other similar nuisances:** No specific conditions
111 deemed necessary.

112 **10. Limitation of time for certain activities:** No specific conditions deemed necessary.

113 **11. A time period within which the proposed use shall be developed:** No specific conditions
114 deemed necessary.

115 **12. A limit on total duration of use:** No specific conditions deemed necessary.

116 **13. More stringent dimensional requirements,** such as lot area or dimensions, setbacks, and
117 building height limitations. Dimensional requirements may be made more lenient by
118 conditional use permit only when such relaxation is authorized by other provisions of the
119 zoning code. Dimensional requirements may not be altered by conditional use permit when
120 and to the extent other provisions of the zoning code expressly prohibit such alterations by
121 conditional use permit.

122 **14. Other conditions necessary** to protect the interests of the community and surrounding
123 area, or to protect the health, safety, or welfare of persons residing or working in the vicinity of
124 the subject lot.

125
126 **Conclusion:** Based on the foregoing findings of fact and law, Conditional Use Permit 2026-01
127 is hereby approved, with Findings 1-10 and the following conditions.

- 128
129
1. Outdoor lighting must be down lit per HCC 21.59.030 and the CDM.
 - 130 2. Outdoor play areas will require fencing as depicted on the application site plan.
 - 131 3. The applicant verify impervious surface calculations. These calculations should adhere
132 to the City's definition of impervious coverage as outlined in definitions HCC 21.03.040.
133 If the impervious calculation exceed as 60% a storm water permit (SWP) is required in
134 accordance with HCC 21.050.020.
- 135
136
137
138

139 _____
140 Date Chair, Scott Smith

141
142
143 _____
144 Date City Planner, Ryan Foster

145
146
147
148 NOTICE OF APPEAL RIGHTS
149 Pursuant to Homer City Code 21.93.020 any person with standing in this decision may appeal this
150 decision to a hearing officer within fifteen (15) days of the date of distribution indicated below. A
151 hearing officer will be appointed in accordance with Homer City Code 21.91.100. Any decision not
152 appealed within that time shall be final. A notice of appeal shall be in writing and contain all the
153 information required by Homer City Code Section 21.93.080 and shall be filed with the Homer City Clerk,
154 491 E. Pioneer Avenue, Homer, Alaska 99603.

155
156 CERTIFICATION OF DISTRIBUTION
157 I certify that a copy of this Decision was mailed to the below listed recipients on _____, 2026.
158 A copy was also delivered to the City of Homer Planning Department and Homer City Clerk on the same
159 date.

160
161
162 _____
163 Date Associate Planner

Todd Martin, Glacierview Baptist Church
960 East Road
Homer, AK 99603

Michael Gatti
JDO Law
3000 A Street, Suite 300
Anchorage, AK 99503

Melissa Jacobsen, City Manager
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Staff Report Pl 26-004

TO: Homer Planning Commission
FROM: Ryan Foster, City Planner
DATE: March 4, 2026
SUBJECT: City Planner's Report

Title 21 Zoning Code Re-write

After completing a series of work sessions over the last few months, our consultant is working on finalizing a Public Review Draft version of the code, anticipated for a late March release to the public for a 45-day review and comment period.

Homer City Council

On February 9, 2026, the Homer City Council approved Ordinance 26-09 to align the term expirations for all Commission and Board Members to March 31 every year. Aligning the expiration dates will make it easier for members of the public to apply for multiple bodies if they would be willing to serve on any of them, and for City staff to plan dates for group trainings and joint worksessions with Council.

Meeting Schedule

The next regular meeting date is Wednesday, March 18, 2026.

Commissioner Report to Council

3/9/26 _____



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Memorandum PL26 – 001

TO: Homer Advisory Planning Commission
FROM: Ryan Foster, City Planner
DATE: March 4, 2026
SUBJECT: Review of Planning Commission Bylaws

Introduction:

The current Planning Commission Bylaws are dated September 2021. This is an opportunity to review the bylaws and discuss considerations for potential amendments to ensure the Commission's operating rules, structure, and procedures are current and ensure accountability and consistency in how the Commission functions.

Per the approved Planning Commission Bylaws:

U. Bylaws Amended:

The bylaws may be amended at any meeting of the Commission by a majority plus one of the members, provided that notice of said proposed amendment is given to each member in writing. The proposed amendment shall be introduced at one meeting and action shall be taken at a subsequent Commission meeting. The bylaws will be endorsed by a resolution of the City Council.

Feedback and ideas from the review of the bylaws will be brought back to the Commission in subsequent meetings for amendment introduction and action.

Requested Action:

Review the Planning Commission Bylaws and be prepared to discuss ideas for proposed amendments.

Attachments:

Planning Commission Bylaws

HOMER PLANNING COMMISSION BYLAWS

The Homer Planning Commission is established with those powers and duties as set forth in Title 2, Section 72, of the Homer City Code (HCC). The Commission is established to maximize local involvement in planning and to implement and recommend modifications to the Homer Zoning Ordinance, Title 21, and Subdivisions, Title 22. The Commission's jurisdiction is limited to the area within the City boundaries and that area designated as the Homer Bridge Creek Watershed Protection District.

The Homer Planning Commission (“Commission”) consists of seven members; no more than one may be from outside the city limits. Members will be appointed by the Mayor subject to confirmation by the City Council for three-year terms (except to complete terms). The powers and duties of the Commission are described in HCC 2.72.030.

A. To abide by existing Alaska State law, Borough Code of Ordinances, where applicable, and Homer City Code pertaining to planning and zoning functions;

B. To abide by Robert's Rules of Order, so far as this treatise is consistent with Homer City Code;

C. Regular Meetings:

Meeting participation by teleconferencing is permitted. “Teleconference” means remote participation by telephone or web-based format by a member for a meeting of the board or commission which must enable the remote member, for the duration of the meeting, to clearly hear and to be heard by the chairperson, all other members, the staff liaison, the Clerk, and any public in attendance. Commissioners are expected to comply with teleconferencing requirements found in HCC 2.58.060.

1. First and third Wednesday of each month at 6:30 p.m.
2. Agenda deadline is two weeks prior to the meeting date at 5:00 p.m. Agenda items requiring public hearing must be received three weeks prior to the Commission hearing. However, conditional use applications may be scheduled for public hearing in accordance with HCC 21.94. Preliminary plats must be submitted the Friday two weeks before the Commission meeting.
3. Items will be added to the agenda upon request of staff, the Commission or a Commissioner.
4. Public notice of a regular meeting shall be made as provided in HCC Chapter 1.14.
5. Meetings will adjourn promptly at 9:30 p.m. An extension is allowed by vote of the Commission.

44 Procedure: The Chair will entertain a motion to extend the meeting until
45 a specific time. After the motion has been seconded, the Commission will
46 vote. A yes vote will extend the meeting until the specified time. A no vote
47 will require that the Chair conclude business at or before 9:30 pm and
48 immediately proceed to comments of the audience, the Commission,
49 and adjournment.

50
51 **D. Special Meetings:**
52
53 Commissioners may attend in person or by teleconference at the time
54 designated for the meeting.

- 55
56 1. Called by Chair or majority of the Commission.
57 2. Require reasonable notification be given to the Planning Department
58 staff and twenty-four hour notice to Commissioners.
59 3. Public notice of a special meeting shall be made as provided in HCC
60 Chapter 1.14.

61
62 **E. Duties and Powers of the Officers:**
63
64 A Chair and Vice-Chair shall be selected annually in August or as soon thereafter
65 as practicable by the appointive members. The Chair shall preside at all
66 meetings of the Commission, call special meetings in accordance with the
67 bylaws, sign documents of the Commission, see that all actions and notices are
68 properly taken, and summarize the findings of the Commission for the official
69 record. The Vice-Chair shall perform all duties and be subject to all
70 responsibilities of the Chair in their absence, disability or disqualification of
71 office. The Vice-Chair will succeed the Chair if they vacate the office before the
72 term is completed to complete the un-expired term. A new Vice-Chair shall be
73 elected at the next regular meeting.

74
75 **F. Committees**

- 76
77 1. The Chair shall appoint committees for such specific purposes as the
78 business of the Commission may require. Committee appointments will
79 be confirmed by the Commission. Committee membership shall include
80 at least two Commissioners. Other Committee members may be
81 appointed from the public.
82 2. One Committee member shall be appointed Chair and be responsible for
83 creating an agenda and notifying the City Clerk of meetings so they may
84 be advertised in accordance with Alaska State Law and Homer City Code.
85 3. One Committee member shall be responsible for furnishing summary
86 notes of all Committee meetings to the City Clerk.
87

- 88 4. Committees shall meet in accordance with Commission bylaws and
89 Robert's Rules.
90 5. All committees shall make a progress report at each Commission
91 meeting.
92 6. No committee shall have other than advisory powers.
93 7. Per Robert's Rules, upon giving a final report, the Committee is
94 disbanded.
95

96 **G.** Motions to Reconsider:

97
98 Notice of reconsideration shall be given to the Chair or Vice-Chair, if the Chair is
99 unavailable, within forty-eight hours from the time the original action was
100 taken. A member of the Commission who voted on the prevailing side on any
101 issue may move to reconsider the commission's action at the same meeting or
102 at the next meeting of the body provided the above 48-hour notice has been
103 given. Consideration is only for the original motion to which it applies. If the
104 issue involves an applicant, staff shall notify the applicant of the
105 reconsideration.
106

107 **H.** Conflict of Interest:

108
109 A member of the Commission shall disqualify themselves from participating in
110 any official action in which they have a substantial financial interest per HCC
111 1.18. The member shall disclose any financial interest in the topic before
112 debating or voting. The member cannot participate in the debate or vote on the
113 matter, unless the Commission has determined the financial interest is not
114 substantial.
115

116 Following the Chair's announcement of the agenda item, the Commissioner
117 should state that they have a conflict of interest. Once stated, the member
118 should distance themselves from all motions. The Commission must move and
119 vote on whether or not there is a conflict of interest. At this time, a motion shall
120 be made by another Commissioner restating the disclosed conflict. Once the
121 motion is on the floor the Commissioner can disclose their financial interest in
122 the matter and the Commission may discuss the conflict of interest. A vote will
123 then be taken. An affirmative vote excuses the Commissioner and they take a
124 seat in the audience or remains nearby. Upon completion of the agenda item,
125 the Commissioner will be called back to join the meeting.
126

127 **I.** Situation of personal interest

128
129 A situation of personal interest may arise. For example, a Commissioner may live
130 in the subject subdivision or may be a neighboring property owner. If the

131 Commissioner feels that by participating in the discussion they may taint the
132 decision of the Commission, or be unable to make an unbiased decision, the
133 Commissioner should state their personal interest. The same procedure as
134 above should be followed to determine the conflict.

135
136 **J.** Ex parte Communications

137
138 Ex parte contacts are not permitted in quasi-judicial actions. Ex parte
139 communications can result in a violation of procedural due process. If a
140 Commissioner finds themselves about to be involved in ex parte contact the
141 Commissioner should recommend that the citizen submit their comments in
142 writing to the Commission or testify on record. If a Commissioner has been
143 involved in an ex parte contact, the contact and its substance should be
144 disclosed at the beginning of the hearing. The Commissioner should state
145 whether or not they think they can make an unbiased decision.

146
147 **K.** Quorum; Voting:

148
149 Four Commission members shall constitute a quorum. Four affirmative votes
150 are required for the passage of a motion. Voting will be by verbal vote, the order
151 to be rotated. The final vote on each resolution or motion is a recorded roll call
152 vote or may be done in accordance with M. Consensus. For purposes of
153 notification to parties of interest in a matter brought before the Commission,
154 the Chair may enter for the record the vote and basis for determination.

155
156 The City Manager, or their designee and Public Works Director shall serve as
157 consulting members of the Commission but shall have no vote.

158
159 **L.** Findings:

160
161 Findings will be recorded for conditional use permits, variances, acceptance of
162 nonconforming status and zoning ordinance amendments. The findings will
163 include the result of the vote on the item and the basis of determination of the
164 vote, as summarized by the Chair or Vice-Chair, in the absence of the Chair.

165
166 **M.** Consensus:

167
168 The Commission may, from time-to-time, express its opinion or preference
169 concerning a subject brought before it for consideration. Said statement,
170 representing the will of the body and meeting of the minds of the members
171 may be given by the presiding officer as the consensus of the body as to that
172 subject without taking a motion and roll call vote.

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N. Abstentions:

All Commission members present shall vote unless the Commission, for special reasons, permits a member to abstain. A motion to excuse a member from voting shall be made prior to the call for the question. A member of the Commission requesting to be excused from voting may make a brief oral statement of the reasons for the request and the question of granting permission to abstain shall be taken without further debate. An affirmative vote of the Commission excuses the Commissioner. A member may not explain a vote or discuss the question while the roll call vote is being taken. A member may not change their vote thereafter.

O. Attendance: Any member who is unable to attend a meeting, whether regular or special, shall contact the clerk in advance, no later than two hours prior to the scheduled meeting time for excusal.

P. Vacancies:

A Commission appointment is vacated under the following conditions:

1. A member fails to qualify to take office within 30 days after their appointment;
2. A member resigns;
3. A member is physically or mentally unable to perform the duties of the office;
4. A member is convicted of a felony or of an offense involving a violation of their oath of office; or
5. A member has three consecutive unexcused absences, or misses six meetings in an appointment year.

Q. Procedure for Consideration of Agenda Items:

The following procedure will normally be observed:

1. Staff presents report and makes recommendation;
2. If the agenda item involves an applicant they may make a presentation;
3. Commission may ask questions of the applicant and staff.

R. Procedure for Consideration of Public Hearing Items:

1. Staff presents report and makes recommendation;
2. Applicant makes presentation;
3. Public hearing is opened;

- 217 4. Public testimony is heard on item (presentation of supporting/opposing
218 evidence by public – Commission may ask questions of public);
219 5. Public hearing is closed;
220 6. Rebuttal of evidence by staff (if any);
221 7. Rebuttal of evidence by applicant (if any);
222 8. Commission may ask questions of the applicant, and staff;
223 9. The Commission will move/second to accept the staff report, with or
224 without staff recommendations. The Commission will discuss the item,
225 may ask questions of staff, and make amendments to the
226 recommendations of staff. Amendments may be made by
227 motion/second;
228 10. The Commission may continue the topic to a future meeting. Once the
229 public hearing is closed no new testimony or information will be
230 accepted from the public. The Commission may ask questions of the
231 applicant and staff.
232

233 **S.** Procedure for Consideration of Preliminary Plats:

234 The following procedure will normally be observed:

- 235 1. Staff presents report and makes recommendations;
236 2. Applicant makes presentation;
237 3. Public comment is heard on the item;
238 4. Applicant may make a response;
239 5. Commission may ask questions of applicant, public and staff.
240

241 **T.** The Commission shall act as a body:

242
243 A member of the Commission may not speak or act for the Commission without
244 recommendation or direction given by the Commission. The Chair or Chair's
245 designee shall serve as the official spokesperson of the Commission.
246

247
248 **U.** Bylaws Amended:

249
250 The bylaws may be amended at any meeting of the Commission by a majority
251 plus one of the members, provided that notice of said proposed amendment is
252 given to each member in writing. The proposed amendment shall be introduced
253 at one meeting and action shall be taken at a subsequent Commission meeting.
254 The bylaws will be endorsed by a resolution of the City Council.
255

256 **V.** Procedure Manual:

257
258 The policy and procedure manual will be endorsed by resolution of the City

259 Council and may be amended at any meeting of the Commission by a majority
260 plus one of the members, provided that notice of said proposed amendment is
261 given to each member in writing. Proposed amendments to the procedure
262 manual shall be introduced at one meeting and action shall be taken at a
263 subsequent Commission meeting.

264

265 **W. Agenda Format**

266

267 HOMER PLANNING COMMISSION

268 491 E. PIONEER AVENUE

269 HOMER, ALASKA

DATE

WEDNESDAY AT 6:30 P.M.

COWLES COUNCIL CHAMBERS

270

271

REGULAR MEETING

272

AGENDA

273

1. **Call to Order**

274

275

2. **Approval of Agenda**

276

277

3. Public Comment on Items Already on the Agenda

278

The public may speak to the Planning Commission regarding matters on the agenda that
279 are not scheduled for public hearing or plat consideration (3 minute time limit).

280

281

4. **Reconsideration**

282

283

5. **Consent Agenda**

284

All items on the consent agenda are considered routine and non-controversial by the
285 Planning Commission and are approved in one motion. There will be no separate
286 discussion of these items unless requested by a Planning Commissioner or someone
287 from the public, in which case the item will be moved to the regular agenda and
288 considered in normal sequence.

289

290

6. **Presentations**

291

292

7. **Reports**

293

294

8. **Public Hearings**

295

Testimony limited to 3 minutes per speaker. The Commission conducts Public Hearings
296 by hearing a staff report, presentation by the applicant, hearing public testimony and then
297 acting on the Public Hearing items. The Commission may question the public. Once the
298 public hearing is closed the Commission cannot hear additional comments on the topic.
299 The applicant is not held to the 3 minute time limit.

300

301

9. **Plat Consideration**

302

303

10. **Pending Business**

304

- 305 11. **New Business**
306
307 12. **Informational Materials**
308
309 13. **Comments of the Audience**
310 Members of the audience may address the Commission on any subject (3 minute time
311 limit).
312
313 14. **Comments of Staff**
314
315 15. **Comments of the Commission**
316
317 16. **Adjournment**
318 Meetings will adjourn promptly at 9:30 p.m. An extension is allowed by a vote of the
319 Commission. Notice of the next regular or special meeting or work session will appear on
320 the agenda following “adjournment.”
321



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Memorandum PL26 – 002

TO: Homer Advisory Planning Commission
FROM: Ryan Foster, City Planner
DATE: March 4, 2026
SUBJECT: Memorandum on Long Term Rental Incentives

Introduction:

As the topic of short term rentals continue to be discussed in our community, Commissioner Harness has written a memorandum with ideas on the consideration of long term rental incentives.

Requested Action:

Review Commissioner Harness's memo, discuss, and vote whether the Planning Commission would like to send a memorandum on long term rentals to the City Council.

Attachments:

Memorandum on Long Term Rentals from Commissioner Harness

February 23, 2026

To: HAPC members, Ryan Foster, City Planner

From: Dotti Harness, HAPC member

Re: Long-term rental aka "Lease to Locals," "Rent Local" incentives

At the Feb. 18th HAPC meeting I suggested changing the short-term rental registration narrative to long-term rental incentives. Ryan followed with: "What are examples of long-term rental incentives." Great questions bring forth more questions to help narrow in on a solution.

"What does long-term housing mean in Homer?"

Steady housing for June, July and August or year-round?

Local businesses need to feel secure that there is housing available for their employees during the peak summer months.

"How do communities incentivize long-term housing?"

Reduced city water and sewer rates. (Ole Andersson's suggestion). For the summer or year-round? Within city limits or beyond? How would the city tie the incentives to 'hailed' water customers?

How would borough property tax incentives work?

For city residents or beyond?

Challenge: Typically, property owners commit to long-term rentals in the spring, which may not align with KPB's tax levy timeline.

How have other communities tackled long-term rental incentives?

Sedona, AZ: the City Council approved \$240,000 for a pilot program that offers stipends to short-term rental owners who lease their properties for at least one year to a local worker (defined as a person who works at least 30 hours a week for at least 30 days for an employer based in Sedona).

www.sedonaaz.gov/your-government/departments-and-programs/community-development/housing/owners/rent-local-program

North Lake Tahoe, CA a "Lease to Locals" program pays homeowners to sign long-term leases with local renters. The program caps the amount of rent owners can charge. Tenants must work at least 20 hours per week at a business located within the boundaries of the Tahoe-Truckee Unified School District.

<https://www.northtahoecommunityalliance.com/project/lease-to-locals/>

Portland, Maine, "In an effort to open the rental market to those in need, up to 25 short-term rental owners in Portland will receive \$1,000 if they lease their units for at least a year."

Big Sky Montana and parts of Colorado have similar programs.

"How would landlord prove that they provide long-term rentals?"

Most important, it's should a voluntary program. If a property owner wants to participate, they would submit a:

- Rental agreement showing address, and
- Lease length that runs through the summer months, and
- Confirmation that the tenant is indeed a local hire, by a local business.
- Homeowners renting out a bedroom in their home must commit to renting out their space for a minimum of June, July and August.

How do cities fund "Lease to Locals" "Rent Local" programs?

Funding for long-term rental initiatives is typically derived from a combination of federal and state grants and locally generated revenues linked to short-term rental (STR) activity.

How does the HAPC move forward?

I will have a motion ready, such as: "The HAPC recommends forwarding this memorandum to the City Council to encourage consideration of long-term rental incentives."

**PLANNING COMMISSION
2026 Calendar**

	AGENDA ITEM DEADLINES	MEETING DATE	COMMISSIONER SCHEDULED TO REPORT	CITY COUNCIL MEETING FOR REPORT*	ANNUAL TOPICS FOR AGENDA AND EVENTS PLANNED
JANUARY	12/17/25 Public Hearing Items 12/19/25 Prelim Plat Submittals 12/26/25 Regular Agenda Items	01/07/26		Monday, 01/12/26 6:00 p.m.	
	12/31/25 Public Hearing Items 01/02/26 Prelim Plat Submittals 01/09/26 Regular Agenda Items	01/21/26		Monday 01/26/26 6:00 p.m.	
FEBRUARY	01/14/26 Public Hearing Items 01/16/26 Prelim Plat Submittals 01/23/26 Regular Agenda Items	02/04/26		Monday 02/9/26 6:00 p.m.	
	01/28/26 Public Hearing Items 01/30/26 Prelim Plat Submittals 02/06/26 Regular Agenda Items	02/18/26		Monday 02/23/26 6:00 p.m.	
MARCH	02/11/26 Public Hearing Items 02/13/26 Prelim Plat Submittals 02/20/26 Regular Agenda Items	03/04/26		Monday 03/09/26 6:00 p.m.	
	02/25/26 Public Hearing Items 02/27/26 Prelim Plat Submittals 03/06/26 Regular Agenda Items	03/18/26		Monday 03/23/26 6:00 p.m.	
APRIL	03/11/26 Public Hearing Items 03/13/26 Prelim Plat Submittals 03/20/26 Regular Agenda Items	04/01/26		Monday 04/13/26 6:00 p.m.	
	03/25/26 Public Hearing Items 03/27/26 Prelim Plat Submittals 04/03/26 Regular Agenda Items	04/15/26		Monday 04/27/26 6:00 p.m.	
MAY	04/15/26 Public Hearing Items 04/17/26 Prelim Plat Submittals 04/24/26 Regular Agenda Items	05/06/26		Monday 05/11/26 6:00 p.m.	
	04/29/26 Public Hearing Items 05/01/26 Prelim Plat Submittals 05/08/26 Regular Agenda Items	05/20/26		Tuesday 05/26/26 6:00 p.m.	
JUNE	05/13/26 Public Hearing Items 05/15/26 Prelim Plat Submittals 05/22/26 Regular Agenda Items	06/03/26		Monday 06/08/26 6:00 p.m.	Reappointment Applications will be sent out by the Clerk.
	05/27/26 Public Hearing Items 05/29/26 Prelim Plat Submittals 06/05/26 Regular Agenda Items	06/17/26		Monday 06/22/26 6:00 p.m.	

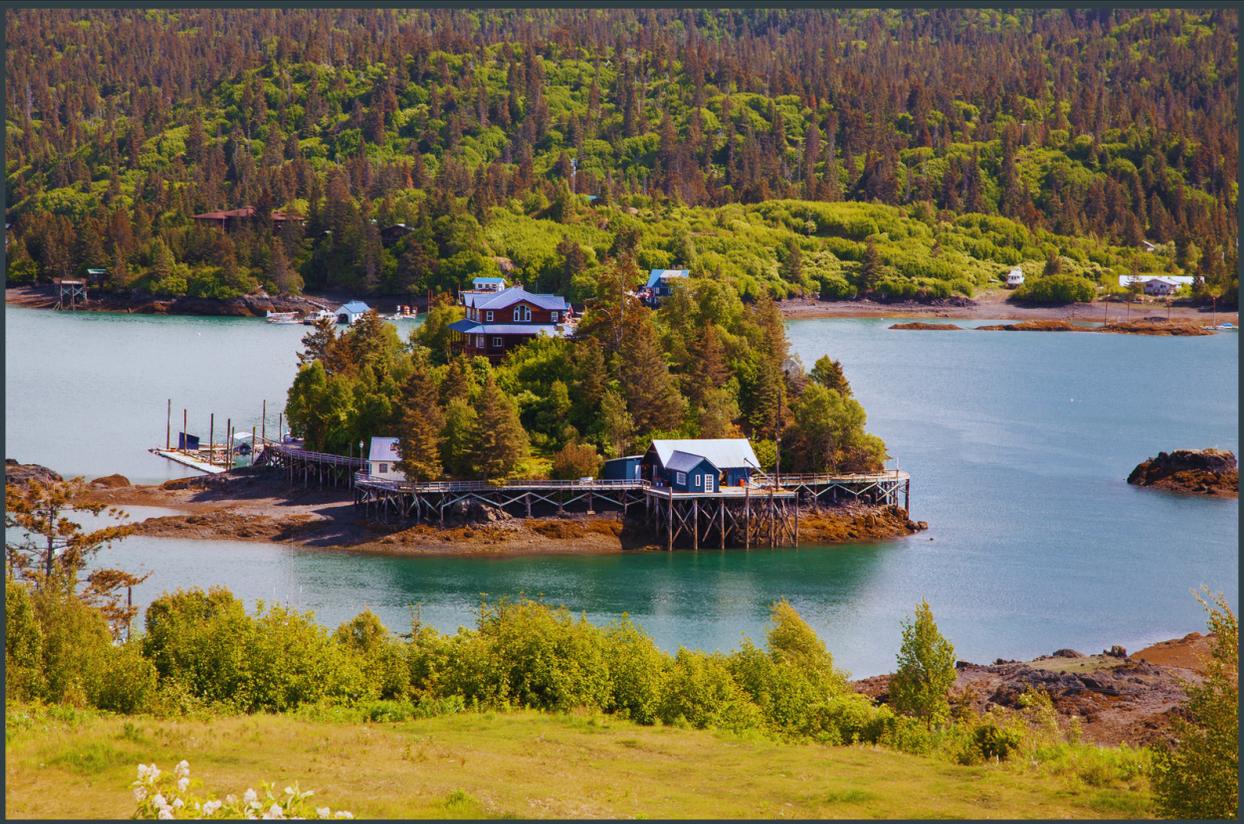
JULY	06/24/26 Public Hearing Items 06/26/26 Prelim Plat Submittals 07/02/26 Regular Agenda Items	07/15/26		Monday 07/27/26 6:00 p.m.	
AUGUST	07/15/26 Public Hearing Items 07/17/26 Prelim Plat Submittals 07/24/26 Regular Agenda Items	08/05/26		Monday 08/10/26 6:00 p.m.	<ul style="list-style-type: none"> • Election of Officers • Worksession: Training with City Clerk • Capital Improvement Plan Presentation by Jenny Carroll
	07/29/26 Public Hearing Items 07/31/26 Prelim Plat Submittals 08/07/26 Regular Agenda Items	08/19/26		Monday 08/24/26 6:00 p.m.	
SEPTEMBER	08/12/26 Public Hearing Items 08/14/26 Prelim Plat Submittals 08/21/26 Regular Agenda Items	09/02/26		Monday 09/14/26 6:00 p.m.	
	08/26/26 Public Hearing Items 08/28/26 Prelim Plat Submittals 09/04/26 Regular Agenda Items	09/16/26		Monday 09/28/26 6:00 p.m.	
OCTOBER	09/16/26 Public Hearing Items 09/18/26 Prelim Plat Submittals 09/25/26 Regular Agenda Items	10/07/26		Monday 10/12/26 6:00 p.m.	
	09/30/26 Public Hearing Items 10/02/26 Prelim Plat Submittals 10/09/26 Regular Agenda Items	10/21/26		Monday 10/26/26 6:00 p.m.	Annual Meeting Schedule for 2027
NOVEMBER	10/14/26 Public Hearing Items 10/16/26 Prelim Plat Submittals 10/23/26 Regular Agenda Items	11/04/26		Monday 11/09/26 6:00 p.m.	
DECEMBER	11/10/26 Public Hearing Items 11/13/26 Prelim Plat Submittals 11/20/26 Regular Agenda Items	12/02/26		Tentative: Monday 01/04/27 6:00 p.m.	There are no Council meetings in December.

*The Commission's opportunity to give their report to City Council is scheduled for the Council's regular meeting following the Commission's regular meeting, under Agenda Item 8 – Announcements/ Presentations/ Borough Report/Commission Reports. Reports are the Commission's opportunity to give Council a brief update on their work. Attend via Zoom or in Person. A written report can be submitted if no member is able to attend.

2026

HOUSING ASSESSMENT

KENAI PENINSULA REGION



KENAI
PENINSULA
ECONOMIC
DEVELOPMENT
DISTRICT



WINK
RESEARCH &
CONSULTING

*An in-depth review of current Kenai Peninsula housing stock,
community-specific options for development, and
recommendations to increase availability and affordability*

www.KPEDD.org

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BACKGROUND



A lack of affordable housing severely limits the Kenai Peninsula Borough's economic potential, including the ability to attract new talent for key job openings, contributes to out-migration, and stunts business growth. Data and anecdotal input confirm the area has a relative lack of available, affordable housing. This report examines regional housing challenges and possible solutions to formulate a Strategic Action Plan aimed at resolving the Peninsula's most pressing housing needs.

Research and input for this report was compiled by staff from the Kenai Economic Development District (KPEDD) and Wink Research & Consulting. KPEDD is grateful to all those who provided input for this report and especially to those who will use its insights to make the KPB an even better place to call home.

Section 1

Supply & Demand Drivers for KPB Housing provides data and analysis on the Borough's current housing situation, examining the current housing stock, availability, affordability, and demand-side drivers. This section provides critical information, a data-driven outlook, and context pertaining to KPB's housing market.

Section 2

Capabilities & Opportunities for KPB Housing summarizes feedback from local officials, real estate experts and other stakeholders about current housing needs, local challenges, opportunities, and zoning details specific to KPB communities.

Section 3

A Strategic Action Plan for KPB Housing draws on the previous sections to lay out pragmatic actions which can be undertaken at a Borough and community level to meet the area's biggest housing challenges.



SUMMARY - SECTION 1

The Kenai Peninsula Borough (KPB) is experiencing a housing constraint due to local and region-specific factors which require proactive solutions to avoid economic losses. The KPB has been one of Alaska’s fastest growing areas over the past five years and most of the gains have come from people migrating into the area. However, migration data for the most recent year (2024) shows a sharp reversal in the number of new KPB residents (either moving in or being born).¹ Given input from local residents, it is likely that a lack of affordable housing is a key reason for this recent outflow.

The regional economy has been relatively strong in recent years, ranking 5th in job growth and 3rd in business creation among all Alaska borough and census areas since 2019. However, we see a potential canary in the mineshaft as job growth slowed to 1.1% in 2024, finishing simply in line with the state average instead of well ahead.² Quantitative and anecdotal input compiled for this report suggest finding housing for seasonal tourism workers is a major issue, and could be a limiting factor in growing the Borough’s largest economic sector. Job growth in key tourism-dependent categories was flat to down in 2024.³ And in fact, many residents rightly point to vacation rentals as a contributing factor to the region’s housing squeeze. Despite the economic cooling in the KPB, massive development projects are on the horizon. If projects like Alaska LNG go forward, it would likely make a tough housing situation much worse for residents and businesses. If even a few of the large proposed construction projects are approved, how much more difficult will it be to fill jobs for retiring teachers or increase medical staff?





SUMMARY

Alaska and the KPB did not see the same home building boom during 2010-2020 as many other parts of the U.S.⁴ As a result, most of the housing stock was built during the 1970s and 1980s, and may lack the appeal of newer homes which are more plentiful in the lower 48. In terms of affordability, the KPB is not unique in that home prices and mortgage payments in particular have skyrocketed in recent years. Due to the Borough’s higher rate of population turnover, this means more people have more expensive new mortgages or face similar but additional challenges in the rental market. On average, home prices and rental rates in the KPB are lower than those in Anchorage or Mat-Su, but so too are average incomes making homes in the KPB relatively less affordable than they may appear.

Meeting the Borough’s housing challenge requires action to address several factors, such as:

- More senior housing units to accommodate the expected 133% growth in the senior citizen population over the next 10 years,⁵
- More availability of affordable homes for existing residents or those seeking to fill jobs in the Borough,
- Better housing options for seasonal workers,
- An adequate number of summer rentals for summer visitors without taking away homes that could otherwise house residents, and finally
- Strategic planning to maximize economic benefits from large construction projects while minimizing the strain on the area’s housing market.





DEMOGRAPHICS

The KPB is one of the fastest growing places in Alaska. In fact, it ranked 4th highest in population growth since 2020 among all borough and census areas and has nearly doubled the rate of national population growth in recent years.⁶ Much of this population growth has been fueled by people moving to the Peninsula, as opposed to “natural increases” (birth minus deaths). Since 2020, the number of new (net) incoming residents to the KPB outnumbered the natural increase 4.5 to 1, and 10% of the population is made up of “new residents” who either moved to the area in the previous year (or were recently born).⁷ This population growth, fueled mostly by migration, has contributed to both a stronger economy and a tighter housing market in the KPB.

Population Growth <i>Change since 2020</i>		2020	2023	2024
Kenai Peninsula Borough	4.3%	58,799	61,003	61,350
Anchorage	-0.2%	291,247	290,247	290,761
Mat-Su Borough	8.6%	107,081	114,254	116,313
Alaska	1.1%	733,391	738,873	741,147
U.S.	2.6%	331,577,720	336,806,231	340,110,988

Figure 1: Population Growth. This table lists the population growth of the Kenai Peninsula Borough, Anchorage, Mat-Su, Alaska, and United States from 2020 to 2024. Source: AKDOLWD (*Alaska Population Estimates*).



MIGRATION TO THE PENINSULA

Year	Resident Population Change	Net Migrating Children*	Seniors Migrating In	Net Migration Earnings (in \$M)
2015	702	177	354	\$16.9
2016	13	70	360	\$8.7
2017	-33	107	347	\$6.5
2018	154	120	459	\$25.7
2019	575	118	510	\$27.7
2020	812	176	510	\$17.6
2021	508	150	564	\$30.3
2022	57	254	552	\$18.1
2023	1,446	338	627	\$51.3
2024	-386	11	536	N/A

Figure 2: Net Migration to the Kenai Peninsula. This table identifies factors driving demand for housing in the Kenai Peninsula Borough. Using PFD and employment records provided by the Alaska Department of Labor’s Research and Analysis section, we see that net (inward) migration into the KPB accelerated from 2019-2023. The Borough gained more new workers, children, and seniors, as well as resident income. However, in 2024 the number of new residents dropped sharply, and the resident population actually declined. Seniors migrating into the KPB in 2024 declined as well. One year doesn’t make a trend, but it is very possible that a challenging housing market contributed to a sudden decline in workers and families moving into the KPB.



SENIORS

Year	Seniors Aging In	Seniors Migrating In	Senior Exits & Deaths	New Net Seniors
2015	974	354	660	668
2016	1,005	360	651	714
2017	1,027	347	788	586
2018	1,030	459	805	684
2019	1,039	510	809	740
2020	1,016	510	837	689
2021	1,013	564	950	627
2022	1,018	552	1,037	533
2023	995	627	976	646
2024	966	536	1,060	442

Figure 3: Changes to KPB Senior population. This table lists the yearly number of senior citizens aging into the 65+ group, number of seniors migrating into the Kenai Peninsula, Senior exits, and the new annual net from 2015 to 2024. The KPB has been called the retirement community of Alaska, as residents tend to be older and many Alaskans choose to settle on the Peninsula after leaving the workforce. The KPB is gaining between 400-700 new seniors each year on a net-basis, either from those moving in or aging into senior citizen-hood. State demographers estimate the KPB’s senior population will grow by 133% in just the next 10 years. Source: AKDOLWD (*Custom PFD data query*) & Wink Research estimates.



SENIORS

Migration trends have profound implications for the area’s housing market, health care industry, and other services vital to seniors. If these trends continue - and they likely will - the KPB will need to expand its supply of both senior-tailored housing and affordable housing. Incoming seniors are more likely to have the financial ability to purchase existing homes, which leaves fewer homes for other residents. In the near future, many older seniors will require some form of assisted living (which may include living with family members).

KPB Population by Age Group	2023	2030	2035	Projected Growth Rate 2023-2035
0-19	14,507	14,433	14,402	-0.7%
20-34	9,784	10,305	10,252	4.8%
35-49	11,240	12,279	12,293	9.4%
50-64	12,195	10,721	11,197	-8.2%
65-79	11,054	11,909	10,512	-4.9%
80+	2,118	3,491	4,925	132.5%
TOTAL	60,898	63,138	63,581	4.4%

Figure 4: Population Projections By Age Group. This table lists the Kenai Peninsula Borough population by age group and growth rates in 2023 - projected out to 2035. Source: AKDOLWD (*Alaska Population Estimates*).



SENIORS

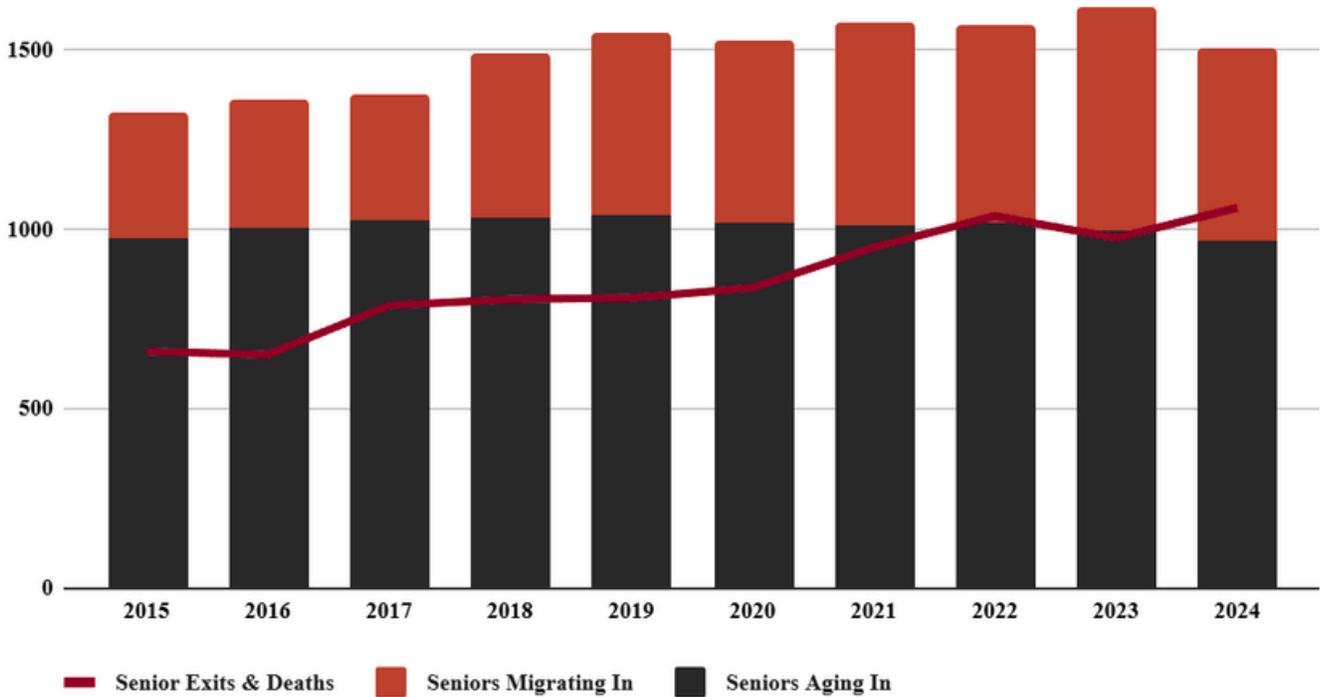


Figure 5: Senior Net Growth Graph. The chart above illustrates the rising net migration pattern for the Kenai Peninsula Borough between 2015 and 2024. The number of seniors exiting the population is dwarfed by the increasing rate of residents entering into the 65+ category and the number of seniors migrating to the Peninsula for retirement. Source: AKDOWLD & Wink Research estimates.





HOUSING STOCK & AFFORDABILITY

The Kenai Peninsula Borough has approximately 31,000 housing units, mostly consisting of single-family homes. The number of housing units has grown slightly faster than the region’s population over the past 10 years. However, most residents surveyed by KPEDD believe the Borough suffers from a significant lack of affordable housing. Building costs in the Borough tend to be high and there have been relatively few homes built since 2010.

KPB Housing Profile <i>Number of Housing Units</i>			
Housing Type	2016	2025	% Change
Single Family Homes	20,143	22,983	14.1%
Multi-Unit & Condos	4,249	4,576	7.7%
Apartments (5+ Units)	136	145	6.6%
Mobile Homes	2,219	1,398	-37.0%
Senior Housing Facilities	18	19	5.6%
Cabins	1,894	1,838	-3.0%
TOTAL	28,804	31,093	7.9%
KPB Population	57,995	61,350	5.8%

Figure 6: KPB Housing Profile. 2025 population figure is sourced from a July 2024 estimate (most recent available). Source: KPB Certified Parcel Database (extracted June 2025).



HOUSING STOCK & AFFORDABILITY

The Kenai Peninsula Borough has a smaller percentage of multi-unit housing than Anchorage and Mat-Su. Mobile homes are more common on the Peninsula, which is likely due to its location as a popular vacation spot for railbelt Alaskans. In terms of housing age, homes in the Kenai Peninsula Borough tend to be newer than Anchorage but older than Mat-Su.

Occupied Housing Units by type			
Housing Type	KPB	MSB	ANC
Single Family Homes	81.7%	81.0%	49.4%
Multi-Unit (2-4)	9.5%	10.7%	30.0%
Apartments (5+ Units)	5.6%	5.7%	17.0%
Mobile Homes & Other	3.2%	2.5%	3.7%

Figure 7: Occupied Housing Units by Type. This figure shows the number of single family, multi-unit, apartments, and mobile homes on the Kenai Peninsula compared to the Mat-Su Borough and Anchorage. Source: American Community Survey (2023, 5-year estimates).

Housing availability has been further constrained by tourism in recent years. Roughly 8% of the Borough’s housing units are either rented out (many as short-term rentals) or serve as second homes.⁸ Areas like Seward and Homer have an exceptionally high percentage of secondary-use homes. Many communities also struggle to house seasonal workers, limiting the region’s economic potential.



Like the rest of the U.S., housing affordability is a major challenge in the KPB. A typical mortgage payment on a median home more than doubled from 2020 to 2024 (see Figure 8). While sales prices for existing homes in the KPB tend to be lower than Anchorage and Mat-Su, lower median incomes in the KPB and a surge of incoming retirees make it difficult for younger buyers to afford housing.

Housing Stock Age			
Year Built	KPB	MSB	ANC
2020 or Later	1.2%	1.1%	0.2%
2010 to 2019	10.9%	18.0%	6.9%
2000 to 2009	20.6%	29.1%	12.3%
1980 to 1999	39.6%	35.9%	37.1%
1960 to 1979	23.3%	13.5%	35.9%
1940 to 1959	3.5%	1.8%	6.7%
1939 or earlier	0.9%	0.5%	0.8%
Pre- 1980	27.7%	15.8%	43.4%

Figure 8: Housing Stock Age. This table lists the age of Kenai Peninsula homes compared to the Mat-Su Borough and Anchorage. Source: American Community Survey (2023, 5-year estimates).



ECONOMIC FACTORS DRIVING HOUSING DEMAND



Housing demand is driven by a range of macroeconomic and local factors. In the Kenai Peninsula Borough, a growing population, an expanding local economy, and an expanding tourism industry are each having profound effects on the area's housing market.

The tables on pages 13 - 22 identify additional factors affecting the Borough's housing market, and to what extent the area's housing challenges may pose an impediment to economic growth.



Employment and earnings in the KPB grew relatively faster than the rest of Alaska from 2019 to 2023. In fact, the Peninsula was one of Alaska’s brightest spots of economic growth during that period. However, employment and earnings growth slowed down considerably in 2024, and began lagged behind the rest of Alaska in the first quarter of 2025. Fewer people migrating in and slower employment growth suggests the area’s economic potential is being limited by multiple factors, with the supply of affordable housing as a key limiting factor. Although, it is possible that the link between economic performance and housing is a complex issue. In a more extreme cause-and-effect situation, residents might expect to see the average wage per worker increase with poorer workers being priced out of the area. That was not the case in 2024, as average wages per KPB worker increased slightly less than the statewide average. Still, data analyzed for this report suggests that the lack of affordable housing in the region is limiting further economic growth.

Employment & Earnings Growth				
Area	Average Monthly Employment		Wage & Salary Earnings (\$M)	
	2019-2023	2023-2024	2019-2023	2023-2024
Kenai Peninsula Borough	6.8%	1.9%	24.9%	6.4%
Anchorage	-2.2%	1.6%	15.2%	6.8%
Mat-Su Borough	16.8%	3.0%	42.6%	9.0%
Balance of Alaska	-2.1%	2.0%	19.1%	6.5%
Alaska Total	-0.2%	1.9%	18.9%	6.8%

Figure 9: Employment & Earnings Growth between 2019 and 2024. Source: AKDOWLD (Quarterly Census of Employment & Wages), compiled by Wink Research.



Median Single Family Home Sale Price - 2025				
Area	Q1	Q2	Q3	Q4
KPB	\$377,750	\$350,000	\$335,000	\$379,750
ANC	\$435,000	\$478,425	\$479,950	\$458,000
MSB	\$402,353	\$429,500	\$415,000	\$415,000
Other AK	\$362,900	\$351,000	\$340,000	\$340,000
AK	\$410,000	\$430,000	\$435,000	\$425,000

Area	CY2025	\$/SqFt.	Home Age	# Sales
KPB	\$364,750	\$244	27	728
ANC	\$470,000	\$252	42	2,224
MSB	\$416,500	\$258	18	1,773
Other AK	\$360,000	\$226	40	514
AK	\$425,530	\$251	31	5,239

Figure 10: Median Single Family Home Sale Price. This table lists the quarterly and 2025 annual median sale price for a single family home in the Kenai Peninsula, Anchorage MatSuu Borough, outside areas and Alaska as a whole. The Median sales price is used to find the price per square foot, median home age, and number of sales during the year. Source: 2025 Alaska MLS Data.



Median Single Family Home Sale Price - 2025					
Area	Q1	Q2	Q3	Q4	CY2025
Kenai	\$308,748	\$356,000	\$363,000	\$365,250	\$355,000
Soldotna	\$375,000	\$339,000	\$370,000	\$425,000	\$373,000
Homer	\$462,000	\$451,250	\$400,000	\$469,000	\$450,000
Seward	\$469,000	\$462,450	\$425,000	\$351,000	\$439,000
Ninilchik	\$118,000	\$195,000	\$207,000	\$110,000	\$165,000
Anchor Point	\$299,000	\$350,000	\$250,000	\$250,000	\$282,500
Seldovia	-	\$149,250	\$325,000	\$299,000	\$250,000
Clam Gulch	\$289,000	\$252,450	\$202,250	\$178,000	\$202,250
Halibut Cove	-	-	\$299,900	-	\$299,900
Moose Pass	-	-	-	\$170,000	\$170,000
NIKOLAEVSK	-	-	\$40,000	\$425,000	\$232,500
North Kenai	\$310,000	\$268,000	\$322,500	\$344,450	\$321,500
Sterling	\$393,500	\$275,000	\$350,000	\$365,000	\$350,000
Cooper Landing	\$900,000	\$537,500	\$740,000	\$470,000	\$675,000

Figure 11: Median Single Family Home Sale Price by Community. This table identifies MLS 2025 quarterly data where available. Source: Alaska MLS 2025.



Median Single Family Home Sale Price & Metrics - 2025				
Area	CY2025	\$\$/Sq Ft.	Med Home Age	# Sales
Kenai	\$355,000	\$246	36	135
Soldotna	\$373,000	\$245	28	205
Homer	\$450,000	\$287	22	109
Seward	\$439,000	\$276	41	27
Ninilchik	\$165,000	\$157	23	25
Anchor Point	\$282,500	\$214	22	50
Seldovia	\$250,000	\$301	40	5
Clam Gulch	\$202,250	\$250	38	6
Halibut Cove	\$299,900	\$600	40	1
Moose Pass	\$170,000	\$443	48	1
Nikolaevsk	\$232,500	\$166	29	2
North Kenai	\$321,500	\$201	28	64
Sterling	\$350,000	\$233	25	56
Cooper Landing	\$675,000	\$284	23	5

Figure 12: Median Single Family Home Sale Price. This table identifies the annual average sales price in Kenai Peninsula Communities (where data is available), the average price per square foot, the median home age (in years), and the number of recorded sales during the year. Source: Alaska MLS 2025.



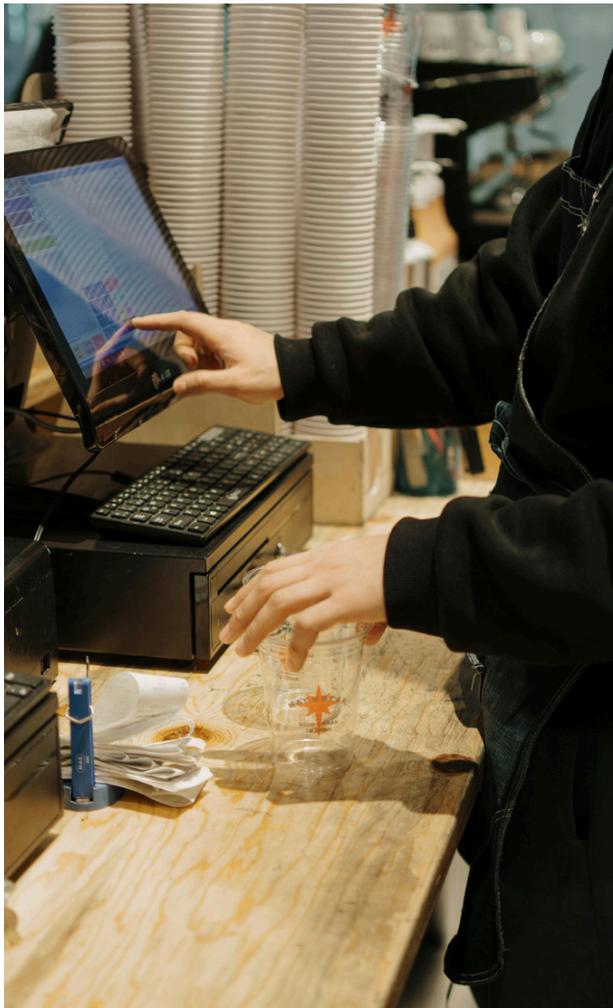
Median "Starter" Family Home Sale Price - 2025*						
Area	Q1	Q2	Q3	Q4	CY2025	# Sales
Kenai Peninsula	\$280,000	\$296,750	\$315,000	\$295,450	\$289,000	227
Anchorage	\$320,000	\$335,000	\$327,000	\$336,500	\$330,000	414
Mat-Su	\$315,000	\$334,000	\$334,000	\$330,000	\$329,000	440
Alaska	\$315,000	\$324,000	\$325,000	\$325,000	\$320,000	1,245
Kenai	\$267,450	\$320,000	\$309,500	\$312,500	\$309,000	49
Soldotna	\$242,500	\$296,750	\$315,000	\$302,250	\$298,000	62
Homer	\$412,500	\$382,000	\$371,000	\$410,000	\$386,500	30
Seward	\$469,000	\$321,000	\$359,000	\$351,000	\$351,000	5
Ninilchik	-	\$195,000	\$165,000	\$157,500	\$165,000	11
Anchor Point	\$349,500	\$189,500	\$245,000	\$195,000	\$240,000	15
North Kenai	\$241,250	\$255,000	\$330,250	\$280,000	\$274,000	22
Sterling	\$250,250	\$200,000	\$324,000	\$270,000	\$275,100	18

Figure 13: Median Starter Family Home Sales Price in 2025. This table highlights the sale price and number of sales in major Alaskan regions and Kenai Peninsula communities. *A "Starter" home is defined here as a single family home between 800-1,400 square feet. Source: Alaska MLS 2025.



ECONOMIC FACTORS DRIVING HOUSING DEMAND

Employment routinely spikes during the summer months across Alaska. However, the relative influx of seasonal employment in the KPB is roughly double what the rest of the state experiences. The Kenai Peninsula is a popular summer tourist destination causing an influx of nonresident workers needed to fill employment gaps in the visitor industry. Nearly 4,000 workers additional workers arrive during the Borough's summer employment.⁹ However, it should be noted that this figure does not include self-employed guides, commercial fishermen, or other self-employed and 1099 workers.



Seasonal workers are a vital component to the region's visitor industry, and becomes necessary for nonresidents fill many of the temporary positions considering that these positions are closed out for 7-8 months of the year. However, it is becoming increasingly challenging to find adequate housing for seasonal workers. Having adequate housing for seasonal workers, especially those in the tourism sector, is critical for the region's economic future. Better living quarters attract better staff, who in turn provide better experiences for visitors. The number of seasonal workers in the KPB has increased only slightly since the pre-COVID days, despite other data suggesting visitor trips are up. Anecdotal and quantitative evidence of housing challenges highlight limitations in the Kenai Peninsula Borough's economic growth.





Seasonal Worker Analysis - Average Monthly Workers <i>Total Average Monthly Workers in KPB (2015-2025)</i>					
Year	Jan-Mar	Apr-Sep	Difference	Peak	Difference
2015	19,126	21,750	2,624	22,649	2,523
2016	18,508	21,330	2,822	22,155	3,647
2017	18,194	21,097	2,903	22,338	4,144
2018	18,153	21,012	2,859	21,940	3,787
2019	18,450	21,301	2,851	22,317	3,867
2020	18,701	18,954	253	20,368	1,667
2021	18,334	21,269	2,935	22,146	3,812
2022	19,047	22,182	3,135	23,324	4,277
2023	19,649	22,730	3,081	22,595	3,946
2024	20,039	23,074	3,035	23,963	3,924
2025	20,342	N/A	-	N/A	-

Figure 14: Seasonal Worker Analysis - Average Monthly Workers. This table lists the number of total average monthly workers in the Kenai Peninsula Borough between 2015 and 2025. Source: AK-DOLWD (QCEW), compiled by Wink Research.



ECONOMIC FACTORS DRIVING HOUSING DEMAND

Like many tourist destinations, short-term rentals (STRs) have been a popular way for residents to realize additional cash-flow from second homes, spare rooms, or homes they no longer occupy. Others rent out homes during the summer months and then re-occupy them the rest of the year. Obtaining data on the number of STRs is challenging, but inferences can be made regarding their prevalence from assessment data. In 2024, roughly 8% of single-family homes in the KPB were not occupied by the property owner, and thus could be functioning as STRs. The prevalence of these homes was much higher in Seward and Homer, which anecdotally are cities commonly cited as having a higher number of STRs or second-homes. STRs and second homes can be a benefit for the region's economy, as they bring in tourists and affluent part-time residents.

However, they also reduce the housing supply and exacerbate market tightness, making it more difficult for new residents to find homes or existing residents to climb the property ladder as their family and financial situation matures. Consider a situation where a young family needs to move their family out of a one-bedroom apartment, but can't find any suitable housing in areas, due in part to a majority of homes being rented out as STRs. They may leave the KPB altogether. Or perhaps it's a teacher the school district wants to hire from somewhere else, but is unable to find adequate housing. The position may either go unfilled or be filled with a lesser candidate.





Potential Short-Term Rentals in the KPB			
City	Potential 2 nd Home owners & Rented Houses	Total Housing Units	Percentage
Seward	219	831	26%
Homer	423	2,670	16%
Soldotna	205	1,589	13%
Kenai	283	2,643	11%
KPB Total	2,423	31,093	8%

Figure 15: Potential Short-term Rentals in the Kenai Peninsula Borough. This table depicts the potential number of second homes compared to the total housing stock in major communities (where data is available). These homes have been identified based on a difference between the owner’s residential address and the listed property address. Source: KPB Assessors Department (data pulled in December 2024).





ECONOMIC FACTORS DRIVING HOUSING DEMAND

The Alaska LNG Project is nearing a final investment decision and many of the puzzle pieces are in place for the mega-project. With regional gas production in decline, the Alaska LNG Project would provide a major boost to the KPB's economy by lowering energy costs, providing more cost stability for electricity, generating tax revenue, and create additional high-wage positions. Project developers estimate that 10,000 jobs will be created during the 5-year construction phase, in addition to roughly 1,000 jobs stemming from its operational activities (including multiplier effects). Many, if not most of these operational job gains would likely occur in the Kenai Peninsula Borough. A final investment decision is expected in the beginning of 2026, and construction is expected to begin in late 2026 if the project moves forward. While the Alaska LNG project would provide a strong economic boom for the region, it could also make a tight housing market more challenging for existing residents or those considering relocating to the area.¹⁰





MUNICIPAL CAPABILITIES & OPPORTUNITIES - SECTION 2

City planning and zoning play a critical role in shaping how communities grow, function, and thrive. Through thoughtful planning, cities balance residential, commercial, industrial, and public spaces to promote safety, economic development, environmental sustainability, and quality of life. Zoning regulations guide land use by determining where different activities can occur, helping to reduce conflicts between incompatible uses while preserving neighborhood character. Together, city planning and zoning support orderly development, ensure efficient infrastructure and transportation systems, protect natural and historic resources, and provide a framework for long-term community goals and equitable growth.



Incorporated cities on the Kenai Peninsula include Homer, Kachemak, Kenai, Seldovia, Seward and Soldotna; each with their own planning and zoning regulations. The following pages outline individual capabilities and opportunities for housing development within their respective city limits.



CITY OF HOMER

2024 Population: 5,648

Population Change since 2010: +12.9%

Median Single Family Home Sale Price (CY2025): \$450,000

Local Housing Situation

The lack of housing availability and affordability is a well-known topic in Homer. Local home values and average household incomes among Homer residents confirms that affordability is stretched, compared to many other areas. Housing issues have been discussed in the community at length via workshops, meetings, commissions, and council meetings. Homer is currently in the process of updating its Comprehensive Plan and Zoning Code, and housing will be a key topic in the new Comprehensive Plan.

The City of Homer has many housing challenges:

- Existing housing stock tends to consist of single-family homes, which are relatively expensive creating affordability challenges for younger and seasonal workers.
- Zoning codes are rather restrictive for housing that is not single-family or duplexes.
- A long history of vacation rentals.
- Geographical and topographical challenges such as steep slopes and poor draining soils.
- Lack of available land/acreage for development.
- High cost of land, financing, and building.
- Short construction season in Alaska.
- Obtaining financing for older homes that do not meeting building codes.



CITY OF HOMER

Opportunities for Housing Expansion

Opportunities to improve the availability of affordable housing in Homer could include:

- Changing zoning codes.
- Pre-approved ADU plans
- Reducing or preventing further growth of short-term rentals.
- Modular or dorm-style housing to house seasonal workers.
- Allow for live-work units on commercial properties.
- Increasing the number of local homeowners renting rooms to seasonal workers.

Short Term Rentals & ADUs

Homer does not have a regulatory framework for short-term rentals (STRs). However, there are zoning codes for traditional Bed & Breakfasts. Attempts to more tightly regulate STRs (like mandatory registration) have failed at council, even though STRs are clearly part of the pressure on long-term housing. The current zoning code allows for one ADU in most/all residential zoning districts as a by-right use. This process requires a zoning permit for construction and costs \$300.





CITY OF KENAI

2024 Population: 7,555

Population Change since 2010: +6.2%

Median Single Family Home Sale Price (CY2025): \$355,000

Local Housing Situation

New construction and well-kept homes sell quickly. Even many homes that need significant maintenance or rehabilitation often sell within a few months after being listed. Most listings are 2-3 bedrooms. Most city residential lots require 20-foot setbacks (with 10 feet being for utility easements), and are restricted to 30-40% lot coverage (depending on zoning). There has been some pushback from landowners in older neighborhoods who have grown accustomed to limited development nearby.

Other challenges:

- Private investment companies buying up homes with cash offers
- Nonresidents buying second homes or holding land for speculation
- Deferred maintenance on existing homes, which suppresses sales
- Lack of marketing
- Number of higher-paying jobs versus service jobs

Opportunities for Housing Expansion

The City is seeking to rezone areas to allow for higher density housing and has placed a renewed focus on expanding housing in the City's "core" – primarily the area between Evergreen Street and Tinker Lane. The City also has extensive land holdings, some of which could be prime for residential development. It has donated land to nonprofits in the past for senior housing and low-income housing. The City is pursuing grant funds to extend utilities into strategic areas that could trigger more housing development.

Short Term Rentals & ADUs

The City has no limitations on short term rentals (e.g. AirBnb's), though they may require Conditional Use permits depending on zoning. Residential areas do allow for ADUs but the municipal code is murky at best. Permitting to build or install ADUs are similar to other structures.



CITY OF SELDOVIA

2024 Population: 419 (includes City & Seldovia Village)

Population Change since 2010: -0.2%

Median Single Family Home Sale Price (CY2025): \$250,000

Local Housing Situation

Seldovia features many housing units which are used for seasonal occupancy. Statistics in the City's Comprehensive Plan allude to 50% of Seldovia's housing being vacant; however, it is likely that the vast majority are for seasonal use. Anecdotal information suggests that incoming teachers have expressed concern about the availability and quality of housing, and multiple local business owners have had difficulty housing seasonal workers. The area's largest apartment building, The Seldovia House, currently has no vacancy, which supports claims of a tight housing market.

Housing Development Challenges

- Being off the road system makes building more expensive.
- Need for a shared vision to define a housing plan that meets community needs today and into the future, this is a key goal of the City's Comprehensive Planning effort.
- As a small, rural community, Seldovia typically has few units available for sale and relatively low in/out migration of permanent residents.

Opportunities for Housing Expansion

There is an undeveloped subdivision near the airport on Malcolm Street, with several lots for sale. The Alaska Housing Finance Corporation offers \$10,000 rebate program for new home construction and has loan programs for developers. Previously, the City of Seldovia and the Borough attempted to reach a deal on a land transfer but it fell through. While the idea is not new, it may be worth exploring if seasonal homes could be rented out to teachers or other residents outside of the summer months.



CITY OF SELDOVIA

Short Term Rentals & ADUs

Seldovia has no restrictions on short term rentals; however, units on a property rented out for more than 30 consecutive days must obtain an administrative use permit. The local Planning Commission is just beginning to explore ADU development. City staff is benchmarking other communities' ADU zoning codes to bring back to the Commission for review, discussion and potential local code development.





CITY OF SEWARD

2024 Population: 2,483

Population Change since 2010: -7.8%

Median Single Family Home Sale Price (CY2025): \$439,000

Local Housing Situation

Seward has a shortage of affordable, multi-unit housing, sometimes called the “missing middle.” Strong demand and relatively few houses coming up for sale have resulted in significant price appreciation, putting home ownership out of reach for more residents in recent years.

Housing Development Challenges

- Some houses and buildings in Seward are relatively old and dilapidated; however, the cost to demolish them and build a new property is often too high to make economic sense.
- Short-term vacation rentals are common in Seward and generally more financially viable for owners than longer-term rentals, which reduces housing supply and pushes up costs for residents.
- Push back from local property owners from efforts to build higher density housing developments.
- Cost of installing utilities or building new roads to utilize vacant land is very high.

Opportunities for Housing Expansion

The City of Seward offers a Developer Reimbursement Program, which pays 50% towards of costs for utilities and roads in a new development. Seward has approved a special assessment district, allowing owners to install wells and septic systems to reduce development costs. The City owns land which could be used for housing, though the costs of running utilities and building roads are substantial barriers.



CITY OF SEWARD

Short Term Rentals & ADUs

Short-term rentals must be owner-occupied in all residential zoning districts, while owners may operate whole-house short-term rentals in commercial districts. All short-term rental operators are required to obtain a business licenses, a short-term rental permit, and pay a city bed tax of 4%.

Any property with a single-family home may also construct an ADU. The ADU is only required to be smaller in size than the single-family home. There are no land use permits; only a building permit is required.





CITY OF SOLDOTNA

2024 Population: 4,552

Population Change since 2010: +9.3%

Median Single Family Home Sale Price (CY2025): \$373,000

Local Housing Situation

With a growing population, demand for affordable housing is high. City officials and community members have noted a lack of affordable and diverse housing options, particularly for younger residents, workers, and multi-family needs, alongside a scarcity of apartments and attainable rental units advertised at public hearings in 2024 and 2025.

Housing Development Challenges

There is undeveloped land within City limits, but much of it is zoned for single-family use and lacks the necessary infrastructure. Without the economy of scale provided by multi-family zoning, the cost for a private developer to bring these utilities to a site often makes the final housing price-point unaffordable for the average household. Lack of undeveloped land zoned for multi-family use is a key challenge; however, there is some push back from existing home owners.

Soldotna's building code standards, while ensuring long-term safety and energy efficiency, are perceived as cost-prohibitive by some. This leads to "leakage," where developers may seek to build lower-quality housing outside City limits to reduce costs, which in turn places a greater burden on City infrastructure and services without the corresponding residential tax base.





CITY OF SOLDOTNA

Opportunities for Housing Expansion

Soldotna's Downtown Riverfront Redevelopment plan projects near-term demand for an additional 265 housing units. There are approximately 10 city-owned parcels currently identified as suitable for new development. While these represent significant opportunity, their immediate "shovel-ready" status is constrained by a lack of critical infrastructure (i.e., Municipal water and sewer extensions and improved road access). The City will be introducing a legislation to rezone approximately seven city-owned parcels plus a few privately owned parcels from low-density to a multi-family residential zoning district.

The City is actively prioritizing capital and policy frameworks designed to attract developers while addressing community needs. Current efforts are focused on reducing development friction by streamlining its review process with new permit software and eliminating cost-prohibitive code requirements that do not impact public safety. Looking forward, the City is evaluating 'gap-filling' tools such as Tax Increment Financing and property tax deferrals, as well as regulatory incentives like density bonuses for affordable or workforce-attainable units.

Short Term Rentals & ADUs

ADUs are permitted in residential areas, provided they meet specific standards outlined in the City's zoning code. Presently, ADU's are generally capped at 750 square feet and are only allowed on lots with a single-family home. However, the City is considering amendments to make ADU standards less restrictive.

Soldotna has no limitations on the areas where STRs are allowed. However, a permit is required for the operation of STRs for certain operators based on the zoning district and owner-occupancy status, provided they meet specific standards outlined in the city's zoning code. The City has a pending legislation, under Ordinance 2025-039 to the STR zoning code to require an STR permit for all STRs operators to maintain a comprehensive list of STRs in the City. The City has a contract with Host Compliance to monitor STRs for compliance and is working on finalizing the implementation of the software.

WHAT WE LEARNED

The KPB's economic growth and in-bound migration slowed down substantially in 2024, the most recent year with available data. It is likely that the region's lack of affordable housing is a key factor. Virtually every county in the U.S. is dealing with similar challenges when it comes to housing affordability, so the KPB is not in a unique position. However, areas which have seen more economic growth over the past decade, more homes converted to short-term vacation rentals, and those areas which have not added a significant supply of new houses tend to struggle the most. Additionally, the KPB's housing market will need to accommodate a rapidly growing senior population.

KPEDD has already surveyed local planning officials to gather ideas for expanding the supply of affordable housing on the Peninsula. Examples of ideas include:

- Using Borough or City owned land for new housing developments
- Encouraging infill housing development
- Creating pre-approved ADU plans to encourage more ADU units
- Reducing or preventing further growth of short-term rentals
- Expanding utilities to encourage housing development, ideally via grant funding
- Encouraging higher-density property developments.
- Allow for live-work units on commercial properties
- Increasing the number of local homeowners renting rooms to seasonal workers
- Modular or dorm-style housing for seasonal workers

THE NEXT STEPS

KPEDD will be holding a series of collaborative meetings with City officials and housing market professionals in coming weeks to develop a strategic plan tailored to the challenges and opportunities faced by various communities across the Peninsula. This strategic plan will serve as the final section of this report. The final report will be made available prior to KPEDD's 2026 Industry Overview Forum on April 23rd.



Work Cited

- 1 - AKDOLWD. *Custom PFD data query.*
- 2 - AKDOLWD. *Quarterly Census of Employment and Wages.*
- 3 - AKDOLWD. *Quarterly Census of Employment and Wages.*
- 4 - U.S. Census Bureau. *New Private Housing Units Authorized by Building Permits - Federal Reserve Bank of St. Louis.*
- 5 - AKDOLWD. *Alaska Population Projections.*
- 6 - AKDOLWD. *Alaska Population Estimates.*
- 7 - AKDOLWD. *Custom PFD data query.*
- 8 - Based on data from KPB Certified Parcel Database and KPB Assessor's Department.
- 9 - AKDOLWD. *Quarterly Census of Employment and Wages.*
- 10 -Alaska LNG. *Economic Benefits*

Abbreviations

ADU	Accessory Dwelling Unit
AKDOLWD	Alaska Department of Labor and Workforce Development
ANC	Municipality of Anchorage
KPB	Kenai Peninsula Borough
MLS	Multiple Listing Service
MSB	Matanuska-Susitna Borough
STR	Short-Term Rental



2026



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