



Agenda

Economic Development Advisory Commission Regular Meeting

Tuesday, June 09, 2026 at 6:00 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: 990 0366 1092 Password: 725933

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

CALL TO ORDER, PLEDGE OF ALLEGIANCE, 6:00 P.M.

AGENDA APPROVAL

PUBLIC COMMENTS ON MATTERS ALREADY ON THE AGENDA (3 minute time limit)

RECONSIDERATION

APPROVAL OF MINUTES

VISITORS/PRESENTATIONS (10 minute time limit)

- A. Dorothy Duncan, Small Business Owner

STAFF & COUNCIL REPORT/COMMITTEE REPORTS

- [A.](#) EDC Staff Report
- [B.](#) Clerk's Report
- C. Homer Chamber of Commerce
- D. Homer Marine Trades
- E. KPEDD

PUBLIC HEARING

PENDING BUSINESS

- A. Short Term Rentals

NEW BUSINESS

INFORMATIONAL MATERIALS

- A. City Manager Report

[B.](#) 2026 Calendar

COMMENTS OF THE AUDIENCE (3 minute time limit)

COMMENTS OF THE CITY STAFF

COMMENTS OF THE COMMISSION

ADJOURNMENT

Next Regular Meeting is **Tuesday, August 11th at 6:00 p.m.** All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar.



AGENDA ITEM REPORT

June Staff Report

Item Type: Information Memorandum
Prepared For: Economic Development Advisory Commission
Meeting Date: June 2, 2026
Staff Contact: Julie Engebretsen, Community Development Director

1. Title 21 Zoning Code Update: The public comment period on the **Public Review draft** of the code has closed. Thanks to all who commented! Up next: The Council and Planning Commission have a work session on 6/22 (3:30pm) to provide guidance to the consultants on the **Public Hearing draft** of the code. This draft will go through the formal public hearing process at the Planning Commission and City Council, beginning in August and continuing into fall.
2. HERC Update: Council adopted Resolution 26-039, a Resolution of the City Council of Homer, Alaska, Selecting a Cleanup Alternative for the HERC property with Kenai Peninsula Borough Parcel ID 17510070 to Demolish the HERC 2 Building and Not Pursue Cleanup on the Larger Building.
3. August/September extra meeting: The EDC had talked about an extra meeting in late August or early September. At the last Council meeting, Council passed a motion prohibiting extra meetings until the Clerk's Office is fully staffed. Hopefully over the next few months we will be able to hire and train a new person, and it won't affect the EDC's progress on STR's. I'll have an update at the August meeting.

Commissioner to speak at June 22nd CC meeting _____



AGENDA ITEM REPORT

Short-Term Rentals

Item Type: Action Memorandum
Prepared For: Economic Development Advisory Commission
Meeting Date: June 2, 2026
Staff Contact: Julie Engebretsen, Community Development Director

Meeting Goal: Hear from speakers, pre-read reports and decide how Commissioners should bring their feedback on the resolution tasks to the August meeting.

- Commissioners Noomah, Zubeck and Arevalo will speak on housing as renters/potential buyers (15 minutes total)
- Hear feedback from Rita Jo Schultz– small business/seasonal working housing needs (5 minutes)
- Review AI Table from resolution and see a brief overview on types on STR regulation – low, mid, high, levels of regulation from prior work (city website) (10 minutes)
- Commissioners speak to top two observations/take aways from today’s meeting.

Next steps: The EDC made the goal of each commissioner drafting responses to the tasks assigned by Council, by the August meeting. We need to talk about the process – do Commissioners want a template to fill out? How are we going to take 7 viewpoints and make 1 response to Council?

Project Timeline

- **May:** Discuss Title 21 definitions, read and discuss reports (KPEDD presentation, Kachemak Board of Realtors written report).
 - **June:** Hear from speakers (see list below), read new information
 - **August:** Commissioners have draft responses to Council tasks. Discuss a potential registration system.
 - **September:** Hear from speakers, wrap up the tasks from Council
 - **October:** Finalize report back to Council.
-

Speakers, information and relationship to Council directed tasks.

May Meeting:

- View KPEDD Industry Outlook Forum presentation (YouTube) (**Task 1**)
- Read Kachemak Board of Realtors report, outside of the meeting

June Meeting Speakers:

- **Dorothy Duncan 15 minutes** (STR host; also long-term rentals; small-scale builder): practical view across STR/LTR. (**Task 1, 6**)
Desired output: operational realities, what a registration system would need to be workable.
- **Commissioners Noomah, Zubeck and Arevalo** (5 minutes each) (community/EDC members): personal housing experience—difficulty renting/buying; cost and supply changes over time (**Task 1, 5, 6**)
Desired output: concrete examples of housing searches (time, cost, availability), trade-offs they faced, and what they'd want decision-makers to understand.
- Staff speak with and report back:
 - **Rita Joe Schultz** (small seasonal business): housing experience for seasonal employers/workforce (**Task 1**)
Desired output: real-world constraints for seasonal housing.

August-September Meetings, flexible depending on availability

- **Charles Anderson** (Kachemak Bay Board of Realtors, 15 minutes): market trends, inventory, STR/LTR (long term rental) dynamics, and buyer constraints. (**Task 1, 3, 5**)
Desired output: Review of KBBR report.
- **Commissioner Young**, STR host
- **Homer High School Principal** (Kenai Peninsula Borough School District): year-round employer perspective, recruitment/retention constraints tied to housing.) (**Task 1, 3,5**)
Desired output: Impact of how long-term housing availability affects new employees moving to the area.
- **Penelope Haas** (Kachemak Bay Conservation Society): community/environment perspective; align timing with Commission's recommendations stage. (**Task 5**)
Proposed timing: September, closer to when the Commission has draft recommendations.
Desired output: feedback on proposed approaches and community impacts to consider.
- **Bed and Breakfast Association (Anna Sansom?) (Task 6)**
Proposed timing: September, closer to when the Commission has draft recommendations.
Desired output: feedback on proposed approaches

Resolution Tasks and actions requested.

1. Gather input from a range of local perspectives, including residents, renters, employers, STR hosts, and others affected by seasonal housing dynamics;
(EDC Actions italicized in addition to speakers, above)
2. Develop a general understanding of STR activity in Homer, including approximate numbers, general distribution, and seasonal patterns of use;
(Action needed: Synthesize response from speakers and documents provided)
3. Consider how housing availability changes throughout the year, particularly during peak summer months, and how STRs may or may not contribute to those changes; ***(use KPEDD, Kachemak Board of Realtors info, June speakers by August meeting)***
4. Review examples of STR approaches used in other Alaska and comparable communities, and consider which elements, if any, may be relevant to Homer (the attached AI-assisted summary of other communities' approaches may be helpful in this regard); ***(AI-generated STR report from resolution, current and old Wasilla codes as examples and information from prior work <https://www.cityofhomer-ak.gov/communitydevelopment/short-term-rentals>)***
5. Consider potential effects of STR activity and potential policy responses on housing availability, seasonal workforce needs, local businesses, and the visitor economy; ***(Use KPEDD info, speaker responses, other reports by August meeting)***
6. Consider the potential benefits, costs, and practical implications of a local STR registration approach, including whether registration numbers should be displayed in online listings or advertising, whether registration should be offered at no cost, a nominal cost, or at a level intended to recover administrative expenses, and whether a registration approach would improve the City's understanding of STR activity and support more informed decision-making;
(Staff research/comment, August/September)
7. Provide to the City Council a summary of observations, key takeaways, and a small number of possible near-term steps for Council consideration; ***(Commission to summarize top two takeaways at each meeting; review and edit final list prior to Council submission)***
8. Provide, if appropriate, a broader range of potential future approaches for Council discussion; ***(September/October meetings)***
9. Report back to the City Council within six months. ***(Complete report by October EDC meeting)***

Attachments

1. SALT Homer Housing Summit meeting Summary
2. KPEDD full housing report
3. Resolution 26-02 (A) and backup (including STR community comparison, AI generated)
4. Current Wasilla code (adopted fall 2025)
5. Old Wasilla code



HOMER HOUSING SUMMIT


Meeting Summary

SALT Project #: 255030.001

Date: May 14, 2026

Location: Lands End Resort – Homer, Alaska

Attendees: Aaron Hughes, KPB/KPB Land Manager
Abby Story, South Peninsula Behavioral Health Services
Alie Ward, Keller Williams
Andy Petroni, AHFC
Anna Rodriguez Sansom, Homer Bed and Breakfast Association
Bill Hand, Two Hands Construction
Brad Anderson, Homer Chamber of Commerce
Bradley Parsons, Independent Living Center
Brandy McGee, Kenai Peninsula Housing Initiatives
Cassidi Cameron, Kenai Peninsula Economic Development District
Charles Anderson, Story Real Estate
Chris Hough, Kachemak Bay Title Agency, Inc
Cindy Burns, SERRC Southeast Regional Resource Center
Dan Kort, City of Homer - Public Works Department
Dorothy Duncan, Owner
Emily Berg, Cornerstone Home Lending
Hannah Gustafson, Elemental Consulting
Issa Spatrisano, Rasmuson
Jane Dunn, Independent Living Center / Homer Senior Center Board
Jay Bechtol, SPH
Jean Arno, City of Homer
Jill Gunnerson, KBR
Julie Engebretsen, City of Homer
Karin Marks, Homer EDC
Katheryn Carssow, Homer Women of Action
Kelda Barstad, Alaska Mental Health Trust Authority
Lia Jacobsen, South Peninsula Haven House
Lindsey Collins, South Peninsula Haven House



Marie McCarty, KPHI
Marjorie Pellegrini, Go North Realty
Mary Bowe, Homer Electric Association, Inc.
Matt Early, Beachy Construction, Inc.
Max Matveev, Peninsula Builders
Mike Dye, Northrim Bank
Owen Brooks, Alaska Coalition on Housing and Homelessness
Penelope Haas, Kachemak Bay Conservation Society
Randall Anderson, Anderson Brothers Construction
Ryan Foster, City of Homer
Stacy Froese, South Peninsula Hospital
Stacey Mack, Homer Foundation
Steve Manley, Northrim , Statewide Housing Taskforce

Michael Fredericks, SALT - Facilitator

Attachments: A: Action Planning Detail
B: Agenda and Presentation

The purpose of the meeting was to convene community leaders, housing stakeholders, service providers, businesses, and public partners to identify collaborative, actionable strategies to address housing challenges and advance long-term housing solutions in the Homer region.

1. WELCOME AND SUMMIT PURPOSE

Jill Gunnerson welcomed participants to the Homer Housing Summit and reflected on the years of community conversations, surveys, and planning efforts that consistently identified the same housing challenges facing Homer: limited housing supply, affordability pressures, workforce impacts, and growing strain on year-round housing. She emphasized that the community has made clear it does not need another meeting focused only on discussing problems, but rather coordinated action and practical next steps. The summit was designed to move from conversation to implementation by bringing together diverse partners to identify collaborative initiatives, build momentum, and begin defining shared solutions that no single organization could accomplish alone.

Michael Fredericks, the Summit Facilitator, introduced SALT and the agenda for the day.

2. HOMER HOUSING CURRENT REALITY

Brandy McGee, Mike Dye, and Michael Fredericks provided an overview of Homer's current housing realities and the factors contributing to the community's growing housing

challenges. Drawing from housing studies, economic data, community engagement efforts, and local experience, they highlighted issues including extremely low vacancy rates, rising housing costs, workforce recruitment and retention challenges, increasing pressure from short-term rentals, infrastructure and development constraints, and the growing impact on seniors, young families, seasonal workers, and vulnerable populations. Presenters emphasized that housing challenges are interconnected with economic stability, health, workforce development, and overall community sustainability. The information shared during these slides helped frame the need for coordinated, action-oriented initiatives and provided the foundation for the summit's breakout group planning discussions.

Information shared can be found in Attachment B, slides 5-13.

3. ALASKA'S COORDINATED HOUSING SYSTEM

Owen Brooks provided an overview of Alaska's Coordinated Housing System and explained how communities across the state are organizing housing and support services to more effectively address homelessness and housing instability. He described the role of coordinated entry systems, shared assessment tools, housing navigation, and data collection in helping connect individuals and families with appropriate housing resources and services. His presentation also highlighted how statewide partnerships, funding systems, and local service providers work together to improve access to housing and better understand community housing needs.

Information shared can be found in Attachment B, slides 14-26.

4. LEARNING FROM OTHER COMMUNITIES

Michael Fredericks provided examples and lessons learned from other communities that have faced similar housing challenges and successfully advanced local housing initiatives through coordinated action, partnerships, and targeted policy strategies. The presentation highlighted practical approaches communities have used to support workforce housing, incentivize development, strengthen housing coordination, address infrastructure barriers, and create long-term implementation structures. The examples were intended to encourage creative thinking, demonstrate that progress is possible at the local level, and help participants consider how successful strategies from other communities could be adapted to fit Homer's unique context and capacity.

Information shared can be found in Attachment B, slides 27-32.

5. INITIATIVE ACTION PLANNING

Participants then moved into the Initiative Action Planning portion of the Summit, where they organized into small working groups focused on the key initiative areas identified by

the planning committee based on previous planning and documentation. The initiative areas identified for action planning included:

- Establishing a Shared Housing Target
- Housing Solutions for Special and Vulnerable Populations
- Financial and Land-Based Incentives for Workforce and Year-Round Housing
- Short-Term Rentals and Long-Term Housing
- Creating a Long-Term Housing Action Partnership

Using a structured planning framework, each group discussed the purpose of their initiative, barriers to progress, potential action steps, partnership opportunities, measures of success, and possible next steps for implementation. The process was intentionally designed to move beyond broad discussion and help participants begin developing practical, community-driven strategies that could continue beyond the summit itself.

Attachment A provides a fully detailed recording of each initiative's action plan.

6. CLOSE OUT AND NEXT STEPS

The Summit concluded with a strong emphasis on sustaining momentum and ensuring the work begun during the day continued beyond the event itself. Participants reviewed several immediate next steps, including the development of a written summit summary, continued engagement around the proposed Long-Term Housing Action Partnership, and the advancement of a potential Housing Coordinator position to help support long-term coordination and implementation efforts. The group also discussed the creation of a broader Housing Advisory Committee or coalition structure that could help maintain accountability, strengthen partnerships, and continue advancing the initiatives identified throughout the summit.

During the closing session, participants reflected on the importance of collaboration, shared responsibility, and continued community engagement in addressing Homer's housing challenges. The Summit reinforced that housing is not solely a development issue, but one deeply connected to workforce sustainability, community health, economic vitality, and overall quality of life. Participants were invited to consider what they would carry forward from the day's discussions and encouraged to remain actively involved in the partnerships, action steps, and implementation work needed to move the community toward meaningful and coordinated housing solutions.

ATTACHMENT A

Initiative Action Plan Detail

Attachment A contains a detailed summary of the discussions, ideas, priorities, and proposed action steps generated by participants during each initiative group session at the Homer Housing Summit. It serves as a record of the collaborative conversations and emerging strategies identified throughout the day.

1. Establish a Shared Housing Target

a. Participants:

Stacy Froese
Emily Berg
Dorothy Duncan
Alie Ward
Jean Arno
Brad Anderson
Julie Engebretsen
Max Matveev

b. Initiative Name: Entry and Long-Term Housing

c. Purpose Statement: *Why is this initiative important to Homer?*

Sustain Homer growth

d. Principles: *What important principles or rules must we consider and/or follow as we engage in work for this initiative?*

- Need ways to support a variety of housing options
- Homer is becoming a year-round community
- Need housing to support our economy
- Sustain and succeed over the next decade

e. Barriers: *What are the biggest barriers that will or have held us back from accomplishing this initiative?*

- Wages don't meet housing costs
- Affordability for local workers
- Lack of knowledge of financing tools
- High construction costs

- Under utilized land, facilitate infill, change HART program
- Better developer cost reimbursement
- Need more entrepreneurs
- Increase long term housing – there are more needs
- Regulation and policies that don't support goals
- Not financeable properties, hard to infill later
- Need more multi-family development

f. **Practice:** *What are the first steps we need to take to accomplish this initiative? Who will ensure its done? When will it be done?*

Step One: Need a Coalition with regular meetings this year

Step Two: AK Housing 10% down in rural areas (incentive) and community education on development options

Step Three: Plan in shorter time frames, 3 years?

Data: what type, and how many units, how far behind are we? Faster turn over in real estate

Step Four: Tax or infrastructure incentives, land & utility subsidy or financing, clear investor or builder pathway to build/infill

g. **Success Metrics:** *How will we know we have been successful in accomplishing the initiative? Provide a SMART metric that is specific, measurable, attainable, relevant, and time bound.*

- Vacancy rates at various rental levels
- ACS (consensus) data on length of residency
- Raise units per year – city permit data
- Raise townhomes, more dense, but not stacked units

h. **Key Insights:** *Our group's three main insights or pieces of advice are:*

- Momentum is important, change is fast
- Demographics matter who, ages, and stages
- Is the structure financeable? It matters more than in the past

2. Solutions for Vulnerable and Special Populations

a. Participants:

Jane Dunn
Cindy Burns
Brandy McGee
Abby Story
Brad Parsons
Kelsa Barstead
Lia Jacobsen
Lindsey Collins

b. **Initiative Name:** Ensuring accessibility for vulnerable and special populations.

c. **Purpose Statement:** *Why is this initiative important to Homer?*

Housing is for everyone

d. **Principles:** *What important principles or rules must we consider and/or follow as we engage in work for this initiative?*

- Accessibility
- Coordination
- Affordability

e. **Barriers:** *What are the biggest barriers that will or have held us back from accomplishing this initiative?*

- Complex entry/navigation to support
- Price/affordability
- Gaps in services

f. **Practice:** *What are the first steps we need to take to accomplish this initiative? Who will ensure its done? When will it be done?*

Step One: Emergency cold weather shelter

Who: Churches

By when: Winter

Step Two: Housing navigator position

Who: City of Homer

By when: 3 years

Step Three: Identifying vulnerable populations and available units

Who: Navigator

Step Four: Evaluate continuum of care and prioritize according to community need

By When: November?

Step Five: Centralized Coalition 501C (3)

Who: Existing Summit Group

By when: Orgs and Federal funders ASAP

g. Success Metrics: *How will we know we have been successful in accomplishing the initiative? Provide a SMART metric that is specific, measurable, attainable, relevant, and time bound.*

- Reduce waitlists & increase accessible housing supply

h. Key Insights: *Our group's three main insights or pieces of advice are:*

- Serving people improperly is incredibly expensive
- Need more entrepreneurs

3. Financial and Land Based Incentives

a. Participants:

Mike Dye

Steve Manley

Dan Kort

Aaron Hughes

Cassidi Cameron

Chris Hough

Jill Gunnerson

Marie McCarty

Andy Petroni

b. Initiative Name: Financial and Land Based Incentives

c. Purpose Statement: *Why is this initiative important to Homer?*

Incentivize responsible development of adequate, affordable, year-round and workforce housing through collaboration and partnerships with multiple stakeholders for the greater Homer area including Anchor Point.

d. Principles: *What important principles or rules must we consider and/or follow as we engage in work for this initiative?*

- Implement and activate creative and effective models and solutions that encourage development.
- Align incentives and the resources of stakeholders.
- Use mapping and suitability assessment to identify and prioritize opportunities for development.

e. Barriers: *What are the biggest barriers that will or have held us back from accomplishing this initiative?*

- Public policy vs. community perception of development
- Availability of suitable land and development cost for infrastructure.

f. Practice: *What are the first steps we need to take to accomplish this initiative? Who will ensure its done? When will it be done?*

Step One: Create a repository of information and resources to streamline process and cost development, convene the stakeholders that can bring information, resources, and authority that can act, land use restrictions

Step Two: Identify properties for development, even State land, Municipal Entitlement, prioritize infill to areas with utilities, as that fills then develop more land, increasing zoning applications

Step Three: Tax exemptions, incentives at a state level, year-round population increases, encourage infill development

g. Success Metrics: *How will we know we have been successful in accomplishing the initiative? Provide a SMART metric that is specific, measurable, attainable, relevant, and time bound.*

None provided.

h. Key Insights: *Our group's three main insights or pieces of advice are:*

None provided.

4. Short Term Rentals and Long-Term Solutions

a. Participants:

Owen Brooks

Stacey Mack

Kathy Carssow

Anna Rodrigues Sanson

Penelope Hass

Charles Anderson


b. Initiative Name: Bed and Breakfast, Short Term Rentals and Long-Term Solutions.

c. Purpose Statement: *Why is this initiative important to Homer?*

- Make sure people are contributing to our community (volunteer, financial, etc.)
- Neighborhoods are the building blocks of community, essential to health and wellbeing of all residents.
- Using the free market to add housing to the market.
- Accurate data, current data
- Regulatory process that doesn't infringe or limit personal property decisions

d. Principles: *What important principles or rules must we consider and/or follow as we engage in work for this initiative?*

- Get in front of the problem
- Contribute to community needs
- Quality vs. quantity
- Neighborhoods that feel neighborly
- If you have an absentee landlord, short term rental next door to you, you do not have a neighbor. Without neighbors, we don't have neighborhoods. Allowing absentee landlords, short term rentals in neighborhoods create a mixed-use, hospitality, industry, residential zone.
- Resident = eligible for PFD with this property.

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- e. **Barriers:** *What are the biggest barriers that will or have held us back from accomplishing this initiative?*
- Define a neighborhood “barrier” zone
 - Homer cannot institute taxes (bed tax, coffee cup tax, etc)
 - Resistance to regulation
 - Too many short-term rental units
 - Private property rights
 - Not enough long-term residents to be in-tune to community needs and help contribute. We end up tapping the same small group of people repeatedly.
 - Defining residential zone
 - Profit motive vs. neighborhood integrity
- f. **Practice:** *What are the first steps we need to take to accomplish this initiative? Who will ensure its done? When will it be done?*

Step One: Allow & encourage short-term rentals in all zones but residential zones, allow & encourage short-term rental s in residential zones, on operators' primary residences only

Step Two: Explore tax conversions from short-term rentals, & long-term rentals, continually engage the city regarding metrics that will improve short-term rental vs. long-term rental balance

Step Three: Grandfather absentee landlord short term rentals in residential zones-non-transferable upon property sale

Step Four: Assess other communities' goals & outcomes regarding short term rental policies (Seward & Sitka) & outside

- g. **Success Metrics:** *How will we know we have been successful in accomplishing the initiative? Provide a SMART metric that is specific, measurable, attainable, relevant, and time bound.*

- Number of absentee landlord short term rentals in residential zones.
Goal: Decrease over time

h. Key Insights: *Our group's three main insights or pieces of advice are:*

- Imposing permitting systems & caps is not a solution regardless of neighborhood integrity issues or land use rights issues

5. Long Term Housing Action Plan

a. Participants:

Issa Spatrisano
Hannah Gustafson
Randall Anderson
Marjorie Pellegrini
Jay Bechtol
Karin Marks
Ryan Foster
Mary Bowe

b. Initiative Name: Long Term Housing Action Plan and Partnership

c. Purpose Statement: *Why is this initiative important to Homer?*

In 20 years, Homer will be a community where all people can find safe, stable, and attainable housing. Working together, Homer can expand housing opportunities through sustainable investment, strong partnerships, and share commitment and vision.

d. Principles: *What important principles or rules must we consider and/or follow as we engage in work for this initiative?*

- Housing for all people
- Cross-sector partnerships
- Housing choice
- Affordability/attainability

e. Barriers: *What are the biggest barriers that will or have held us back from accomplishing this initiative?*

- Lack of housing types
- Zoning and permitting process
- City and Borough relationship
- No owner of the plan

- Change of social expectations/buy in
- Utility development is costly and raises prices for all
- Money/funding
- Lack of overall plan to prompt action
- Environmental barriers – lack of land
- Keeping people at the table, over the long term of the work
- Development and construction costs

f. Practice: *What are the first steps we need to take to accomplish this initiative? Who will ensure it's done? When will it be done?*

Step One: Create vision, Leverage: Comprehensive Plan, EDC facilitate- send recommendation, city council vote, identification of short-term wins and start implementation

By When: 1-3 years, create certainty in housing process

Step Two: Development of Homer Housing advisory, Planning Department, Title 21, City Council vote, build community buy in

Who: Hospital to lead

By When: 1-3 years, create certainty in housing process

Step Three: Housing Coordinator

Who: First significant deliverable- TBD

By When: 3-5 years

Step Four: Finish up other plan items

By When: 5-10 years

Step Five: Full implementation & tweaking

By When: 10-20 years

g. Success Metrics: *How will we know we have been successful in accomplishing the initiative? Provide a SMART metric that is specific, measurable, attainable, relevant, and time bound.*

Not provided.

h. Key Insights: *Our group's three main insights or pieces of advice are:*

Not provided.

ATTACHMENT B

Summit Agenda and Presentation



2026 Homer Housing Summit

May 14, 2026



SUMMIT PLANNING COMMITTEE

Abby Story, South Peninsula Behavioral Health Services

Brandy McGee, Kenai Peninsula Housing Initiatives

Hannah Gustafson, Elemental Consulting

Jill Gunnerson, Kachemak Board of Realtors

Julie Engebretsen, City of Homer

Lia Jacobsen, South Peninsula Haven House

Lindsey Collins, South Peninsula Haven House

Mike Dye, Northrim Bank

Owen Brooks, Alaska Coalition on Housing and Homelessness

SALT is a catalyst for transformation!

Through strategic engagement and visionary design, we create environments for generations to thrive.



AGENDA

BUILDING CONTEXT TOGETHER

- The Housing Reality in Homer
- Lessons from other Communities

INITIATIVE ACTION PLANNING

- Introduction of the Initiatives
- Initiative Work Session
- Initiative Coordination

NEXT STEPS AND CLOSE OUTS

Homer Housing Reality

DATA WE USED

- 2025 Homer Comprehensive Plan Update – Core Plan (Public Hearing Draft)
- 2025 Homer Comprehensive Plan Update – Full Draft / Appendix
- City of Homer Capital Improvement Plan (CIP) – FY26
- Homer EADC Strategic Plan (2024)
- Eagle Heights Apartments Market Feasibility Study (2021)
- KPEDD Housing Assessment (2026)
- Kenai Peninsula Comprehensive Economic Development Strategy (CEDS) 2021–2026
- Homer Community Conversations – Housing Solutions Report
- 2023 Community Health Needs Assessment (CHNA) – Southern Kenai Peninsula
- HOMER Short-Term Rentals Considerations
- HOMER STR Memo
- HOMER STR Notes
- City of Homer – Short-Term Rentals Overview (image)
- MAPP Housing Communication Plan

INSUFFICIENT YEAR-ROUND SUPPLY

Insufficient Year-Round Housing Supply

- Regional analysis identifies a housing constraint limiting economic growth and workforce availability
- Population growth and in-migration are increasing demand faster than supply
- Community surveys consistently rank lack of housing as a top barrier (~32%)
- Employers report housing shortages as a constraint on hiring and retention
- Housing systems (rentals, vouchers, accessible units) are unable to meet demand

HOUSING COSTS OUTPACE WAGES

Housing Costs Outpacing Local Wages

- Housing prices and rents have increased significantly in recent years
- Local wages, particularly in essential sectors, have not kept pace
- Housing in the region is less affordable relative to income than it appears
- Community surveys identify affordability as a top housing barrier (~33%)
- Many households are cost-burdened, paying a disproportionate share of income toward housing

WORKFORCE IMPACTS

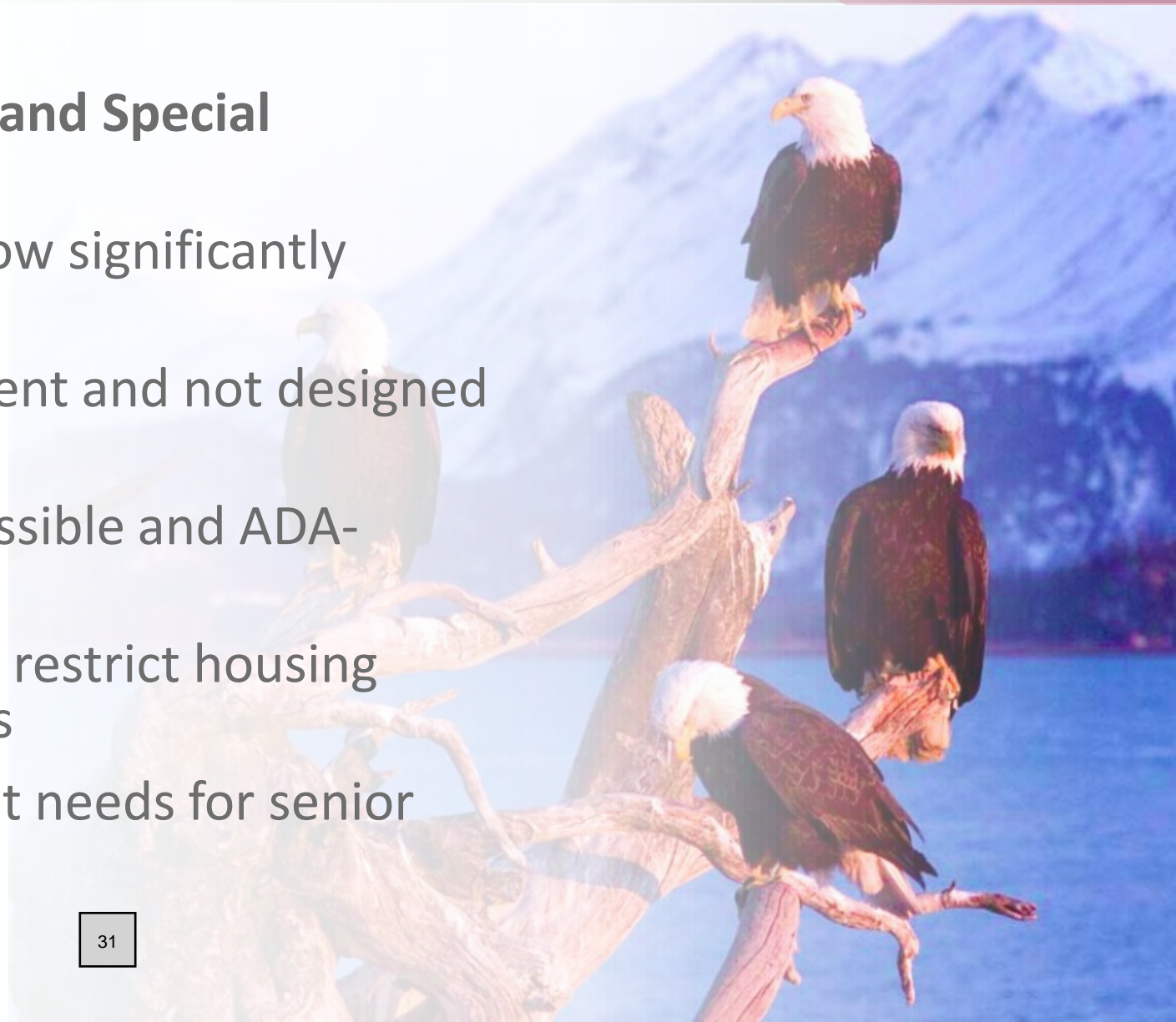
Workforce Impacts and Economic Strain

- Housing shortages are limiting the ability to recruit and retain workers across sectors
- Employers report housing as a barrier to hiring, especially in tourism, healthcare, and service industries
- Seasonal workforce demand intensifies competition for limited housing
- Community input confirms workers cannot afford or access housing locally
- Housing constraints are contributing to slowed job growth and potential out-migration

LIMITED OPTIONS

Limited Housing Options for Seniors and Special Populations

- Senior population projected to grow significantly (133% in 10 years)
- Current housing supply is insufficient and not designed for aging in place
- There is a severe shortage of accessible and ADA-compliant housing
- Long waitlists and limited services restrict housing options for vulnerable populations
- Community input highlights unmet needs for senior and supportive housing



SHORT TERM RENTALS

Short-Term Rentals Reducing Long-Term Housing Availability

- Short-term rentals are identified as a contributing factor to regional housing constraints
- Community surveys show ~19% of residents view STRs as a housing barrier
- STRs create financial incentives to convert long-term housing into visitor accommodations
- STRs reduce availability of housing for year-round residents and workforce
- Housing shortages are already limiting business growth and worker availability

HOUSING CONSTRAINTS

Land, Infrastructure, and Regulatory Constraints

- Significant portions of land are constrained by wetlands, slopes, and environmental factors
- Limited infrastructure (water, sewer) restricts where housing can be developed
- Existing zoning limits housing density and diversity in key areas
- Development costs are elevated due to land, infrastructure, and construction challenges
- Regulatory processes and constraints slow housing production



HOUSING AS HEALTH AND EQUITY

Housing as a Community Health and Equity Issue

- Housing instability is linked to stress, mental health challenges, and reduced wellbeing
- Lower-income households, seniors, and vulnerable populations are disproportionately impacted
- Housing challenges contribute to economic insecurity and risk of displacement
- Lack of coordinated systems and access barriers limits support for those in need
- Community input highlights growing concerns around equity and social isolation

A large, semi-transparent blue map of Alaska serves as the background for the slide. The map shows the state's outline and internal county boundaries.

Alaska's Coordinated Homelessness System



ANCHORAGE COALITION TO
END HOMELESSNESS



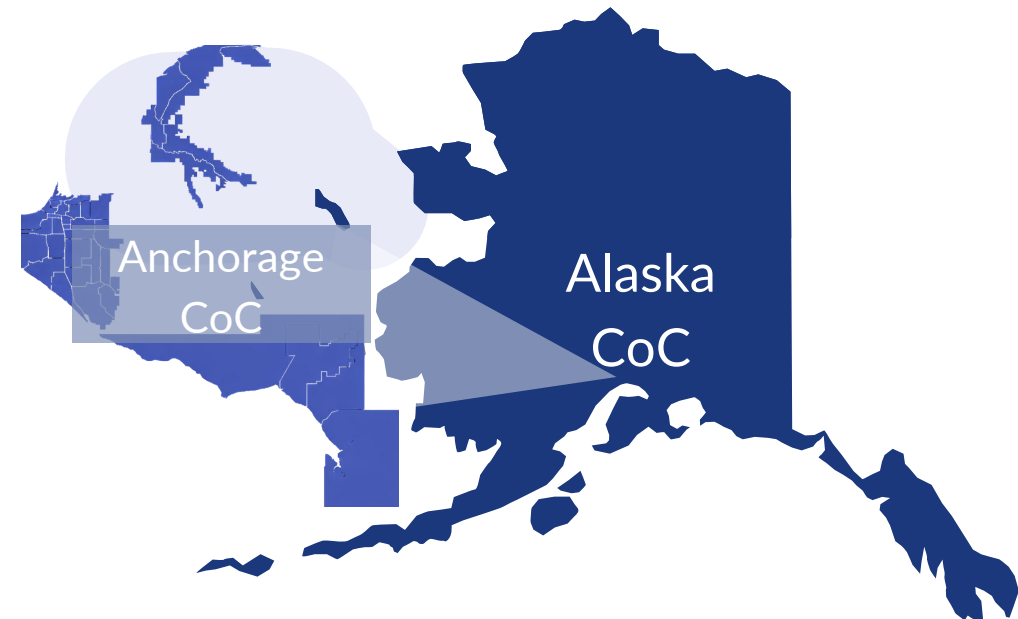
Alaska Coalition
on Housing and Homelessness



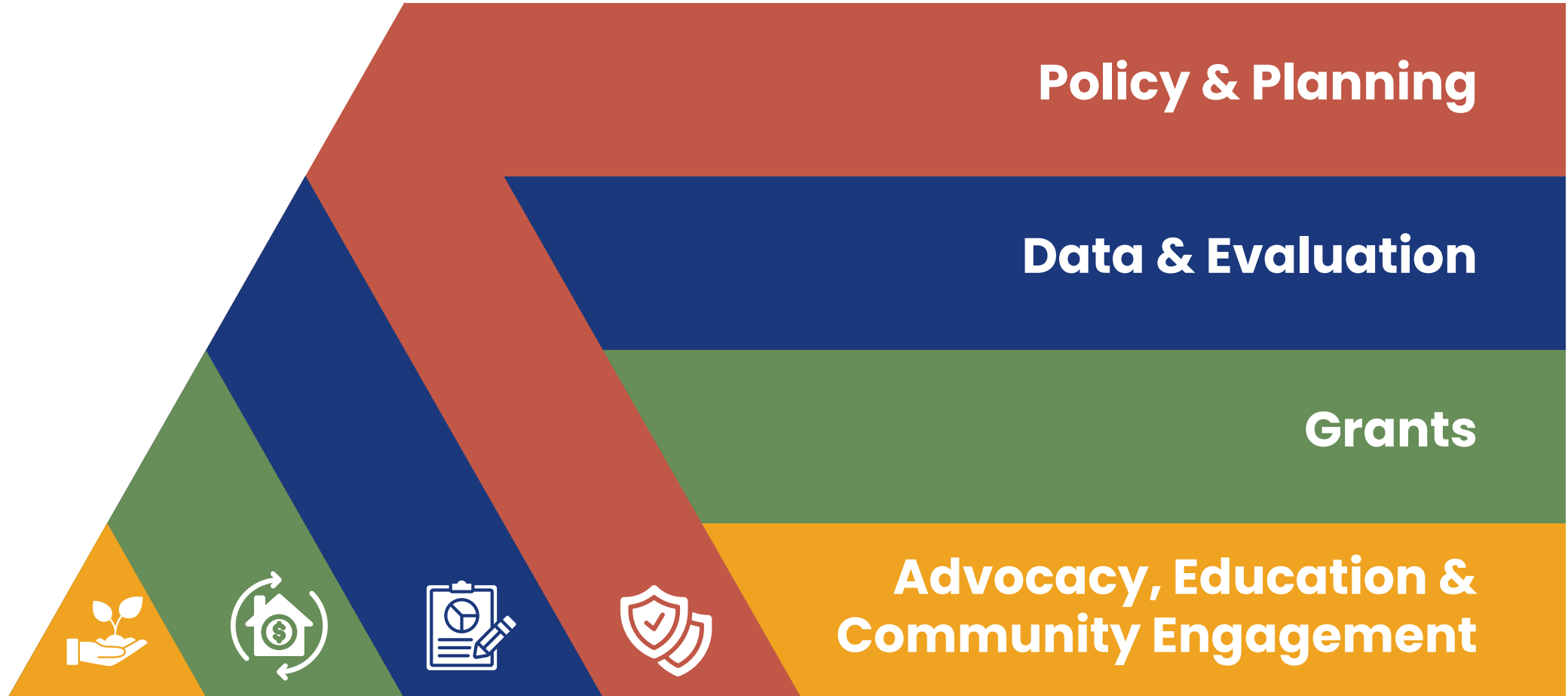
We are System Builders & Coordinators

We are the Continuums of Care (CoC) that **coordinate Alaska's Homeless Prevention & Response System (HPRS)** across Alaska.

We work to **ensure the investment of public dollars is strategic, accountable, and effective** statewide.



WHAT DO WE DO?



WHAT DO WE DO?



Policy & Planning

We manage coordinated entry, track data through shared systems, and guide community planning to improve how we respond to homelessness.

Coordinated Entry

Coordinated Entry is required by HUD as the system that CoC and other federal homeless programs must utilize to make and receive referrals. A healthy CE System includes all local partners, because it has proven to be a secure, efficient, and holistic method for connecting people to resources. On the Kenai Peninsula Coordinated Entry is being implemented by the Kenai Homeless Coalition.

- **Access**
- **Assessment**
- **Priority**
- **Referral**



WHAT DO WE DO?

A large graphic on the left side of the slide, composed of three overlapping triangles: a small orange triangle at the bottom left containing a white icon of a hand holding a small plant; a medium green triangle to its right containing a white icon of a house with a dollar sign and circular arrows; and a large dark blue triangle on the right containing a white icon of a clipboard with a pie chart and a pencil.

Data & Evaluation

We use data tools to measure impact, track trends, and guide decisions—like system dashboards, reports, and the annual homeless count.

Demographics

from the Alaska Homeless Management Information System (AKHMIS)

*DISCLAIMER: Information does not account for homeless services organizations that do not participate in AKHMIS, such as Domestic Violence providers. Clients self-report all information. No documentation is required to verify a client's response in AKHMIS.

Start Date:

3/1/2025

End Date:

3/31/2026

Data last updated:
4/20/2026

Available date range:
1/1/2023 - 3/31/2026

Filter by Community:

- (All)
- Anchorage
- BoS
- BoS - Bethel
- BoS - Fairbanks
- BoS - Juneau
- BoS - Kenai
- BoS - Ketchikan
- BoS - Kodiak
- BoS - Mat-Su Valley

Select a population to display:

All in System

Currently viewing data for: 3/1/2025 - 3/31/2026

All in System

Unduplicated Total Client Count: **15,452**

AK Project Type

A client is counted in EACH Project Type where they had an enrollment
(click to filter)

ES	6,777 clients in ES
CE	5,420 clients in CE
SSO	3,384 clients in SSO
HP	2,965 clients in HP
PH - RRH	2,544 clients in PH - RRH
SO	1,035 clients in SO
TH	889 clients in TH
PH - PSH	673 clients in PH - PSH

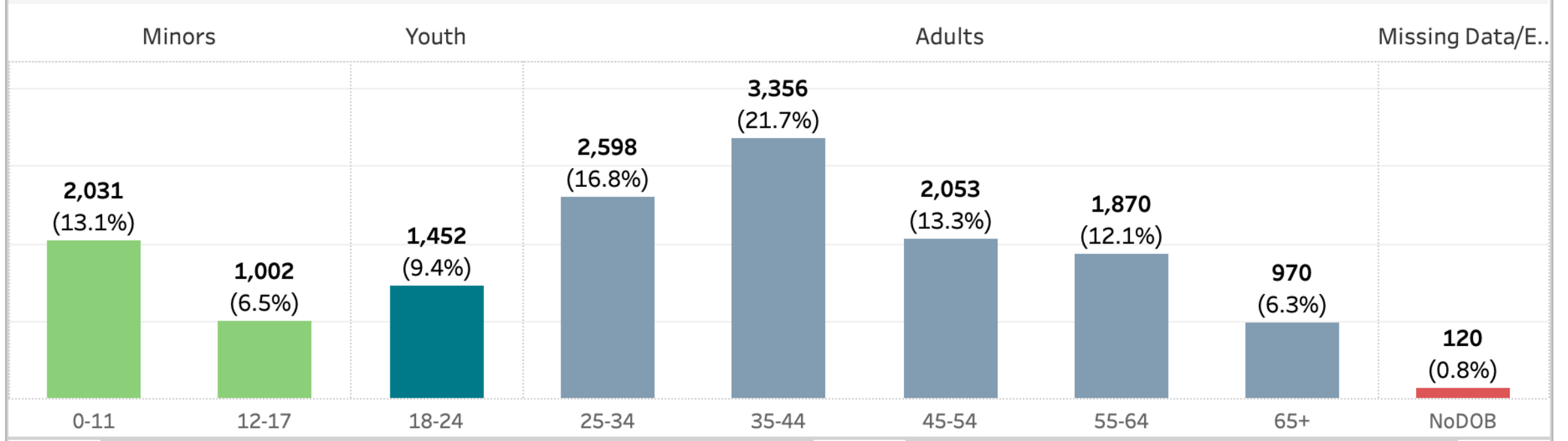
Community

A client is counted in EACH community of enrollment

	ANC	AK BoS
All	9,279	6,532
Anchorage	9,279	
BoS - Mat-Su Valley		1,445
BoS - Fairbanks		1,146
BoS		1,091
BoS - Kenai		1,018
BoS - Juneau		845
BoS - Bethel		552
BoS - Kodiak		325
BoS - Small Communities		239
BoS - Nome		229
BoS - Ketchikan		180
BoS - Sitka		156

Age at Project Entry*

*Age at most recent enrollment (or age at 1/1/2023 if entry was prior to this date)
(click to filter)



WHAT DO WE DO?



Grants

We receive funding from federal programs, Alaska state funds, foundations, and local fundraising to support housing and homelessness solutions.



Alaska is a National High Performer

Within HUD's population-based funding model, Alaska's CoCs received much-needed additional awards by demonstrating strong performance and measurable results.



Anchorage CoC earned

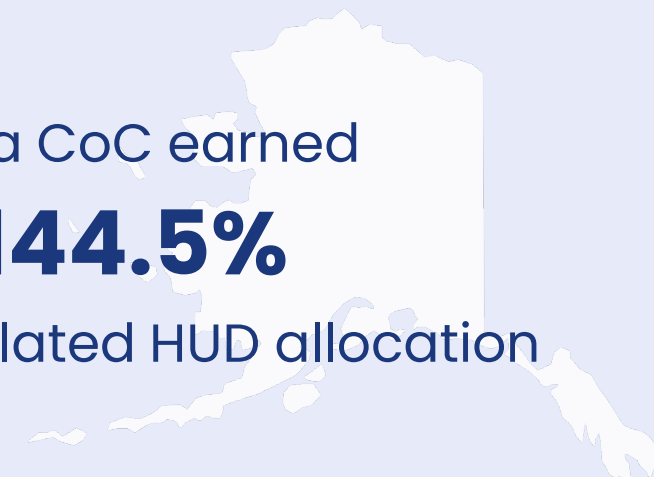
+83.7%

above calculated HUD allocation

Alaska CoC earned

+144.5%

above calculated HUD allocation



This does not happen by accident.

It's the result of planning, data integrity, strong system leadership, and **most importantly, client success.**



Advocacy, Education & Community Engagement

We host events, share stories, and build public awareness to strengthen community support for ending homelessness.



How to get connected with our work?



Owen Brooks, Director of Organizational Development

owen@alaskahousing-homeless.org

<http://www.alaskahousing-homeless.org>

Learning from Other Communities

The background features a diagonal split between two shades of orange. On the right side, there is a pattern of white squares of varying sizes, some of which are slightly tilted, creating a dynamic, abstract design.

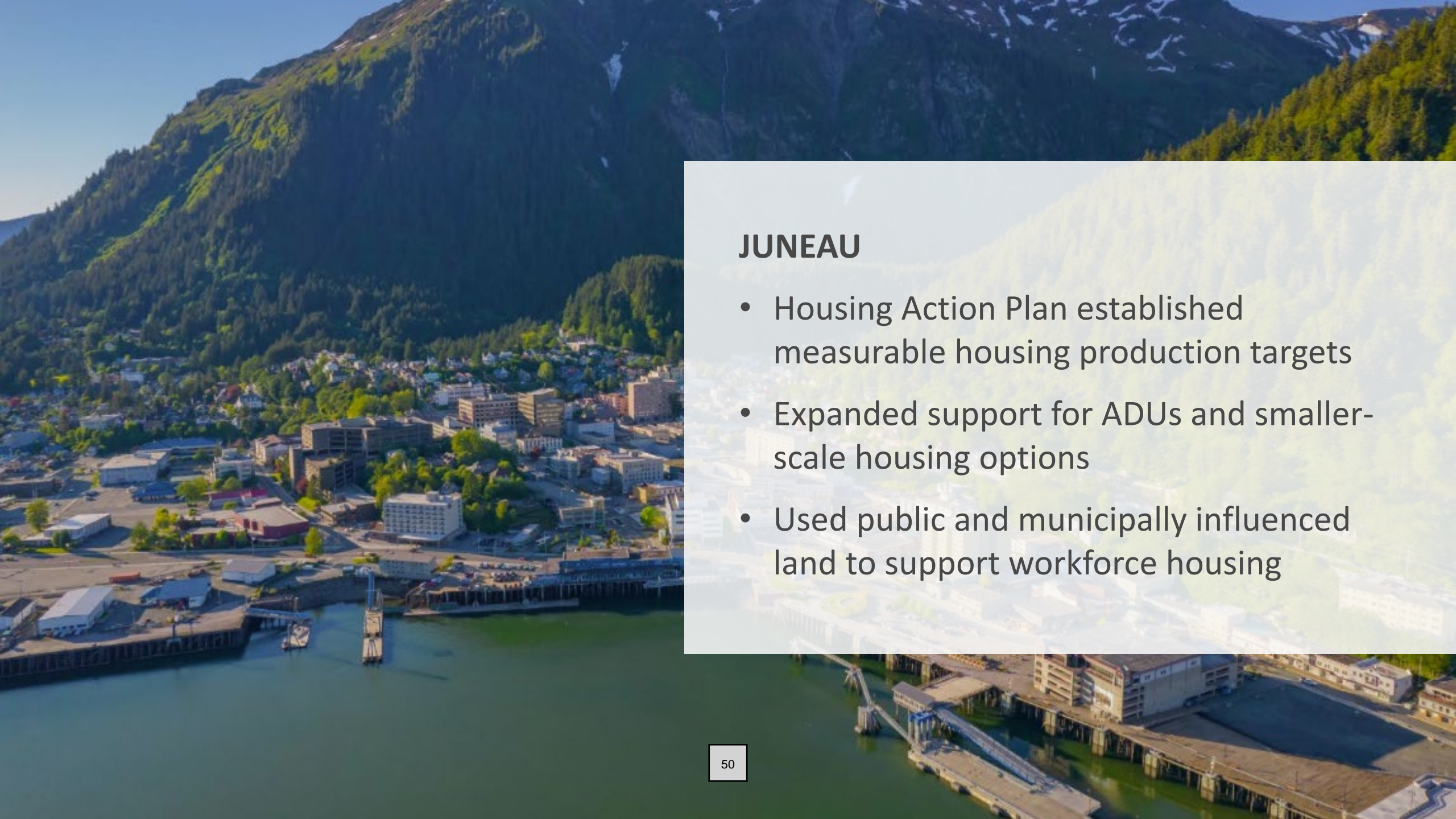
RURAL HOUSING NAVIGATORS

A Rural Housing Coordinator is a locally connected position designed to:

- Engage community partners and stakeholders
- Build local housing and homelessness response capacity
- Establish and support local coalitions
- Coordinate housing strategies across agencies and sectors
- Identify and maximize funding opportunities



HOUSE
FOR RENT



JUNEAU

- Housing Action Plan established measurable housing production targets
- Expanded support for ADUs and smaller-scale housing options
- Used public and municipally influenced land to support workforce housing

SITKA

- Sitka Community Land Trust created permanently affordable housing
- Developed cottage housing and attainable homeownership models
- Strong partnerships between nonprofits, employers, city government, and tribal organizations



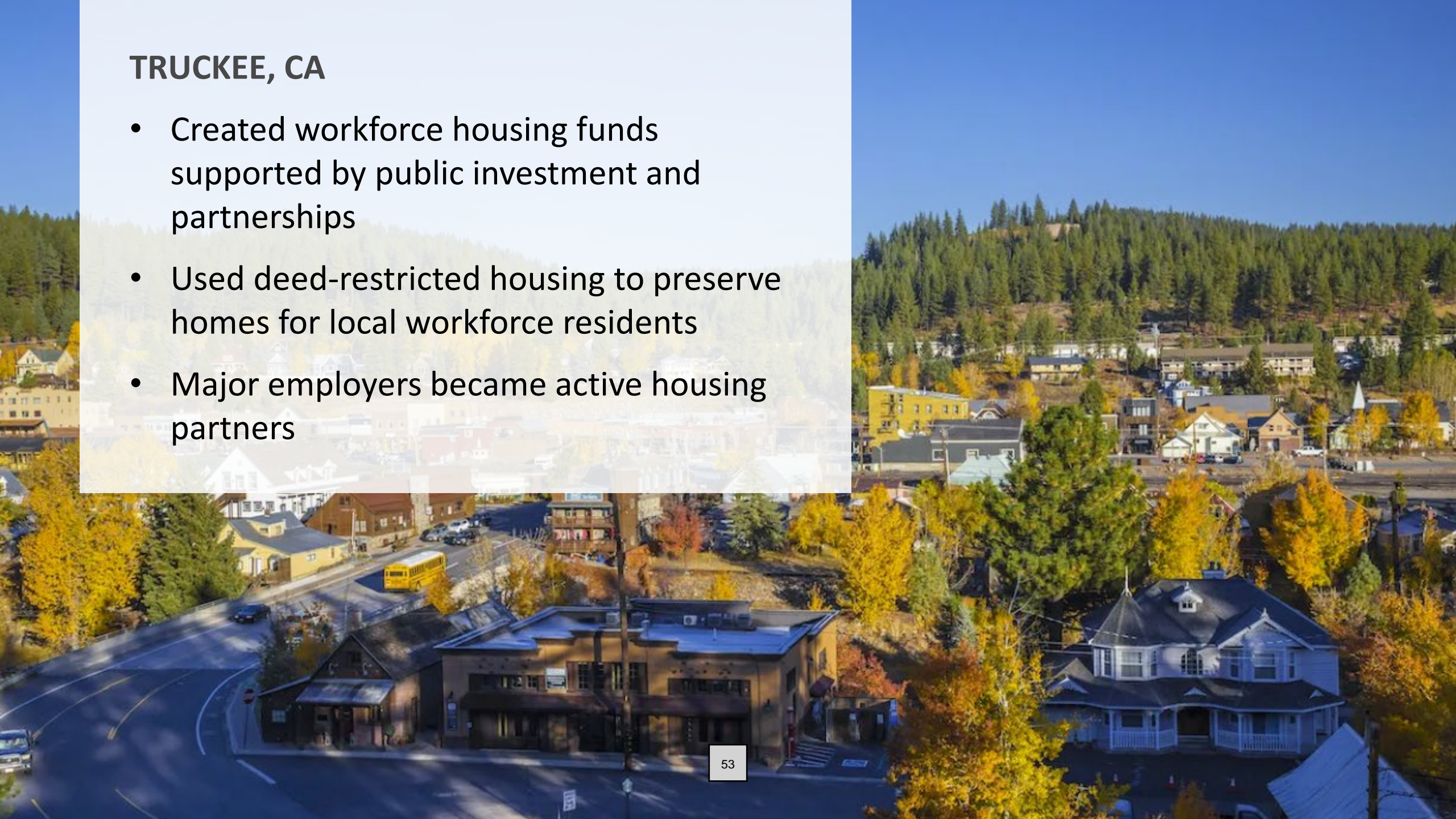


NELSON, BC

- Expanded support for secondary suites and laneway housing
- Encouraged incremental density through smaller multifamily development
- Focused on senior-friendly and accessible housing approaches

TRUCKEE, CA

- Created workforce housing funds supported by public investment and partnerships
- Used deed-restricted housing to preserve homes for local workforce residents
- Major employers became active housing partners








BREAK

Back at 10:10



Initiative Introduction

PLANNING INITIATIVES

-  **Establish a Shared Housing Target**
-  **Housing Solutions for Special & Vulnerable Populations**
-  **Financial & Land-Based Incentives for Workforce Housing**
-  **Short-Term Rentals & Long-Term Housing**
-  **Create a Long-Term Housing Action Partnership**

PLANNING INITIATIVES



Establish a Shared Housing Target

Alie Ward

Angela Roland

Brad Anderson

Dorothy Duncan

Emily Berg

Jean Arno

Julie Engebretsen

Lara McGinnis

Matt Early

Max Matveev

Stacy Froese

PLANNING INITIATIVES

Housing Solutions for Special & Vulnerable Populations

Abby Story

Kelda Barstad

Bradley Parsons

Kelly King

Brandy McGee

Lindsey Collins

Cindy Burns

Nona Safra

Jane Dunn

Owen Brooks

Wylie Chandler



PLANNING INITIATIVES

Financial & Land-Based Incentives for Workforce Housing

Andy Petroni

Jill Gunnerson

Cassidi Cameron

Marie McCarty

Chris Hough

Mike Dye

Dan Kort

Steve Manley

Jessica Tenhoff

PLANNING INITIATIVES



Short-Term Rentals & Long-Term Housing

Aaron Hughes

Katheryn Carsow

Anna Rodriguez Sansom

Penelope Haas

Charles Anderson

Stacey Mack

Elizabeth Stark

PLANNING INITIATIVES



Create a Long-Term Housing Action Partnership

Bill Hand

Hannah Gustafson

Issa Spatrisano

Jay Bechtol

Karin Marks

Lia Jacobsen

Marjorie Pellegrini

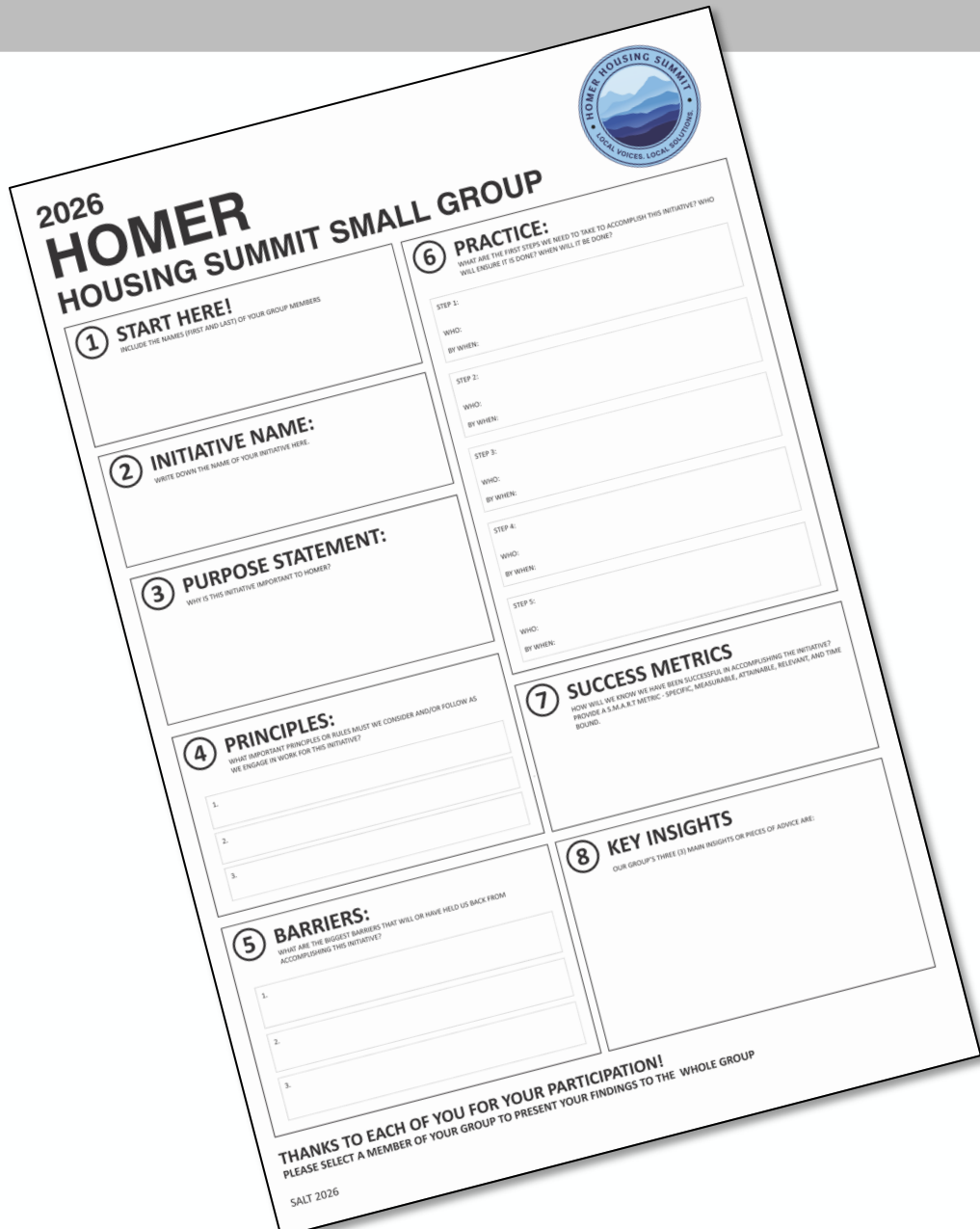
Mary Bowe

Randall Anderson

Ryan Foster

Initiative Work Session

INITIATIVE ACTION PLANNING



The form is titled "2026 HOMER HOUSING SUMMIT SMALL GROUP" and features the logo "HOMER HOUSING SUMMIT LOCAL VOICES. LOCAL SOLUTIONS." at the top right. It contains eight numbered sections for planning an initiative:

- 1 START HERE!** INCLUDE THE NAMES (FIRST AND LAST) OF YOUR GROUP MEMBERS
- 2 INITIATIVE NAME:** WRITE DOWN THE NAME OF YOUR INITIATIVE HERE.
- 3 PURPOSE STATEMENT:** WHY IS THIS INITIATIVE IMPORTANT TO HOMER?
- 4 PRINCIPLES:** WHAT IMPORTANT PRINCIPLES OR RULES MUST WE CONSIDER AND/OR FOLLOW AS WE ENGAGE IN WORK FOR THIS INITIATIVE?
1. _____
2. _____
3. _____
- 5 BARRIERS:** WHAT ARE THE BIGGEST BARRIERS THAT WILL OR HAVE HELD US BACK FROM ACCOMPLISHING THIS INITIATIVE?
1. _____
2. _____
3. _____
- 6 PRACTICE:** WHAT ARE THE FIRST STEPS WE NEED TO TAKE TO ACCOMPLISH THIS INITIATIVE? WHO WILL ENSURE IT IS DONE? WHEN WILL IT BE DONE?
STEP 1: _____
WHO: _____
BY WHEN: _____
STEP 2: _____
WHO: _____
BY WHEN: _____
STEP 3: _____
WHO: _____
BY WHEN: _____
STEP 4: _____
WHO: _____
BY WHEN: _____
STEP 5: _____
WHO: _____
BY WHEN: _____
- 7 SUCCESS METRICS:** HOW WILL WE KNOW WE HAVE BEEN SUCCESSFUL IN ACCOMPLISHING THE INITIATIVE? PROVIDE A S.M.A.R.T. METRIC - SPECIFIC, MEASURABLE, ATTAINABLE, RELEVANT AND TIME BOUND.
- 8 KEY INSIGHTS:** OUR GROUP'S THREE (3) MAIN INSIGHTS OR PIECES OF ADVICE ARE:

THANKS TO EACH OF YOU FOR YOUR PARTICIPATION!
PLEASE SELECT A MEMBER OF YOUR GROUP TO PRESENT YOUR FINDINGS TO THE WHOLE GROUP

SALT 2026

1. **Start Here:** Write the names of your group participants
2. **Initiative Name:** Write down the name of your initiative here.
3. **Purpose Statement:** Why is this initiative important to the work of the Network?
4. **Principles:** What important principles or rules must we consider and/or follow as we engage in work for this initiative?
5. **Barriers:** What are the biggest barriers what will or have held us back from accomplishing this initiative?

LUNCH

1pm Return



INITIATIVE ACTION PLANNING

2026 HOMER HOUSING SUMMIT SMALL GROUP

1 START HERE!
INCLUDE THE NAMES (FIRST AND LAST) OF YOUR GROUP MEMBERS

2 INITIATIVE NAME:
WRITE DOWN THE NAME OF YOUR INITIATIVE HERE.

3 PURPOSE STATEMENT:
WHY IS THIS INITIATIVE IMPORTANT TO HOMER?

4 PRINCIPLES:
WHAT IMPORTANT PRINCIPLES OR RULES MUST WE CONSIDER AND/OR FOLLOW AS WE ENGAGE IN WORK FOR THIS INITIATIVE?

5 BARRIERS:
WHAT ARE THE BIGGEST BARRIERS THAT WILL OR HAVE HELD US BACK FROM ACCOMPLISHING THIS INITIATIVE?

6 PRACTICE:
WHAT ARE THE FIRST STEPS WE NEED TO TAKE TO ACCOMPLISH THIS INITIATIVE? WHO WILL ENSURE IT IS DONE? WHEN WILL IT BE DONE?

7 SUCCESS METRICS
HOW WILL WE KNOW WE HAVE BEEN SUCCESSFUL IN ACCOMPLISHING THE INITIATIVE? PROVIDE A S.M.A.R.T. METRIC - SPECIFIC, MEASURABLE, ATTAINABLE, RELEVANT AND TIME BOUND.

8 KEY INSIGHTS
OUR GROUP'S THREE (3) MAIN INSIGHTS OR PIECES OF ADVICE ARE:

THANKS TO EACH OF YOU FOR YOUR PARTICIPATION!
PLEASE SELECT A MEMBER OF YOUR GROUP TO PRESENT YOUR FINDINGS TO THE WHOLE GROUP

SALT 2026

- 6. Practice:** What are the first steps to take to accomplish this initiative? Who will ensure it will be done? When will it be done?
- 7. Success Metrics:** How will we know we have been successful in accomplishing the initiative? Provide a Specific, Measurable, Attainable, Relevant, and Time Bound (SMART) Metric.
- 8. Key Insights:** Our group's three (3) main insights or pieces of advice are.....

Initiative Report Outs

Building the Path Forward

NEXT STEPS

- Summary of the Summit by June 1, 2026
- Engaging the **Long-Term Housing Action Partnership**
 - Create a Housing Coordinator Position at the City initially funded by the Mental Health Trust
 - Develop a Housing Advisory Committee/Coalition
 - Begin work on next steps from Summit

Close Out

CLOSING COMMENTS

What will you carry
forward from today's
Summit....

2026 HOMER HOUSING SUMMIT

Executive Summary

The Homer Housing Summit brought together approximately 50 participants representing a broad cross-section of the community, including local government, housing organizations, healthcare providers, financial institutions, developers, realtors, nonprofits, economic development partners, and community advocates. The Summit reflected a strong commitment to cross-sector collaboration and recognized that Homer's housing challenges cannot be solved by any one organization working alone.

The Summit was intentionally designed to move beyond identifying problems and toward coordinated shared community action. Building on years of public engagement, housing studies, community conversations, and planning efforts, participants acknowledged that Homer already has a clear understanding of its housing challenges; including limited year-round housing supply, rising housing costs, workforce housing shortages, barriers for vulnerable populations, and the impacts of short-term rentals on long-term housing availability.

Participants worked collaboratively within five initiative areas designed to focus the community on actionable strategies and shared ownership of solutions:

- Establish a Shared Housing Target
- Housing Solutions for Special and Vulnerable Populations
- Financial and Land-Based Incentives for Workforce Housing
- Short-Term Rentals and Long-Term Housing
- Create a Long-Term Housing Action Partnership

These initiatives were informed by existing local and regional data showing severe housing constraints, including near-zero market vacancy rates, increasing housing costs, aging demographics, workforce recruitment challenges, and growing pressure on available housing stock.

Throughout the Summit, participants emphasized the importance of sustained coordination, realistic implementation strategies, and long-term accountability. A recurring theme was that while Homer has invested significantly in understanding the housing crisis, the next phase requires ongoing collaboration, leadership, and structured action to move solutions forward.

The Summit created a foundation for continued partnership and identified practical next steps intended to guide future housing efforts across the Homer community.

2026 HOMER HOUSING SUMMIT

Planning Process Overview

Homer Housing Summit Planning Process Overview

The Homer Housing Summit was intentionally designed as an action-oriented community process focused on moving beyond discussion and toward coordinated implementation strategies for housing in Homer. Planning for the Summit occurred over approximately four months and involved a cross-sector planning committee representing housing providers, local government, healthcare, nonprofits, economic development, financial institutions, homelessness response organizations, and community advocates.

Planning Committee Participation

The planning process included:

- Abby Story, South Peninsula Behavioral Health Services
- Brandy McGee, Kenai Peninsula Housing Initiatives
- Hannah Gustafson, Elemental Consulting
- Jill Gunnerson, Kachemak Board of Realtors
- Julie Engebretsen, City of Homer
- Lia Jacobsen, South Peninsula Haven House
- Lindsey Collins, South Peninsula Haven House
- Mike Dye, Northrim Bank
- Owen Brooks, Alaska Coalition on Housing and Homelessness

Planning Meetings

The planning committee hosted a series of structured planning meetings between January and May 2026 to guide development of the Summit. These meetings focused on refining summit goals, identifying priority initiative areas, developing the participant strategy, confirming logistics, and preparing facilitation materials and presentations.

Key planning milestones included:

- Identifying core housing challenges and initiative areas
- Designing an action-planning framework for breakout groups
- Developing a curated participant strategy
- Building a cross-sector participant list
- Establishing registration and tracking systems
- Finalizing the summit agenda and facilitation structure
- Coordinating outreach, logistics, catering, and event materials
- Assigning presenter and facilitation roles

The planning team intentionally structured the Summit to prioritize implementation-focused dialogue, accountability, and sustained collaboration beyond the event itself.

Summit Design & Planning Approach

From the beginning, the planning committee agreed that the Summit should not function as another broad community listening session. Instead, the process was designed to support practical action planning around shared housing priorities.

The committee used existing housing studies, community conversations, planning documents, and local data to identify key housing challenges and shape five initiative areas for breakout work:

1. Establish a Shared Housing Target
2. Housing Solutions for Special and Vulnerable Populations
3. Financial and Land-Based Incentives for Workforce Housing
4. Short-Term Rentals and Long-Term Housing
5. Create a Long-Term Housing Action Partnership

The Summit itself was structured around facilitated breakout sessions using a shared action-planning framework that guided participants through identifying:

- Purpose and goals
- Barriers and challenges
- Action steps
- Leadership and ownership
- Timelines
- Measures of success

This framework was intentionally developed to help groups move from discussion to implementable next steps and long-term coordination strategies.

Participant Identification & Outreach Process

The planning committee intentionally used a curated invitation process rather than open public registration to ensure balanced participation, productive dialogue, and implementation-focused discussions.

Participants were identified through collaborative outreach by planning committee members using:

- Existing housing and community partner networks
- Prior summit and housing event participant lists

- Recommendations from local organizations and institutions
- Sector-based gap analysis to ensure balanced representation

The committee sought representation from:

- Local government
- Housing providers
- Developers and builders
- Realtors
- Financial institutions
- Healthcare organizations
- Homelessness and social service providers
- Economic development organizations
- Utilities and infrastructure partners
- Philanthropic organizations
- Employers and workforce representatives

Registration & Participant Tracking Methods

The planning team developed a coordinated registration and participant tracking system using shared Google Sheets and Google Forms.

The registration system collected:

- Contact information
- Dietary restrictions
- Initiative group preferences
- Attendance confirmation
- Suggested additional participants

The participant tracking system was updated regularly throughout the planning process and was used to:

- Monitor registration numbers
- Track outreach and follow-up
- Balance breakout group participation
- Manage dietary and logistical needs
- Identify participation gaps
- Maintain ongoing engagement beyond the Summit

Cross-Sector Collaboration

A defining feature of the Homer Housing Summit planning process was the intentional collaboration across industries, organizations, and sectors. The planning committee consistently emphasized the importance of bringing together diverse expertise and perspectives to address housing challenges that impact the entire community.

The resulting Summit reflected a shared understanding that housing in Homer is not solely a land use issue, but also an economic development, workforce, healthcare, infrastructure, and community wellbeing issue requiring long-term partnership and coordinated action.

2026

HOUSING ASSESSMENT

KENAI PENINSULA REGION



KENAI
PENINSULA
ECONOMIC
DEVELOPMENT
DISTRICT



WINK
RESEARCH &
CONSULTING

An in-depth review of current Kenai Peninsula housing stock, economic trends, and community-specific options for development, and ongoing efforts 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 comprehensive list of development efforts currently underway in the Borough, resources for stakeholders, and pertinent case studies.

Section 1

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.





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 coal mine 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?





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

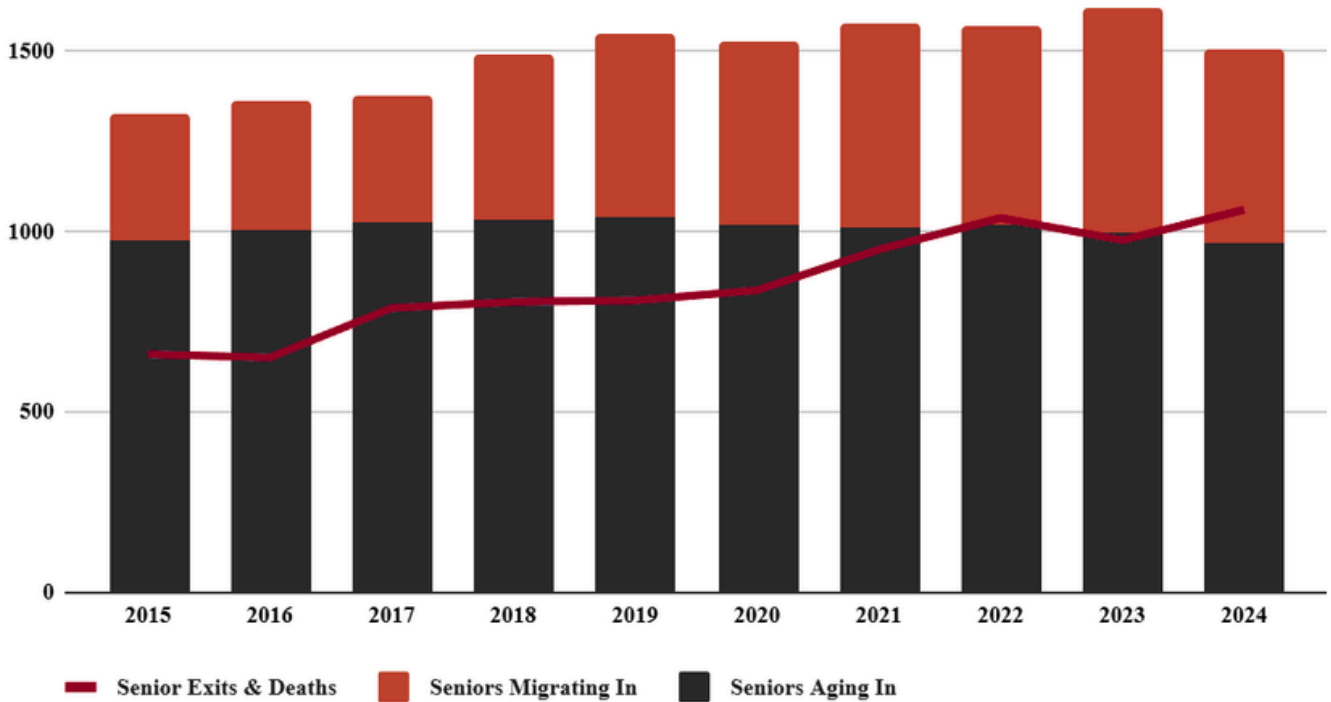


Figure 5: Senior Net Growth Graph. The chart above illustrates the rising net migration pattern for the Kenai Peninsula Borough between 2015 and 2024. The number of seniors exiting the population is dwarfed by the increasing rate of residents entering into the 65+ category and the number of seniors migrating to the Peninsula for retirement. Source: AKDOLWD & 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 14 - 23 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 lagging behind the rest of Alaska in the first quarter of 2025. Fewer people migrating in and slower employment growth suggests that several factors, primarily the lack of affordable housing, are constraining the area’s economic potential. 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: AKDOLWD (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 soon, and construction could begin as early as later this year 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



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.

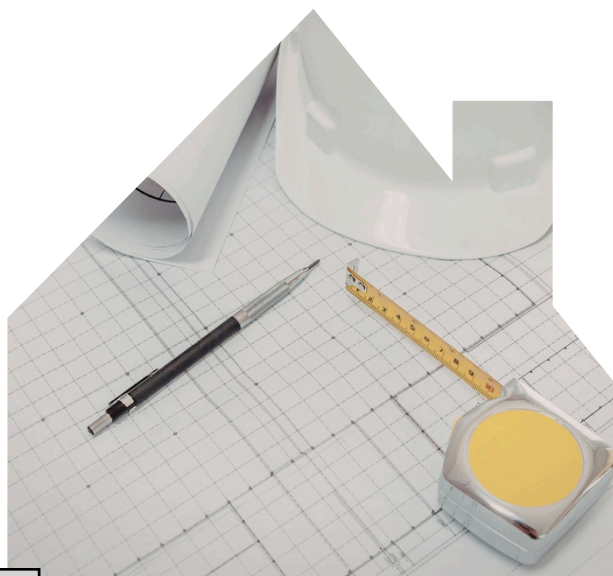




MUNICIPAL CAPABILITIES & OPPORTUNITIES - SUMMARY

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 communities on the Kenai Peninsula include the cities of Homer, City of Kachemak, Kenai, Seldovia, Seward, and Soldotna; each with its own planning and zoning regulations. It should be noted that within the City of Kachemak, Planning and zoning are relatively limited in scale compared to larger cities. Rather than a large standalone planning department, land-use decisions are typically handled through basic municipal code, local governance, and coordination with the surrounding Kenai Peninsula Borough. Managing low-density residential development is achieved through public input and small-scale administrative oversight, rather than complex zoning systems.





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 (several of these are already being implemented by the Borough and City governments).. 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





Section 3

ACTIVITIES, RESOURCES & CASE STUDIES

Each community across the Kenai Peninsula is responding to housing constraints according to their unique needs. This section summarizes what actions have been recently taken or are currently underway to expand the supply of affordable housing, and thus serves as a concise summary of housing plans for municipalities in the KPB as of early 2026.





KENAI PENINSULA BOROUGH

The Kenai Peninsula Borough is the governing entity for the vast majority of the Peninsula's land area outside of incorporated cities, and its housing-related tools differ significantly from those of municipal governments. The Borough does not directly develop housing or run permitting programs the way cities do, but it controls a substantial inventory of publicly owned land and the actions detailed below illustrate how the Borough has sought to address the need for more housing across the Peninsula. As of 2000, the Borough owns 111,600 acres of land, and is entitled to 44,180 more acres. In addition, the Borough has taken steps to lower the cost of property taxes for local residents.

Land Sales and Auction Program

The Borough runs an ongoing land sale and auction program that regularly brings surplus Borough-owned parcels to market through competitive bidding. The Borough offers land through several mechanisms including live auctions, sealed bids, over-the-counter sales, and tax foreclosure auctions, with all sales authorized by Assembly ordinance. Live outcry auctions are typically held at Soldotna High School once or twice a year, with online bidding available simultaneously. The Borough offers land buyers direct financing to those who put 10% down, at a rate of 2% over the Fed prime rate and can be financed over 10 years. Financing is not available for tax foreclosure properties. Parcels span residential, commercial, and remote land types. Recent auctions offered 28 parcels in 2024 and 30 in 2025, which spanned a combined 103 acres. A notable feature of the program is that members of the public can nominate specific parcels for potential inclusion in a future land sale, giving residents a direct voice in which land gets brought to market. While the auction program is not exclusively a housing tool, as parcels vary widely in character and use, it is a powerful mechanism for expanding the supply of housing across the Peninsula.



Land Affordability Program

In May 2025, the Borough Assembly unanimously approved a new Land Affordability Program that offers qualifying buyers a 25% reduction off the sale price of eligible borough land. The program, which is an overlay to the Borough's Land Auction program, grew out of concern over out-migration and data showing a sharp reduction in the Peninsula's ability to retain young people, with cost and availability of housing cited as key factors. The 25% discount is available to KPB residents and those who take specific steps to establish residency in the borough. To obtain the discount (and financing), parcels must be improved with a permanent foundation for the purpose of building a single family home or a 2-4 plex. Parcels which exceed \$120,000, those which are part of a tax foreclosure situation, and recreational properties are not eligible for the price reduction. In addition, qualifying buyers may finance the land purchase through the Borough at a rate of 2% over the Fed prime rate for a period of 10 years, provided they put down 10% of the final parcel price. This allows new and existing KPB residents to purchase unused Borough land at a discount and achieve at least 35% equity in their investment up front, as well as access attractive financing terms.

Blueberry Hill Land Acquisition

In February 2025, the Assembly authorized the purchase of 80 acres for \$1.2 million near Salmon Creek Road just outside Seward, in an area known as Blueberry Hill. The parcel would serve as an entry point to more than 2,000 acres of adjacent Borough-owned land that is currently inaccessible by road. The project was subject to a road access feasibility study, which was finished in June 2025 and identified feasible road options for the parcel. Seward has a noted lack of available housing supply and costs are high relative to local incomes. This acquisition is strategically intended to expand the available housing inventory in the Seward area; however, some residents oppose the project citing concerns over cost, potential disaster evacuation challenges, and difficulties in supplying utilities to future development.



Homeowner Property Tax Exemption Increase

In October 2025, KPB voters approved a ballot proposition by a wide margin increasing the residential property tax exemption from \$50,000 to \$75,000 of assessed value (for land and homes). The new amount is the maximum allowed by state law and will take effect for the 2026 tax year. The exemption is available to any borough resident who owns and occupies their home as a primary residence for at least 185 days per year. The proposition was co-sponsored by Mayor Micciche and Assembly member James Baisden with the explicit goal of providing tax relief to homeowners who have seen their assessed values rise sharply. The Borough's finance department estimated the change would reduce property tax revenues by approximately \$2 million annually, a cost the borough determined it could absorb. While not a housing development program, reducing the carrying cost of homeownership for working residents is a meaningful affordability tool particularly in a market where assessed values have climbed substantially and buyers already face high purchase prices.





CITY OF HOMER

Homer has a well-documented housing affordability challenge driven by a combination of a tight year-round rental market, relatively few multi-family housing units, significant short-term rental presence, and wage levels in key sectors like hospitality that struggle to support market-rate rents. Current efforts span regulatory reform, permitting modernization, and several new development projects all aimed at expanding supply of affordable housing.

2045 Homer Comprehensive Plan

The Homer City Council adopted the 2045 Homer Comprehensive Plan in November 2025, establishing the policy framework that will guide land use and development decisions going forward. On housing, the plan takes a notably direct stance. Its first city-led housing strategy calls for the implementation of zoning reforms to encourage attainable housing development for young people, families, seniors, college students, and seasonal workers.

More broadly, the plan identifies increasing the supply and diversity of housing as core land use goals, alongside reducing sprawl by encouraging infill and making efficient use of existing infrastructure. The plan also grapples squarely with the short-term rental issue, reflecting years of community concern that STR proliferation has effectively reduced residential housing stock by converting it to commercial use. By embedding these priorities into the city's governing policy document, the 2045 plan provides the mandate and direction for the more specific regulatory and development work. More information is available at homercompplanupdate.com.





Zoning Code Update

Revising Homer’s Zoning Codes was a key strategy identified in the 2045 Homer Comprehensive Plan. The City has gathered an extensive amount of feedback from developers, builders, and residents. Common themes from the public input included expanded multi-unit housing, increased density, employee housing, and simplifying or clarifying building codes. This robust process is intended to deal with thorny local housing challenges involving STR rules, appropriate minimum lot sizes, and mixed-use housing, among other issues. A public draft of Title 21 of the City Code is expected to be available in March 2026. A website for the effort can be found at homert21codeupdate.com.

Online Permitting Portal

Homer has also implemented an online permitting portal for development applications and zoning permits. Developers can now apply for permits, track projects, and submit planning documents online; with the goals of reducing permitting friction, improving transparency in development review, and decreasing project processing times. More information is available at cityofhomerak.gov/planning/permits.

Sterling Highway Bluff Development

A 25-unit workforce housing development currently under construction along the Sterling Highway will provide rental housing primarily for employees of South Peninsula Hospital, which has agreed to lease the units for ten years. This project will open up 26 different downtown properties which the hospital was previously renting to house long-term and interim workers. The project highlights how housing shortages have begun affecting local workforce recruitment and retention.



Lighthouse Village

The project, proposed by Doyon Ltd., would redevelop the former Lighthouse Village site (near the base of the Homer Spit) into a mixed-use complex including an approximately 85-room hotel, restaurant and commercial space, employee housing, and five triplex condominium buildings. In November 2024, the Homer Planning Commission approved a conditional use permit for the project following several rounds of revisions and public hearings. While the development will expand housing supply for visitors, and may reduce the number of STRs thereby expanding housing supply for residents, the project has met with opposition from many local residents.

Key Housing Challenges

- Tight rental market with limited affordable housing options, particularly for seasonal workers
- Market for STRs has reduced availability of long-term housing supply
- Limited availability of suitable land in City limits, which often inflates building costs
- Tension between preserving community character and increasing housing density
- Aging population increases need for assisted living or services to age-in-place





CITY OF KENAI

Kenai's affordable housing challenges are rooted in a combination of limited existing stock versus a growing local economy, the high cost of multifamily development, and the infrastructure gaps that make new projects difficult to finance and build. The city has a substantial inventory of municipal land but translating that land into housing requires navigating complex financing structures, extending utilities into underdeveloped parcels, and working through a planning and zoning framework that has not been substantially updated in nearly a decade. Workforce availability and retention have emerged as a growing concern among local employers, adding urgency to the need for more housing options at attainable price points. Current efforts are focused on modernizing the regulatory environment, leveraging city-owned land for affordable development, and building out the infrastructure needed to make projects like Rainbow Flats financially viable.

Comprehensive Plan & Zoning Code Update

Kenai's current governing plan is still the 2016 Imagine Kenai 2030 Comprehensive Plan, which calls for coordinating public infrastructure with development and maintaining adequate water and sewer utilities to support growth. In October 2025, the Planning & Zoning Commission voted to include a Comprehensive Plan update project in the City's Capital Improvement Plan. Initial efforts to update the plan are expected to begin in Spring 2026. At the same time, the Planning Department has been working through code changes; the FY2026 budget notes that an administrative review of KMC Title 14 was completed in February 2025 and sent to the Planning & Zoning Commission and the City Council for review, with additional changes continuing into FY2026.





Permitting Modernization

Kenai is also trying to make the development process easier to navigate. The City's Planning Department is working toward a "One Stop Shop" approach for development-related applications, permits, records, and violations. That goal was partially achieved in FY2025, the City is now developing a city-wide software solution to streamline permitting and code enforcement, among other City processes. The City's Planning webpage also allows applicants to submit applications online, which helps reduce friction for builders and developers.

City Land Strategy

One of Kenai's most important tools for encouraging future housing development is its large inventory of municipal land. In 2022, the City adopted its first comprehensive Land Management Inventory and Recommendations document, which identifies and evaluates more than 300 city-owned parcels totaling roughly 5,500 acres. The plan classifies each parcel according to whether it should be retained for public purposes, leased, or disposed of for development. The City also offers a wide range of incentives for developers and land buyers to encourage development. More information can be found at www.kenai.city/lands.

Rainbow Flats Development

Rainbow Flats is a proposed affordable housing project being developed by the nonprofit Kenai Peninsula Housing Initiatives (KPHI) on land adjacent to the Kenai Meadows subdivision. The project was first proposed in 2021 following the donation of 2.5 acres of City land and was initially envisioned as a 24-unit development serving senior and low-income residents. The project has since expanded after the City donated roughly five additional acres and is now expected to provide 108 units (split evenly between seniors and low-income residents). As of 2025 the project remains in the financing and development stage.



Utility Extension Support for Affordable Housing

Kenai is also working to expand the infrastructure needed to make affordable housing projects feasible. In October 2025, Planning & Zoning minutes reported that the City Council had approved participation in the current Community Development Block Grant (CDBG) solicitation, with the project intended to extend water and sewer to the KPHI developments. If successful, the City would serve as the pass-through agency for a \$850,000 grant to support a roughly \$1.1 million infrastructure project. These are notable steps, since utility extension costs are often one of the biggest barriers to making multifamily or affordable housing pencil out.

Key Housing Challenges

- High cost of extending infrastructure makes new developments difficult to finance, which makes some projects infeasible or pushes out timelines
- Limited supply of multi-family and affordable rental housing, both for seasonal workers and year-round residents
- Competition from nonresident buyers and speculators
- Deferred maintenance on existing homes
- Existing comprehensive plan and zoning code may not fully address current housing priorities
- Aging population increases need for assisted living or services to age-in-place





CITY OF SELDOVIA

Seldovia and Seldovia Village face housing challenges that differ substantially from those of road-connected communities on the Peninsula. With no highway access, all construction materials and labor must arrive by barge or small plane, making new development significantly more expensive on a per-unit basis. Most of the City's housing stock is vacant for at least part of the year, much of it consisting of seasonal homes, vacation cabins, or second homes used during the summer months. The practical consequences are visible in workforce recruitment: the local school and area businesses have struggled to attract and retain workers in part because suitable year-round housing simply isn't available. Active efforts to address these challenges are in early stages but are now taking shape.

2025 Comprehensive Plan Update

The City recently released a draft comprehensive plan for public comment. Housing is one of six strategic pillars in the plan, outlining goals and near-term actions which include: conducting a formal housing needs assessment in partnership with KPHI and KPEDD, developing a targeted workforce housing strategy to address needs for year-round workers (such as teachers), and working with regional partners to identify parcels suitable for new housing developments. Other housing-related actions call for the encouragement of adaptive reuse of existing buildings, revising zoning/regulations, short-term rental registration/monitoring, seasonal housing facilities, and encouraging a broader mix of housing types (e.g., multi-family, ADUs, co-housing). More information is available at <https://www.cityofseldovia.com/seldovia-comprehensive-plan>.





Seldovia Village Tribe Housing Program

SVT's Housing Office provides housing assistance and advocacy to tribal and community members, offering information on homeownership programs for low-income Alaska Native and American Indian families, assistance with home loan applications, rental assistance, one-time emergency assistance for families at risk of losing housing, modernization/rehabilitation, and weatherization services for substandard homes. SVT administers these programs under the federal Indian Housing Block Grant and its service area covers Seldovia and the surrounding Jakolof Bay Road corridor. The new comprehensive plan explicitly identifies collaboration with SVT as a key implementation partner for housing development, and lists SVT alongside KPHI as a primary partner for identifying and developing new housing sites. More information available at <https://svt.org/community-services/>.

Water and Wastewater Infrastructure

A binding constraint on any future housing development in Seldovia is the condition of its aging water and wastewater systems, a point the comprehensive plan acknowledges directly. In December 2023, Seldovia received federal funding commitments through USDA Rural Development and the Alaska Department of Environmental Conservation's Village Safe Water program to begin addressing these deficiencies, starting with a preliminary engineering and environmental report evaluating repair or replacement alternatives. The City's preferred approach is an aerated lagoon system that would provide secondary wastewater treatment and long-term sustainability. The City has also designated this project as a priority in its state and federal legislative requests, and the new comprehensive plan lists water and sewer system upgrades among its infrastructure priorities.

Key Housing Challenges

- Large percentage of vacation/seasonal homes
- Location off the road system increases building expenses
- Lack of housing makes it difficult to fill vital jobs (e.g., teachers, healthcare)
- Relatively little turnover in home sales



CITY OF SEWARD

Seward's housing challenges are shaped by a powerful combination of geography and tourism. The city sits in a narrow valley between the Kenai Mountains and Resurrection Bay, with limited flat, developable land hemmed in on nearly every side. At the same time, Seward is one of Alaska's premier visitor destinations drawing hundreds of thousands of tourists each summer and making the city an attractive short-term rental market. The result is significant pressure on year-round housing supply and pricing, from both the physical scarcity of buildable land and the ongoing conversion of residential units to tourism uses. Current efforts aim to address these constraints, though the pipeline of new affordable development is limited at this point.

Comprehensive Plan Update

Seward's current comprehensive plan dates to 2017, and the city has initiated a process to revitalize it. The City's Community Development Department has launched public engagement with surveys covering the key topics that will shape the updated plan. Housing is expected to be a central element. The Planning and Zoning Commission approved its 2026 priorities in January, explicitly listing efforts for local housing solutions, evaluating standards for duplexes, multi-family units, and temporary workforce housing, and encouraging public participation in the Comprehensive Plan update as top items. More information can be found at <https://www.cityofseward.us/departments/community-development/comprehensive-plan>.





AHFC Land Acquisition

In September 2025, the Alaska Housing Finance Corporation completed a \$12.3 million purchase of University of Alaska land parcels across the state, including a parcel in Seward, using a combination of state and federal funds under the Alaska Public Statewide Housing Development Program. The next step is for AHFC to work with local governments and other organizations to determine the best way to develop the land. AHFC CEO Bryan Butcher has noted that projects could take many different forms including partnerships with local and tribal governments, regional housing authorities, and the private sector, with funding from mechanisms such as municipal bonds, tax credits, loans, and/or grants. While the specific development program for the Seward parcel has not yet been announced, the acquisition represents a meaningful opportunity to add housing on land that would not otherwise be available for development.

RurAL CAP Mutual Self-Help Housing (Hilltop Development)

One of the most distinctive housing efforts currently underway in Seward is a ten-home construction project carried out through the Mutual Self-Help Housing program of the Rural Alaska Community Action Program (RurAL CAP), a statewide nonprofit. The project is sited within the new Hilltop development above the Seward High School and is funded through a partnership between USDA Rural Development, AHFC, and RurAL CAP.

The program is designed for first-time homebuyers and offers homeownership with no down payment, with participants completing at least 65% of the labor in the broader development under the supervision of a RurAL CAP construction manager, where residents can only move in once every home in the group is finished. Participants typically earn more than \$65,000 in equity through their labor. The Hilltop project is the program's first in Seward, expanding a model that has produced more than 100 homes across the Peninsula since 2007. RurAL CAP has expressed interest in a second Seward phase if suitable land becomes available, and is simultaneously expanding the program to Kodiak and fielding interest from Cordova. This is a sign that mutual self-help housing is becoming a meaningful tool for working-resident homeownership in Alaska coastal communities underserved by the conventional market. More information can be found at <https://ruralcap.org/what-we-do/housing/>.



Building Height Limit Increase

To address the shortage of multifamily rental units, Seward recently raised its building height limits, explicitly citing the need to make apartment construction more financially viable relative to hotel development. According to Seward's Director of Community Development Daniel Meuninck, the new height limit could make the difference between a three-story and a four-story apartment building, and without that extra incentive developers are more inclined to build hotels than apartments. The change is a direct attempt to shift the economic calculus for private developers operating in a market where tourism uses compete aggressively with residential ones.

Utility Connection Reimbursement Program

The City of Seward has also established a development reimbursement program that covers half the cost of connecting a new home to city utilities. Utility connection costs can be a significant barrier to new residential construction, particularly in infill situations where extending service to a parcel requires substantial upfront investment by the developer or homeowner. By offsetting that cost, the program lowers the barrier to entry for new housing development and complements the city's other supply-side efforts.

Key Housing Challenges

- Tight rental market with limited affordable housing options, particularly for seasonal workers
- Shortage of multi-unit housing and low turnover of existing homes
- Market for STRs has reduced availability of long-term housing supply
- Cost of extending infrastructure to utilize vacant land is very high
- Tension over efforts to build higher density housing



CITY OF SOLDOTNA

Soldotna and the surrounding unincorporated communities of Kalifornsky, Sterling, and Funny River form the largest and most accessible housing market on the Kenai Peninsula. Unlike Homer or Seward, the area faces no particular geographic constraint on developable land, and unlike Seldovia or remote communities, construction costs are not dramatically elevated by logistics. In that sense, the central Peninsula is where the conventional housing market has the best conditions to function. It does in some respects, have a wider range of price points and more total housing stock than most other places in the Borough. Yet affordability challenges persist, particularly for lower-income residents and renters. Current efforts reflect a mix of supply-side tools, adding density within Soldotna's existing footprint, advancing a long-term riverfront vision, and implementing tenant protection measures for low-income housing.

Riverfront Redevelopment Plan

The Soldotna Downtown Riverfront Redevelopment Plan was adopted by the City Council in February 2024 after a multi-year planning process funded by a federal grant. The project area encompasses an 85-acre portion of downtown Soldotna, currently a mix of auto-oriented businesses along the Sterling Highway alongside underutilized and undeveloped properties between the highway and the Kenai River. The plan envisions a walkable, mixed-use district with public gathering spaces, a market hall, trails, and diverse housing options. Implementing it required creating a new Riverfront Mixed-Use zoning district, however in March 2026 the City Council voted against creating the new zone type. The plan itself remains an adopted city policy, but the regulatory path to implementation must now be reconsidered. More information is available at: <https://www.soldotnariverfront.org/>.





RurAL CAP Mutual Self-Help Housing

The Soldotna area is the home base of the RurAL CAP Mutual Self-Help Housing program, which pairs USDA Rural Development financing with a sweat-equity construction model to deliver homeownership to working families who could not otherwise afford it. In February 2025, RurAL CAP celebrated the completion of its 102nd home on the central Peninsula since starting the program here in 2007, with recent groups of homes built near Mackey Lake Road south of Soldotna. Participants receive discounted real estate prices in exchange for approximately two years of construction labor on the group's homes. The program's central Peninsula operation serves as the organizational base from which RurAL CAP is now expanding to Seward and Kodiak, plus the Soldotna office continues to accept applications for future build groups in the central Peninsula area.

Kenaitze Indian Tribe Housing Assistance

For Alaska Native and American Indian residents of the central Peninsula, the Kenaitze Indian Tribe's Tribally Designated Housing Entity (TDHE) provides federally funded housing assistance across a service area that includes Sterling, Soldotna, Kenai, Nikiski, and Kasilof. Services include income-based housing vouchers, homelessness support/assistance, assistance with repair/rehabilitation expenses, student housing vouchers, snow removal, and guidance for program participants. Like SVT in Seldovia, the Kenaitze TDHE operates under the federal Indian Housing Block Grant program and represents an important parallel stream of housing support for eligible tribal members in the region.

Key Housing Challenges

- Growing population producing tighter housing market
- Most available land in City limits is zoned for single-family and lacks necessary infrastructure
- Tension over efforts to execute a shared vision versus the inherent rights of property owners
- Concerns about enough housing to retain younger residents



RESOURCE MATRIX

The following matrix breaks resources and programs up between buyers, builders and developers, local government, tribes and overlapping user groups. Additional information about each of these resources can be found in the resource appendix on page 80 of the Housing Assessment.

	For Buyers	For Builders & Developers
<u>Alaska Housing Finance Corp</u>	<ul style="list-style-type: none"> • <u>First-time Homebuyer Program</u> • <u>Down Payment & Closing Cost Assistance</u> • <u>\$10K New Home Construction Rebate</u> • <u>Weatherization Program</u> • <u>Rental Assistance</u> • <u>Energy Efficiency Loan Program</u> 	<ul style="list-style-type: none"> • <u>Low-income Housing Tax Credits (LIHTC)</u> • <u>National Housing Trust Fund (NHFT)</u> • <u>Home Ownership Development Program (HDP)</u> • <u>GOAL Program (Bundles LIHTC, NHFT & HDP)</u> • <u>Senior Housing Development Fund</u> • <u>Rural Professional Housing Grant</u> • <u>Last Frontier Housing Initiative</u> • <u>Clean Energy Financing</u>
<u>US Department of Agriculture</u>	<ul style="list-style-type: none"> • <u>Mortgage Financing</u> • <u>Loan Guarantee Program</u> • <u>Home Repair Loans & Grants</u> 	<ul style="list-style-type: none"> • <u>Rural Rental Housing Direct Loan</u> • <u>Guaranteed Rural Rental Housing Loan</u> • <u>Mutual Self-Help Housing Technical Assistance Grant</u> • <u>Rural Housing Site Loans</u>
<u>Federal Housing Administration</u>	<ul style="list-style-type: none"> • <u>FHA-Insured Morgages</u> 	
Veterans Administration (VA)	<ul style="list-style-type: none"> • <u>No-down Payment Loans for Veterans & Active-duty Service Members</u> 	
Federal & State Other		<ul style="list-style-type: none"> • <u>20% Historic Tax Credit (Federal)</u> • <u>CDFI Federal Tax Credit</u>

	For Local Government	For Employers
Alaska Housing Finance Corp	<ul style="list-style-type: none"> • Home Investment Partnership Program 	<ul style="list-style-type: none"> • Rural Professional Housing Program
US Department of Agriculture (USDA)	<ul style="list-style-type: none"> • Community Facilities Direct Loan & Grant Program • Water & Environmental Programs • Rural Community Development Initiative (RCDI) Grants • Rural Economic Development Loan & Grant Program (REDLG) 	<ul style="list-style-type: none"> • Farm Labor Housing Loan & Grants • Rural Rental Housing Direct Loans • Rural Economic Development Loan & Grant - Employer Adjacent Use
Federal Housing Administration (FHA)	<ul style="list-style-type: none"> • FHA-Insured Mortgages 	
Environmental Protection Agency (EPA)	<ul style="list-style-type: none"> • Water Infrastructure & Finance & Innovation Act 	
Federal Emergency Management Agency (FEMA)	<ul style="list-style-type: none"> • Hazard Mitigation Grant Program 	
Federal & State Other	<ul style="list-style-type: none"> • Alaska Clean Water Fund • Alaska DCCED Municipal Matching Grant & Supplemental Municipal Assistance • Alaska HUD Development Community Block Grant • Denali Commission • FAA Airport Improvement Program • CBDG Economic Development Grant • EDA Public Works Grants 	<ul style="list-style-type: none"> • 20% Historic Tax Credit (Federal) • CDFI Federal Tax Credit • IRC Section 119 - Employer-provided lodging Exclusion • IRC Section 119(d) - Campus Lodging for Education Institutions • Employer Deductibility of Housing Costs • Employer-Assisted Housing (EAH) Down Payment & Forgivable Loan Programs • SBA 7(a) Loans
Kenai Peninsula Borough		<ul style="list-style-type: none"> • Employer Land or Capital Contribution to LIHTC/GOAL Projects • Employer-Funded Revolving Loan Funds Through CDFIs

	For Local Government (as an employer)	For Tribes
<u>Kenai Peninsula Borough</u>	<ul style="list-style-type: none"> • <u>KPB & City Governments as Direct EAH Providers</u> • <u>Local Government Matching Incentives for Private EAH</u> 	
Federal		<ul style="list-style-type: none"> • <u>Native American Housing & Self-Determination Act (NAHASDA) Grant</u> • <u>HUD Indian Community Development Grant (ICDBG)</u>
		Other
<u>Housing & Urban Development (HUD)</u>		<ul style="list-style-type: none"> • <u>Section 811 Supportive Housing for Persons with Disabilities</u> • <u>Continuum of Care (CoC) Program</u> • <u>Emergency Solutions Grants (ESG)</u>
<u>United States Department of Agriculture (USDA)</u>		<ul style="list-style-type: none"> • <u>Rural Community Development Initiative (RCDI) Grants</u> • <u>Rural Economic Development Loan & Grant</u>
<u>Alaska Housing Finance Corporation (AHFC)</u>		<ul style="list-style-type: none"> • <u>Community Housing Development Organizations (CHDO) Operating Expense Assistance (OEA)</u> • Green Bank
<u>Cook Inlet Lending Center (CILC)</u>		<ul style="list-style-type: none"> • <u>Homebuyer Assistance & Financial Counseling</u> • <u>Mortgage Products</u> • <u>CFDI Grants</u>
<u>National Association of Development Organizations (NADO)</u>		<ul style="list-style-type: none"> • <u>Resource list for Boroughs & Municipalities</u>
<u>Rasmuson Foundation</u>		<ul style="list-style-type: none"> • <u>Tier 1 & 2 Project Grants</u>
<u>RurAL Cap</u>		<ul style="list-style-type: none"> • <u>Rural Alaska Community Action Program</u>
Other		<ul style="list-style-type: none"> • <u>Alaska Community Foundation</u> • <u>Treasury CDFI Fund</u> • <u>IRS Energy Efficiency Tax Credits</u> • <u>Strong Towns</u>



CASE STUDIES

Lack of affordable housing isn't an uncommon challenge, and it's one many communities have addressed through a variety of strategies. This section provides a series of brief case studies providing examples of communities who used unconventional, yet practical, solutions to address their unique housing challenges. These solutions can be summarized as:

- Intentional zoning reform
- Planning for an LNG construction boom (and bust)
- Expanding supply while preserving affordability and equity via land trusts
- Home sharing models
- Co-housing and cooperative housing models
- Seasonal, flexible, and/or temporary housing approaches





BOZEMAN, MT

Rethinking Zoning & Density to Address a Rapid-Growth Housing Crisis

Background

Few American cities have experienced population growth as dramatic as Bozeman, Montana. The quiet college town anchored by Montana State University has seen its population increase by nearly 60% since 2010. Bozeman’s housing stock largely consisted of single-family homes on large lots and was simply not designed to absorb that level of growth. Home values in the city nearly doubled from 2018 through 2022, according to Zillow.

The root of the problem was well-documented: Bozeman's zoning code explicitly or effectively prohibited multi-family housing on the majority of its residential land. The "missing middle" housing types (duplexes, apartments, etc.) that typically serve working and moderate-income residents had little place in a code that defaulted to single-family construction. The City's own 2021 Code Audit identified exclusionary single-family zoning as a significant barrier to producing affordable housing. Bozeman's housing supply had grown at roughly half the pace of its population, and the gap was widening.



What Bozeman Did

The City's response unfolded in stages, driven in part by a changing policy environment. In 2021, the Montana Legislature passed a law prohibiting cities from requiring affordable units in new developments, eliminating Bozeman's primary affordability tool. Rather than accepting defeat, the City pivoted to an incentive-based model.

In September 2022, Bozeman adopted a new Affordable Housing Ordinance (AHO) built around voluntary developer incentives rather than mandates. The ordinance created two incentive tiers.¹¹ Under the shallow incentives package, developers who committed to offering at least 5% of units at affordable price points received relaxed development standards: reduced lot sizes, streamlined approvals, and other departures from the standard code. The deep incentives package offered more significant regulatory relief, including elimination of on-site parking requirements, in exchange for dedicating at least 50% of units to affordable price points. The deep incentives were designed to work in conjunction with federal Low Income Housing Tax Credits and Tax Increment Financing (TIF), giving developers a realistic path to making affordable projects financially viable. Units under the revised ordinance are required to remain affordable for 50 years.

Simultaneously, Bozeman pursued a broader strategy of legalizing density through code reform. The City formalized definitions for "missing middle housing" and "infill development" within its municipal code, and created a framework that allowed staff to approve housing projects with reduced lot size, parking, and other requirements specifically targeting the gaps between what the old code allowed and what the housing market actually needed. The City's economic development team articulated the underlying logic clearly: infill development makes the value of existing public infrastructure go further. This effectively subsidizes land costs, which is one of the most expensive inputs in any housing project.

The State played a reinforcing role when the Montana Legislature passed a significant housing reform package in 2023, that among other provisions legalized duplexes by right across most residential zones, expanded ADU permissions, and required cities above 5,000 residents to allow multifamily housing in most commercially zoned areas. Bozeman's own code had already been moving in this direction, and the State reforms (ultimately upheld unanimously by the Montana



Supreme Court in early 2025) locked in a more permissive baseline that reduced the friction developers face when proposing smaller-scale infill and workforce housing projects.¹²

Results

By late 2023, Bozeman city officials reported that the AHO and related efforts had produced 387 completed affordable units, with an additional 1,079 units across 15 projects in the development pipeline. All in, that’s a total of 1,774 housing units in various stages of development as a direct result of the City's affordable housing initiatives. By late 2025, the number of unsold listings in Gallatin County (i.e., housing inventory) had reached levels not seen since 2011, according to a local brokerage.¹³ This suggests the City’s supply-side reforms contributed to measurable results after years of acute housing scarcity.

However, Bozeman's experience is not without its complications. The transformation of a community accustomed to single-family neighborhoods generated significant pushback, including a legal challenge by a homeowner coalition that reached the Montana Supreme Court. The political dynamics of shifting housing density, supportable in the abstract, contentious in practice, required sustained commitment from City leadership over multiple years. And market forces alone, even with zoning reform, are not sufficient to guarantee affordability without pairing supply-side reforms with financial tools like TIF and tax credit programs to close the gap on lower-income units.

Key Takeaway

Bozeman's most transferable lesson is when zoning effectively limits most residential land to single-family construction (via explicit restriction or lot-size requirements that make denser development impractical) affordability cannot be meaningfully addressed without changing what is permitted and practical to build. The City's willingness to rewrite its code, create financial incentives for developers, and make infill development financially viable, rather than simply hoping the market would solve the problem on its own, is what distinguished Bozeman's approach from communities that identified the same problems but moved more slowly to act on them.



CURTIS ISLAND & QUEENSLAND, AUSTRALIA

Managing a Construction-Phase LNG Boom: What Went Right & What Didn't

Background

In 2010, the Queensland government announced approval for three simultaneous LNG liquefaction and export facilities to be constructed on Curtis Island, just off the coast of the city of Gladstone in central Queensland. More than 14,000 workers were employed across the three projects at peak construction. The construction phase ran from roughly 2011 to 2015, then transitioned to ongoing operations with a much smaller permanent workforce.¹⁴

Gladstone was a working port city of roughly 60,000 residents with a modest housing stock and a rental vacancy rate that had already tightened to around 1% by the time construction commenced. City officials and state planners recognized early that absorbing thousands of construction workers into the local housing market would be devastating to existing residents. The question was not whether there would be an impact, but how large it would be and whether it could be managed.



What Queensland Got Right

The state government's response was notable for its early and decisive intervention. As a formal condition of project approval, Queensland's Coordinator-General required that the majority of non-local construction workers be housed in dedicated temporary accommodation facilities on Curtis Island. The reasoning was straightforward. With a combined workforce approaching 10,000 workers across multiple simultaneous projects, placing them into the Gladstone rental market would have made displacement of lower-income residents a near certainty. The island-based accommodation model was not simply a goodwill gesture, it was a calculated housing protection strategy backed by regulatory force

The conditions also required project proponents to contribute to affordable and community housing in Gladstone, participate in regional consultative committees that brought together local police, industry, community leaders, and small businesses, and give preference to local workers where possible. Construction manager Bechtel established a dedicated Community Support Organization that maintained ongoing dialogue with Gladstone residents throughout the project and administered a workforce investment plan supporting local charities and organizations. Bechtel also actively recruited workers from the local and outlying areas.

What Still Went Wrong

Despite the proactive planning, Gladstone's housing market experienced a severe boom-and-bust cycle that caused lasting damage to many residents and investors. The problem was not primarily the construction workers themselves, most of whom were housed on the island as intended. The problem was the announcement effect.

When the three LNG projects were confirmed, investors from across Australia descended on Gladstone's property market in anticipation of sustained demand. Home prices surged roughly 16% in 2012 alone, with median home prices reaching approximately \$425,000 at the peak.¹⁵ Developers responded by building new housing estates, high-rise apartments, and off-plan developments as quickly as permits allowed. Many were sold to out-of-town investors expecting the boom to be permanent.



It was not. As the LNG plants moved from construction to operation, the workforce shrank dramatically and thousands of workers left Gladstone. New housing supply continued arriving to market just as demand collapsed. By 2017, the median home price had fallen to approximately \$175,000. Values of townhouses and apartments declined by as much as 75% in some cases. Gladstone became one of the top postcodes in Australia for mortgage delinquency. Long-term residents who had purchased at peak prices were left with negative equity. Some lost their homes entirely. The town that had absorbed the disruption of a massive construction project then had to absorb the full weight of the bust that followed.

Academic research conducted during the construction period had predicted this outcome. Studies noted that Gladstone had experienced smaller versions of the same pattern in 2002 and 2007 following earlier industrial expansions, and warned that the combination of housing speculation, investor demand, and a time-limited construction workforce was a well-documented recipe for a post-boom crash.

Key Takeaway

For communities anticipating large energy project construction, the Curtis Island case argues strongly for two things: negotiating workforce housing commitments from project developers before construction begins, and resisting the temptation to over-build permanent housing in response to what is ultimately a temporary workforce surge.





Alaska Perspective: Valdez & The Trans-Alaska Pipeline

When pipeline construction began in 1974, Valdez had roughly 1,300 permanent residents. A year later, the population had grown to 6,500.¹⁶ Rather than building permanent housing to absorb the surge, the response was dominated by trailer parks and modular construction. Alyeska and Fluor built a dedicated modular subdivision called Black-Gold for management employees and their families. By 1975, 41% of Valdez's population lived in trailer homes.

That distinction matters. When construction ended and the population contracted back to roughly 3,500, Valdez did not experience the speculative collapse that devastated Gladstone a generation later. Fluor removed some of the modular units, upgraded others, and sold the remainder to Valdez residents at prices the permanent community could absorb. This decision allowed Valdez's housing stock to expand and contract quickly to accommodate the large changes in population. There was no glut of investor-owned inventory to unwind and no wave of foreclosures. The temporary housing approach, perhaps borne more out of necessity than planning, had inadvertently protected the community from the worst consequences of a boom-bust cycle.





BURLINGTON, VT

Built to Stay Affordable: The Community Land Trust Model

Background

Burlington, Vermont is a small city of roughly 45,000 people on the eastern shore of Lake Champlain. In the early 1980s it faced a housing affordability crisis driven by rising mortgage rates, threatened gentrification of working-class neighborhoods, and the withdrawal of federal affordable housing funding under the Reagan administration. The City had few conventional tools available and limited resources to work with. What Burlington built in response became the most studied and replicated affordable housing model in the United States.



What Burlington Did

In 1984, the City seeded the Burlington Community Land Trust with a \$200,000 grant. The concept was straightforward: a nonprofit organization would own land permanently, sell or rent the homes on it to income-qualified residents, and use a resale formula to keep those homes affordable in perpetuity.

The first home was sold to a school librarian with two children who attended a public meeting and became intrigued by the model. Within five years the trust had over \$3.7 million in assets. By 2004, it had developed 320 single-family homes and condominiums. That year it also became the first community land trust in the country to secure a loan from a pension fund (the Burlington Employees Retirement System), a financing innovation that significantly accelerated its growth.

In 2006, the Burlington Community Land Trust merged with the Lake Champlain Housing Development Corporation, a parallel nonprofit that had focused on rental housing since its own founding in 1984. The combined organization became the Champlain Housing Trust, and is now the largest community land trust in the country. It now houses over 2,500 families in rental apartments and group homes across three counties in northwestern Vermont, with projects underway to add another 560 units. Homes in the portfolio are affordable, on average, to households earning 57% of the area median income. In 2022 alone, 52 families purchased land trust homes.

What The Research Shows

The Champlain Housing Trust has been studied more rigorously than almost any other affordable housing organization in the country. The Urban Institute conducted an independent evaluation of the trust's shared equity homeownership outcomes and found that despite owners earning meaningful returns when they sold, homes retained their affordability across successive transactions, meaning the resale formula worked as designed even under real-world conditions over decades. Foreclosure rates for trust homes were below the area's already-low average. Perhaps most striking, nearly all CHT buyers were first-time homeowners and most who eventually sold their trust home were able to purchase a market-rate home afterward. The trust has functioned as a genuine ladder out of renting rather than a permanent subsidy trap.



During the 2008 financial crisis, while the broader housing market collapsed and foreclosures swept through American communities, not one family in the Champlain Housing Trust lost their home.

What It Didn't Do & What Hasn't Been Studied

Given the land trust's success in creating a sizeable stock of permanently affordable units, it does not appear to have had a negative impact on home values for other local residents. Burlington's median home value is well above the statewide average and its home values have followed the same general trend over the past eight years. This is an impressive balancing act. Overbuilding affordable housing (which can be accessed by buyers who can afford market rate homes) destroys home equity for existing home owners and can bankrupt developers.

No fiscal analysis of the CLT has been completed which could quantify whether the program generated more tax revenue and community benefits than it took in from grants and subsidies. Though unfortunate, it is worth pointing out that even if some public monies are used to seed or provide ongoing support to a CLT model the returns can far outweigh public costs. Each housing unit generates property tax revenue for decades and can defray public utility costs. The people occupying the units fill critical local jobs, pay sales tax, put kids in schools, and (ideally) add to the town's vitality. Communities considering CLT's as an option to address housing challenges ought to evaluate the potential benefits of CLT units as part of deciding how much public support is appropriate.

Key Takeaways

Burlington's experience offers three lessons that apply directly to small Alaskan communities. First, the model requires a seed grant, donated or below-market land, and policy support. Second, scale takes time. The trust spent two decades building toward critical mass, and its most significant results came after the 2006 merger brought rental and ownership housing together under one roof. Third, the resale formula is key to preserving affordability, instead of creating a limited benefit that accrues only to the initial buyer.



Alaska Perspective: Sitka - A Local Proof of Concept

The Sitka Community Land Trust developed the 'S'us' Héeni Sháak cottage neighborhood on land conveyed by the city at below-market value, using the same core mechanics as Burlington. The CLT targets buyers who don't qualify for traditional low-income housing programs, but can't afford market-rate homeownership.

The scale of Sitka's CLT is still modest. Ten owned cottages have been completed and occupied, with four more planned and six rental units under construction as of 2025. When the neighborhood reaches full build-out it will contain 20 units in total. That is a small number against a larger problem. Sitka's average home price has surpassed \$500,000, and the city has lost population over the past decade, in part because young families cannot afford to stay. The land trust has not yet reversed those trends, but it has demonstrated a model which is workable in Alaska. The first cottage resale occurred in 2024 and worked exactly as designed.





BOULDER, CO

Cohousing for Mixed-Income and Senior Residents

Background

In the mid-1990s the City of Boulder acquired a former drive-in movie theater site in North Boulder with a specific goal: turn 27 underused urban acres into a mixed-income neighborhood that could meaningfully expand the city's affordable housing stock. What grew from that site became one of the most cited examples of cohousing done right in the United States.



What Was Built

Boulder Housing Partners, the city's public housing authority, partnered with Wonderland Hill Development Company to develop Wild Sage as part of the larger Holiday Neighborhood. Completed in 2004 on 1.5 acres, Wild Sage consists of 34 homes arranged around a shared common green and a central Common House. Of those 34 units, 21 are market-rate, nine are permanently affordable to households earning below 80% of area median income, and four were built in partnership with Habitat for Humanity. Initial prices ranged from \$94,000 for affordable units to over \$490,000 for the largest market-rate homes.¹⁷

Cars are kept at the perimeter. The Common House provides a shared kitchen, dining room, children's playroom, workshop, and guest rooms available to residents and outside renters. Residents self-govern and share maintenance through volunteer teams, keeping HOA fees roughly \$50 per month lower than comparable developments. All 34 homes earned EPA Five Star Plus ratings and residents are estimated to drive 30% less, pay 50% less in utility costs, and use 40% less water than the regional average.

Directly across the street, Silver Sage Village was later developed on the same principles for residents 55 and older, consisting of 16 units built with universal design and aging-in-place features. The two are the only adjacent multigenerational and senior cohousing communities in the United States.

What Made it Work

Three factors separated Wild Sage from cohousing projects that have struggled with mixed-income integration. The city contributed land at below-market value and created a regulatory environment that made affordability financially viable rather than a burden. Market-rate and affordable residents share the same spaces, governance, and community meals, with no physical distinction between unit categories. Finally, the partnership between a public housing authority and an experienced private developer brought together resources neither could have assembled alone.



LOPEZ ISLAND, WA

Cooperative Housing in a Small, Isolated Community

Background

Lopez Island sits in Washington State's San Juan archipelago, accessible only by ferry or small plane. With a population of roughly 2,500 year-round residents, it hosts the same tensions familiar to many Kenai Peninsula communities: a tourism-driven economy, affluent part-time residents driving up land values, and a workforce of individuals increasingly unable to afford to stay. In 1989 housing prices on the island rose by 196% in a single year after the Wall Street Journal declared the San Juan Islands a prime place to live and invest. A group of working residents in their thirties formed the Lopez Community Land Trust (LCLT) that same year.

What Was Built

LCLT's first project, completed in 1992, included seven detached single-family homes on one acre in Lopez Village. When the original buyers couldn't qualify for conventional mortgages due to low incomes or imperfect credit histories, a local banker suggested an alternative: form a housing cooperative. The residents would collectively own the buildings through a cooperative corporation, while LCLT retained ownership of the land under a long-term ground lease. The cooperative structure meant a single blanket mortgage covered all units, making financing accessible to people who could not have obtained individual mortgages.

That first project established the template LCLT has used ever since. Today the trust has developed 54 permanently affordable cooperatively owned homes across seven neighborhoods, along with six rental units and two working farms held in agricultural trust. Three of the neighborhoods are net-zero energy developments. The Common Ground neighborhood (completed in 2009) was built using straw bale construction, earthen plaster walls, solar hot water, and rainwater collection systems, with more than 60 interns, 70 volunteers, and the 11 future homeowners contributing labor during construction. Homes are governed by ground leases of up to 198 years with permanent equity limitation formulas, ensuring they stay affordable across generations regardless of what the surrounding market does.¹⁸

The model has served exactly the population it was designed for. Early residents included a county employee, a museum curator, a massage therapist, a musician who also waitressed, and an elder on a fixed income. Also, nearly a quarter of LCLT's cooperative home owners have gone on to start their own local businesses, a figure the trust cites as evidence that housing stability translates directly into local economic vitality.

Key Takeaways

Lopez Island's experience matters for the Kenai Peninsula Borough as the underlying conditions have strong parallels: a tourism economy that inflates land values, seasonal pressures on housing stock, and a workforce that provides essential services but earns wages incompatible with market-rate homeownership. The cooperative structure LCLT developed solved two problems simultaneously. It made financing accessible to people who couldn't qualify for individual mortgages and kept units permanently affordable without requiring ongoing subsidy once the initial development was funded. The model started with seven homes and a committed group of working residents. Thirty-five years later it has shaped the character of an entire island community.



NESTERLY

Tech-Enabled Home Sharing at Scale

Background

Boston has a chronic housing shortage, an aging population of homeowners sitting in underoccupied single-family homes, and a large student and young worker population struggling to afford rent. In 2017, two MIT students recognized that those two problems were solutions to each other and what was missing was the infrastructure to connect them safely. They built Nesterly, a platform designed to match homeowners who have spare rooms with renters who need affordable housing, and to manage everything that makes private home-sharing arrangements fail: screening, lease drafting, rent collection, and conflict resolution.¹⁹

The City of Boston contracted with Nesterly to run a pilot that same year. The city's own evaluation called the pilot a success, describing home sharing as "a valuable and viable option for increasing affordability and social connectedness." The platform has since expanded to Louisville, Kentucky, Clallum County (WA), Bellingham, Columbus (OH), and in 2024 Maine's state housing authority signed a contract to deploy Nesterly statewide. Nesterly is a private company offering a service which is not new. The National Shared Housing Resource Center lists roughly 60 active programs nationwide, many of which have been operating for decades.²⁰



How it Works

Nesterly operates as a managed platform rather than a simple listing service. Homeowners and prospective renters both create profiles. The platform performs background checks on both parties, facilitates a structured first meeting, and helps draft a lease agreement tailored to the arrangement. Nesterly collects rent payments and can dispatch trained staff to assist with conflict resolution if problems arise after move-in. The entire process is designed to reduce the friction that deters homeowners from renting to strangers. The homeowner does not need to navigate lease law, chase payments, or manage a dispute alone.

The model accommodates flexible arrangements. Renters can offset part of their rent by performing household tasks - an option that addresses the practical needs of older homeowners who may value help around the house as much as rental income. Lease terms are not restricted to year-round arrangements, making the platform adaptable to seasonal rental structures.

Why it Fits the KPB

The Kenai Peninsula Borough has roughly 31,000 housing units, a senior population projected to grow by 133% over the next decade, and a seasonal workforce of 3,000 to 4,000 additional workers arriving each summer into a market with almost no purpose-built seasonal housing. Many older residents own single-family homes with spare bedrooms that sit unused during the exact months when seasonal workers are most desperate for housing. The gap between those two facts is an organizational problem, not a construction problem.

Housing discussions held with local stakeholders brought up the notion that KPB likely has more unused bedrooms than housing available for sale or rent. If more local residents live with roommates or are willing to rent to seasonal workers, this is the cheapest and fastest way to open up more housing supply. In fact, several states have passed laws - often dubbed “Golden Girls” laws - which repealed caps on the number of unrelated persons who could live together in a single unit. KPB laws and zoning ordinances are not an obstacle in this regard, but in recent discussions stakeholders believed that having some administrative support for people interested in shared housing could be productive. The Borough and municipalities could also consider ways to incentivize house sharing, as the cost of opening up say 100 existing units would likely be far, far less than building the same number of new units.



Nesterly, or a local nonprofit operating on the same model, could help expand housing supply without the time or cost of subsidized construction projects. The practical barriers for homeowners letting out rooms on their own are real: concern about strangers, uncertainty about lease terms, reluctance to manage a rental relationship, and fear about a renter “squatting”. House sharing platforms (like Nesterly) can address many concerns which lead to bad outcomes when renting through Craigslist or Facebook. However, it is very important to ensure that various State or local laws do not allow renters to become squatters, before advocating for a home sharing program.



A better way to share

Share a home with someone you can trust for over 1 month stays. Renters can lend a hand for discounted rent.

Rent easily

Sharing a home has never been easier. We handle vetting, leases, payments, and offer real human support every step of the way.

Rent safely

We take the guess-work out of living with someone new by screening for safety, compatibility, and social intelligence.

Rent with confidence

Get to know great people contact-free before booking. We even offer a flexible cancellation policy so you book with peace of mind.



FLEXIBLE & TEMPORARY HOUSING FORMS

RVs, Yurts, and Tiny Homes

Not every housing challenge requires an expensive, permanent solution. The KPB faces several distinct categories of short-duration housing demand: seasonal tourism workers arriving in May and leaving in September, LNG construction workers on defined rotational schedules, transitional residents between permanent housing situations, and visitors who consume lodging inventory that might otherwise serve workers. In some cases, these housing needs can be met by flexible, moveable, or low-cost structures rather than conventional construction.

RVs and Park Models

Managed RV parks with full hookups have a documented track record as seasonal workforce housing in tourism and resource extraction communities. Aspen Skiing Company converted an existing campground into dedicated seasonal employee housing, moving 40 tiny homes to the site to supplement RV sites.²¹ In Louisiana, RV parks adjacent to LNG construction corridors routinely house rotating project workers at all-inclusive monthly rates, functioning as managed worker camps without the capital cost of permanent construction. The critical variable in every successful example is management: a professionally operated park with clear lease terms, enforced standards, and functional shared facilities produces very different outcomes than an informal collection of aging units with no oversight.

Anchorage is also in the process of re-purposing land which used to attract homeless encampments into a downtown RV park which could provide some workforce housing (see the Denali View RV Resort).



Yurts

Modern four-season yurts have found a practical niche in high-cost resort communities as an affordable alternative to conventional housing for seasonal workers and lower-income residents. A yurt park in Kelly, WY (near Jackson Hole) has housed working residents continuously since 1981. Custodians, guides, baristas, and seasonal workers occupy roughly 450-square-foot units on leased land, each with a wood stove and electric connection run from a central hub, sharing a communal bathhouse. Monthly land rent keeps costs well below anything available in the Jackson Hole market.²² The park has survived four decades precisely because it serves people who have no other affordable option nearby, and because residents treat their yurts as genuine homes rather than temporary accommodations.

For the KPB, the more immediate opportunity may be on the visitor side. A well-designed yurt cluster marketed as a glamping or an eco-lodging experience could attract visitors who would otherwise occupy conventional short-term rental inventory. Communities like Homer and Seldovia already draw visitors specifically for their character and natural setting. Yurts can fit that aesthetic in a way that a conventional motel does not. STR operators may resist the competition, but from a housing supply perspective redirecting even a portion of visitor demand toward purpose-built visitor accommodation would likely create more housing supply for local residents.

Yurts also have a plausible role as transitional housing as a low-cost option for residents cycling out of precarious situations who need stable, private shelter while building toward something more permanent. At purchase prices starting around \$15,000 to \$25,000 for a quality four-season unit, and with land-lease arrangements that keep monthly costs modest, they represent a form of housing tenure that sits between homelessness and conventional renting.

Tiny Homes and ADUs

ADUs require minimal infrastructure extension, and can be permitted and occupied faster than any new construction. Sitka's 2020 Tiny Home Ordinance, which specifically legalized moveable tiny homes on chassis and was called a national template by the Tiny Home Industry Association, offers a regulatory model worth examining for borough-wide adoption. Tiny homes on chassis share RVs' key advantage for workforce and transitional housing: they are moveable. A unit that houses a seasonal worker this summer can be relocated to a different site next year if demand shifts, avoiding the stranded-asset problem that has historically made temporary construction housing a poor public investment.



The Common Thread

None of these housing forms is a substitute for the permanently affordable homeownership and rental stock the KPB needs over the long term. However, attributes like speed, flexibility, and lower capital cost matter when housing pressure arrives seasonally or on a defined construction timeline. The Valdez pipeline experience documented earlier in this report is instructive in both directions: temporary and moveable housing structures that were removed or sold after construction ended left no lasting market distortion. For the LNG construction scenario in particular, the lesson is that housing solutions designed to be temporary should actually be temporary.



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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



Appendix A - Resources

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RESOURCES FOR BUYERS

AHFC First Home and First Home Limited Mortgages

Alaska Housing Finance Corporation's flagship homebuyer programs offer reduced interest rates for first-time buyers. First Home Limited adds income and purchase price caps; both programs waive the first-time buyer requirement in designated targeted areas.

AHFC Down Payment and Closing Cost Assistance (DPA)

Available through AHFC-approved lenders statewide, this program provides down payment assistance to income-qualified buyers. Cook Inlet Housing Authority's subsidiary, the Cook Inlet Lending Center (CILC) offers parallel homebuyer assistance, closing cost support, and financial literacy programs specifically for Cook Inlet region residents.

HOME Opportunity Program

Administered by AHFC under the federal HOME Investment Partnerships Act, the program provides down payment and closing cost assistance to low-income buyers purchasing single-family homes.

AHFC Targeted Loan Programs

AHFC offers interest rate reductions and special loan products for veterans, teachers, nurses, and public safety officers — categories particularly relevant to workforce housing gaps on the Kenai Peninsula.

AHFC New Home Construction Rebate

Offers a \$10,000 rebate to buyers or builders of newly constructed homes rated at 5-Star Plus or higher on Alaska's energy efficiency scale. Program launched January 2025, with approximately 100 applications in its first months. Directly incentivizes energy-efficient new construction.



AHFC Weatherization Program

Free weatherization services for income-qualified homeowners and renters, delivered through local providers. Reduces long-term housing cost burden, extending effective housing affordability beyond the point of purchase.

AHFC Housing Choice Vouchers / Section 8

Portable rental assistance that moves with the tenant in the private market. Administered by AHFC in 12 communities statewide. Project-Based Vouchers and Sponsor-Based Rental Assistance are also available through AHFC for properties under contract (relevant for KPB renters who cannot access ownership).

AHFC Energy Efficiency Loan Program

Provides financing for energy-related renovations and improvements to owner-occupied properties, with interest rate reductions tied to energy performance improvements.

USDA Section 502 Direct Loan Program

Provides low-interest mortgage financing directly to very-low and low-income rural households with no other access to affordable credit. Eligible in rural areas including much of the KPB. Loan terms can extend to 33–38 years, with payment subsidies available.

USDA Section 502 Loan Guarantee Program

Guarantees loans made by approved lenders to moderate-income rural buyers (up to 115% of AMI). No down payment required. Reaches buyers who earn too much for the direct program but still face conventional credit barriers.



USDA Section 504 Home Repair Loans and Grants

Provides up to \$40,000 in loans to very-low-income rural homeowners for repairs, improvements, or modernization. Elderly owners may also qualify for grants (up to \$10,000 lifetime limit) to remove health and safety hazards. Loans and grants can be combined for up to \$50,000 in assistance.

FHA Loans

Federal Housing Administration-insured mortgages with lower credit and down payment thresholds. Alaska's single-family FHA loan limits are substantially higher than the national standard (reaching up to \$1,249,125 for conforming loans) which matters for KPB's higher construction cost environment.

VA Home Loans

No down payment, no PMI, competitive rates for veterans and active-duty service members. The bipartisan housing package supported by Senator Murkowski contains additional provisions to expand VA homeownership access.





RESOURCES FOR BUILDERS & DEVELOPERS

AHFC GOAL Program (Greater Opportunities for Affordable Living)

The primary state vehicle for affordable rental housing finance. GOAL bundles three funding types: Low Income Housing Tax Credits (LIHTC), HOME Investment Partnerships funds, and the National Housing Trust Fund (NHTF), into a single annual competitive application cycle opening in June with awards in January. Open to for-profit developers, nonprofits, and regional housing authorities. This is the central mechanism through which LIHTC equity reaches KPB projects.

Low Income Housing Tax Credits (LIHTC)

Federal tax credits allocated by AHFC through the GOAL Qualified Allocation Plan. Developers sell credits to investors to generate equity, reducing debt load and allowing below-market rents over a minimum 30-year compliance period. The 9% credit is the more competitive and valuable allocation; 4% credits pair with tax-exempt bond financing. Alaska's high construction costs make stacking LIHTC with other gap financing essential.

National Housing Trust Fund (NHTF)

Federal block grant administered by AHFC through the GOAL program. Funds the construction, rehabilitation, and preservation of rental housing for extremely low-income households (at or below 30% AMI). NHTF is specifically aimed at the affordability gap that LIHTC alone cannot reach.

HOME Homeownership Development Program (HDP)

HOME funds channeled through AHFC for real property acquisition, site improvements, and new single-family construction for low-income homeownership. Accessible to nonprofits and developers working in partnership with AHFC.



AHFC Senior Citizens Housing Development Fund (SCHDF)

State-funded grants for construction or renovation of housing for low-income seniors. Administered through the GOAL program alongside LIHTC and HOME.

AHFC Rural Professional Housing (RPH) Grant Program

Grants to local governments and organizations to build housing for professionals in rural and small communities targeting healthcare workers, law enforcement, educators, and court employees. SFY2026 expected funding is \$7 million. Directly applicable to KPB communities experiencing workforce housing gaps.

AHFC Last Frontier Housing Initiative

An expansion of the RPH program targeting hub communities with a more hands-on partnership model. AHFC works directly with local government to issue RFPs, select developers, and structure projects combining professional housing with additional affordable units. Recent completions include Saxman and Kotzebue; with construction underway in Bethel and Sitka.

USDA Section 515 Rural Rental Housing Direct Loan Program

Long-term, low-interest loans to build, buy, or rehabilitate affordable rural rental housing for very-low, low, and moderate-income households, the elderly, and persons with disabilities. Loan guarantees up to 90% of principal are available on a companion guarantee track. Projects must be in eligible rural areas, which includes most KPB communities.

USDA Section 538 Guaranteed Rural Rental Housing Loan Program

Loan guarantees for lenders financing construction or rehabilitation of affordable rural multifamily housing. Complements Section 515 for developers who can access private financing with a federal guarantee backstop.



USDA Mutual Self-Help Housing Technical Assistance Grants (Section 523)

Grants to qualified nonprofits to administer sweat-equity homebuilding programs, where groups of low-income families contribute labor on each other's homes under professional supervision. Particularly suited to rural KPB communities with organized community development capacity.

USDA Rural Housing Site Loans (Sections 523 and 524)

Loans to nonprofits and public entities to acquire and develop sites for self-help or conventional low- and moderate-income housing. Section 524 sites can be sold to buyers using USDA or other mortgage programs.

Historic Tax Credits (Federal and State)

The 20% federal Historic Tax Credit applies to certified historic structures. For rehabilitation projects involving older commercial or residential buildings in established KPB communities (Homer, Kenai, Seward), HTC can be layered with LIHTC to make adaptive reuse economically viable.

New Markets Tax Credits (NMTC)

Federal tax credits allocated by the CDFI Fund to Community Development Entities, which then pass subsidized financing to qualified projects in low-income communities. NMTC is less commonly used for purely residential projects but can finance mixed-use or community facility components that support housing.

AHFC Green Bank / Alaska Green Bank

A newly established AHFC subsidiary enabling clean energy financing. Relevant to developers incorporating energy-efficient or net-zero construction, and potentially layerable with AHFC's existing weatherization and energy programs.



RESOURCES FOR LOCAL GOVERNMENT

HUD Community Development Block Grant (CDBG)

Administered by the Alaska Division of Community and Regional Affairs (DCRA). Any Alaskan municipal government except Anchorage is eligible. Approximately \$2.5 million is available statewide for the FFY2025 cycle. Maximum award is \$850,000 per community. Eligible uses include housing rehabilitation, public facility improvements, infrastructure, and planning. At least 51% of beneficiaries must be low- and moderate-income.

CDBG Special Economic Development Grants

A separate CDBG funding category for projects that create or retain jobs for low- and moderate-income residents. Can support infrastructure investments that enable housing or commercial development. CDBG–Disaster Recovery (CDBG-DR). Now permanently authorized following the bipartisan housing package, CDBG-DR provides supplemental funding to communities after presidentially declared disasters. KPB communities with documented disaster damage are potential candidates.

HOME Investment Partnerships Program

Federal formula grant administered by AHFC on behalf of the State. Local governments outside Anchorage access HOME funds through AHFC's programs (HOME Opportunity, HDP, GOAL). Funds can support acquisition, construction, rehabilitation, and rental assistance. AHFC's CHDO operating expense assistance is also a HOME component for qualifying nonprofits.

USDA Community Facilities Direct Loan and Grant Program

Funds construction, expansion, or renovation of essential community facilities in rural areas, including water and wastewater infrastructure that is a prerequisite to housing development. Grant assistance is on a graduated scale where communities with lower median incomes and smaller populations can access up to 75% grant funding. Loan terms up to 40 years.



USDA Water and Environmental Programs

A cluster of USDA Rural Utilities Service programs, including the Water and Waste Disposal Direct Loan and Grant Program, that fund drinking water systems, wastewater treatment, solid waste disposal, and storm drainage. Infrastructure investment through these programs directly enables housing development by extending service capacity. Communities under 10,000 in population are eligible.

USDA Rural Community Development Initiative (RCDI) Grants

Grants to nonprofits and tribal entities to build capacity for housing and community development in rural areas. Local governments can partner with eligible RCDI recipients to strengthen local organizations' ability to access and manage other housing resources.

EPA Water Infrastructure Finance and Innovation Act (WIFIA)

Low-cost, long-term financing (direct federal loans) for water and wastewater infrastructure projects of at least \$5 million. WIFIA can be combined with state revolving fund financing and is available to municipalities and utilities.

Alaska Clean Water Fund / Drinking Water Fund

State-administered revolving loan programs (capitalized with EPA grants) that provide below-market-rate loans for water and wastewater infrastructure. Directly relevant to enabling new housing in communities where infrastructure capacity constrains development.

USDA Rural Economic Development Loan and Grant Program (REDLG)

Zero-interest loans to rural electric and telecom utilities, which pass funds through to local businesses and community projects that create or retain rural jobs. Requires a current or former RUS borrower as intermediary. Communities where Homer Electric Association or similar RUS borrowers operate could explore this pathway.



Denali Commission

The Denali Commission is an independent federal agency specifically focused on Alaska rural community infrastructure, energy, and economic development. Provides grants and technical assistance for infrastructure projects including water, sanitation, energy, and facilities that support housing. These programs are key gap-fillers for communities too small or remote to access conventional federal programs.

Economic Development Administration Grants

The EDA funds public works and infrastructure investments in economically distressed communities. EDA Public Works grants can fund infrastructure like roads, water, and utilities that are prerequisites to housing or commercial development. EDA is also a potential source for planning and technical assistance grants.

FEMA Hazard Mitigation Grant Program (HMGP)

Post-disaster mitigation funding available to communities in presidentially declared disaster areas. KPB's seismic exposure makes this relevant for housing and infrastructure hardening.

DCCED Municipal Matching Grant Program and Supplemental Municipal Assistance

State-level municipal aid programs that can be directed toward housing-enabling infrastructure and planning.

FAA Airport Improvement Program (AIP)

For communities like Homer and Kenai where airport access is critical to workforce housing for traveling professionals, AIP grants can support airport infrastructure that influences development patterns.





RESOURCES FOR LOCAL EMPLOYERS

IRC Section 119 - Employer-Provided Lodging Exclusion

When an employer furnishes housing in kind to an employee, the value of that housing can be excluded from the employee's gross income, meaning neither the employer nor employee pays tax on it as compensation (provided certain provisions are met). For KPB employers in remote, operationally intensive settings (e.g., fish processors, resource extraction operators, healthcare facilities, remote lodges) this exclusion can make employer-provided housing essentially cost-free to both parties from a tax standpoint. There is also a specific carve-out for employer provided housing in remote areas.

IRC Section 119(d) - Campus Lodging for Educational Institutions

In the case of an employee of an educational institution, gross income does not include the value of qualified campus lodging furnished to such employee during the taxable year, subject to a rent adequacy test. School districts and the Kenai Peninsula Borough School District in particular can leverage this to provide subsidized near-campus housing for teachers without creating taxable income for employees (a valuable tool for attracting and retaining local educators).

Employer Deductibility of Housing Costs

When housing does not meet the Section 119 exclusion tests and is treated as taxable compensation, the employer can still fully deduct the cost as a business expense. Cash housing stipends, forgivable down-payment loans, and rental subsidies are all deductible as ordinary and necessary business expenses reducing the employer's net cost by the applicable corporate or pass-through tax rate.



Employer-Assisted Housing (EAH) Down Payment and Forgivable Loan Programs

EAH programs provide a channel through which employers help their employees with the cost of owning or renting a home, typically in neighborhoods close to the workplace. Assistance may be provided in a variety of ways, including through down payment grants or loans that are forgiven over a period of employment, homeownership counseling and education, rental subsidies, and less commonly, direct investment in the construction of rental housing.

Fannie Mae pioneered the model in 1991 in response to a 25% employee turnover rate. Since the EAH program went into operation, Fannie Mae's turnover rate was reduced to single digits. EAH programs are employer-designed and employer-funded but they are deductible compensation expenses and can be layered with AHFC, USDA, and CDFI financing to extend the effective subsidy further.

USDA and SBA Programs with Employer-Accessible Pathways

USDA Section 514/516 - Farm Labor Housing Loans and Grants

Directly applicable to KPB's fishing and agricultural sectors. Section 514 provides direct low-interest loans to farmers, family farm corporations, and associations of farmers (including cooperatives) to build, improve, or repair housing for farm laborers. Section 516 provides companion grants covering up to 90% of project development costs for nonprofit and public agency applicants, but private for-profit farm employers can access the loan-only Section 514 track.

USDA Section 515- Rural Rental Housing Direct Loans

While primarily a nonprofit/government program, for-profit limited partnerships (the standard LIHTC ownership structure) are eligible borrowers. A KPB employer or a company it partners with could co-develop workforce rental housing using Section 515 financing stacked with LIHTC, reducing the per-unit cost substantially.





SBA 7(a) Loans

For small business employers looking to construct or acquire workforce housing adjacent to their operations (e.g., a lodge constructing staff quarters), SBA 7(a) loans can finance real estate directly connected to business operations. The housing must be integral to the business use to qualify, but for qualifying remote-operation employers, this is accessible long-term, low-down-payment financing through SBA-approved lenders statewide.

USDA Rural Economic Development Loan and Grant (REDLG) - Employer-Adjacent Use

Where a KPB employer is located in a community served by a Rural Utilities Service electric or telecom borrower (Homer Electric Association, for example), the employer may be able to access zero-interest pass-through financing for projects that create or retain rural jobs, including facility construction that encompasses housing components tied to employment.

AHFC Rural Professional Housing (RPH) - Employer as Partner

While RPH grants flow to local governments and nonprofits as primary applicants, the program explicitly targets housing for critical professionals whose employers (e.g., healthcare systems, school districts, courts, law enforcement agencies) are facing recruitment and retention failures due to housing availability. The circumstances are unsustainable and a lack of housing means jobs are unfilled because prospective employees are unable to secure places to live. Employers can function as the demand-side partner in an RPH application structured through the borough or a nonprofit housing entity, and they may also be able to contribute land, pre-development funding, or tenant commitments that strengthen the application's competitive position.





Employer Land or Capital Contribution to LIHTC/GOAL Projects

KPB's larger institutional employers (e.g., the Borough itself, school district, hospital systems) can contribute land or equity to LIHTC/GOAL-financed affordable housing developments as a capital contribution in exchange for priority leasing rights for their employees. This is a common structure in high-cost rural markets elsewhere in Alaska and the West: the employer gains preferred access to units; the developer gains a land or capital contribution that makes the project financially feasible; and the LIHTC investor gains a qualifying project.

Employer-Funded Revolving Loan Funds Through CDFIs

A KPB employer or employer consortium (e.g., healthcare networks, the Borough) could capitalize a revolving loan fund administered by an existing CDFI (such as Cook Inlet Lending Center) to provide forgivable down payment loans or rental deposits to employees. The employer's capitalization contribution is a deductible business expense; the CDFI handles underwriting and administration; and the program scales across multiple employers without each having to build its own back office.

Local Government as Employer

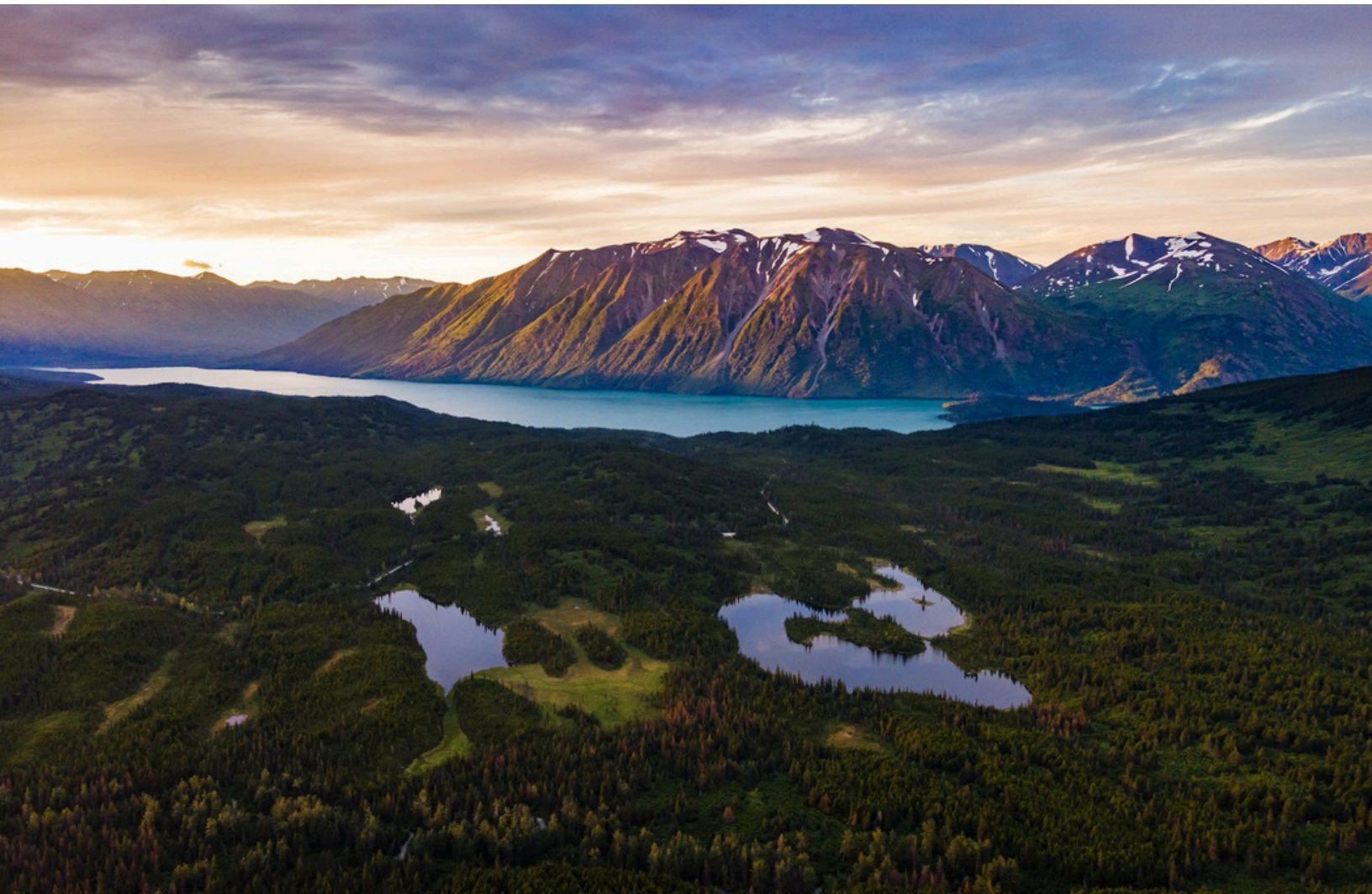
KPB and City Governments as Direct EAH Providers

Direct assistance to public employees can be provided in a variety of ways, most commonly focused on helping public employees secure affordable housing close to their place of employment. For local jurisdictions, this may mean providing down payment or closing cost assistance to purchase a home within city or county limits. The Borough and city governments are themselves major employers on the Peninsula. CDBG funds, HOME funds, and AHFC RPH grants are all available pathways for the Borough to stand up an EAH program for its own workforce while simultaneously using its convening authority to encourage private employers to adopt parallel programs.



Local Government Matching Incentives for Private EAH

Localities can provide a dollar-for-dollar match for employer contributions to EAH programs, or offer administrative assistance to employers interested in adopting a program. By centralizing these functions, the barrier to participation by employers is substantially reduced, increasing participation. This sort of program has been created in states like Illinois to help fill low-wage jobs. A Borough-coordinated EAH consortium, modeled on Illinois programs where over 65 businesses, hospitals, universities, and school districts participate, could be a replicable model in the KPB if the need is great enough.





OTHER RESOURCES

NAHASDA Indian Housing Block Grant (IHBG)

The Native American Housing and Self-Determination Act block grant flows directly to tribally designated housing entities (TDHEs) including Cook Inlet Housing Authority (CIHA), which serves Native residents across the KPB. IHBG funds rental construction, rehabilitation, homeownership assistance, and supportive services. Less restrictive than HUD's general programs and allows locally driven priority-setting.

HUD Indian Community Development Block Grant (ICDBG)

Competitive grants for tribal housing and community development projects, available to federally recognized tribes. Seldovia Village Tribe and Kenaitze Indian Tribe are KPB entities that may be eligible. HUD Section 202 Supportive Housing for the Elderly. Capital advances (effectively grants) plus project rental assistance for nonprofits developing housing for low-income seniors. Given KPB's aging demographic trajectory, this is a high-relevance program for organizations like KPHI and CIHA.

HUD Section 811 Supportive Housing for Persons with Disabilities

Capital advances and rental assistance for nonprofit developers of housing for very-low-income adults with disabilities. Typically layered with LIHTC.

Continuum of Care (CoC) Program

HUD competitive grants for organizations providing housing and supportive services to people experiencing or at risk of homelessness. In 2025, HUD awarded \$3.6 billion nationally across nearly 7,000 projects.



Emergency Solutions Grants (ESG)

HUD formula grants administered by AHFC for emergency shelter, rapid rehousing, homelessness prevention, and HMIS data systems. Available to local governments and nonprofits.

USDA Rural Community Development Initiative (RCDI) Grants

Nonprofits and tribal entities in the KPB can be direct applicants here. RCDI strengthens organizational capacity to manage housing, community facilities, and economic development work in rural areas.

AHFC CHDO Operating Expense Assistance (OEA)

AHFC provides direct operating expense funding to nonprofits certified as Community Housing Development Organizations (CHDOs) under HOME. CHDOs are required HOME set-aside recipients and can access HOME funds for construction and rehabilitation. Organizations like KPHI pursuing CHDO certification unlock a dedicated HOME funding lane.

Cook Inlet Lending Center (CILC)

A certified Community Development Financial Institution (CDFI) and CIHA subsidiary providing homebuyer assistance, financial counseling, and mortgage products to income-qualified borrowers in the Cook Inlet region, including the KPB. CDFI's access CDFI Fund grants and Treasury capital that can be deployed as flexible gap financing.

USDA Rural Economic Development Loan and Grant (REDLG)

Beyond local governments, nonprofits operating revolving loan funds in eligible rural areas can access REDLG grant support.



Rasmuson Foundation

Alaska's largest private philanthropic foundation, with a long record of funding affordable housing, community development, and organizational capacity across the state. Competitive Tier 1 and Tier 2 project grants are accessible to nonprofits and tribal entities.

Alaska Community Foundation

Statewide community foundation offering competitive grants and donor-advised fund grants to nonprofit housing and community development organizations.

RurAL CAP (Rural Alaska Community Action Program)

A statewide nonprofit with programs in housing, homelessness, weatherization, and supportive services. RurAL CAP has a direct presence in KPB and can serve as a technical assistance partner and co-applicant on federal grant applications.

Habitat for Humanity

Volunteer-labor homebuilding for income-qualified families, funded through private donations and federal pass-through resources.

Alaska Housing Finance Corporation Green Bank.

Bridges energy efficiency financing across sectors and is positioned to grow as a source of capital for energy-efficient housing development and retrofits.

Treasury CDFI Fund - CDFI Program and NMTC Allocations

Organizations like CILC access competitive CDFI Program grants and equity equivalent investments from the U.S. Treasury. NMTC allocations (administered through the CDFI Fund) generate investment in low-income communities and can be directed to mixed-use or community facility projects that catalyze housing.



IRS Energy Efficiency Tax Credits

Though federal Inflation Reduction Act programs face political uncertainty, the 45L tax credit for energy-efficient new homes (up to \$5,000 per unit for qualified housing) and 25C credits for homeowner efficiency upgrades remain relevant to builders and buyers pursuing energy-efficient construction, and are layerable with AHFC's New Home Construction Rebate.

National Association of Development Organizations

NADO keeps a helpful list of links that can assist development organizations, municipalities, and the Borough to understand how to leverage resources, construct effective housing plans, and more. See www.nado.org/resources-solving-the-housing-puzzle.

Strong Towns

A nonprofit that provides informational resources focused on local government and development, with the goal of creating cities that are safe, livable, and inviting, as well as financially strong. Their site regularly publishes articles examining housing issues and solutions, and offers housing toolkits for local government leaders.



Appendix B – Stakeholder Input

Public comments consistently point to a housing shortage driven by high costs, limited supply, and policy constraints, with several key themes:

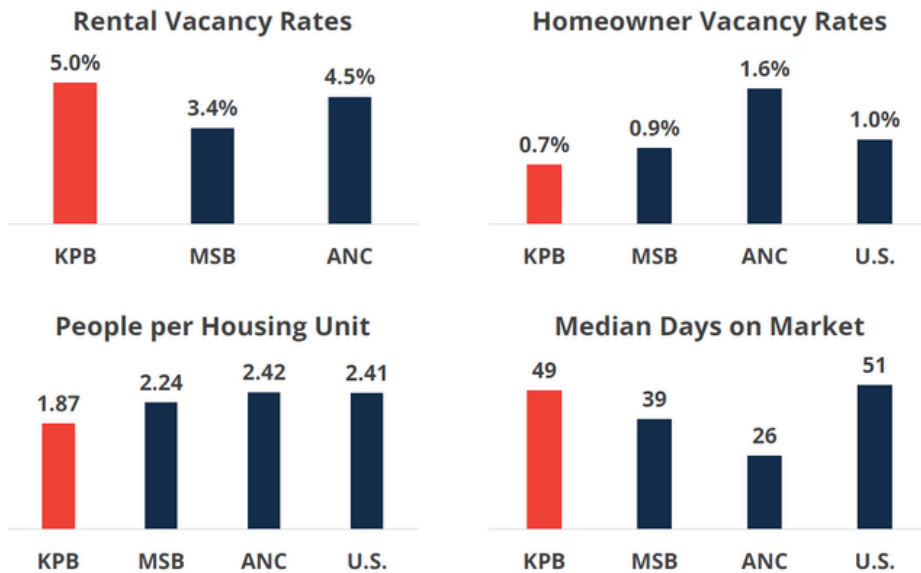
- **High development costs**—especially utilities and infrastructure—are a major barrier to building new housing, even where land is available. This makes multi-unit projects financially unfeasible without subsidies.
- **Rental shortages are severe**, particularly for long-term and family-sized units (e.g., 3-bedroom homes), while short-term rentals and seasonal housing demands reduce availability.
- **Workforce and economic impacts are significant**, with workers commuting from farther away, businesses struggling to staff positions, and residents experiencing housing insecurity and stress.
- **Market pressures are increasing**, including outside buyers, cash offers, and second-home investors driving up prices and limiting access for local and lower-income buyers.
- **Mismatch in housing use exists**, with fewer multi-generational households and underutilized bedrooms alongside overall shortages.
- **Zoning, permitting, and regulatory barriers limit flexible housing options**, such as ADUs and alternative housing types, though some communities are experimenting with reforms.
- **There is demand for more diverse housing types**, including duplexes, multi-family units, and condos, but local resistance to density remains a challenge.
- **Potential solutions identified** include better planning and partnerships, fast-tracking permits, pre-approved designs, infrastructure investment, land affordability programs, and aligning housing with transportation and community needs.
- **Caution was noted about overreacting**, with a desire to pursue thoughtful, long-term solutions rather than short-term fixes that could create future issues.

Overall, the feedback highlights a systemic housing constraint affecting affordability, workforce stability, and community sustainability, with both structural and policy-related contributors.



SUBMITTED COMMENTS

From the KPEDD Housing Roundtables in September of 2025



“Installing utilities are expensive when building and can be quite a barrier when looking to develop within our cities.”

“I just want to say as someone who worries where I will live from year to year it is very stressful and makes me want to leave sometimes.”

“South Peninsula Hospital has at least 24 rental properties tied up for their travel workers. They are currently having some homes built that will be leased from the developer. That will free up some housing in the Homer area.”

“We are desperate for 2-to-4 plex units in Homer, but cost of construction keeps investors back for now.”

“We are seeing Homer employed folks earning less than \$100,000 moving to Ninilchik and commuting since housing prices are lower.”



“For us in Homer, the amazing number of properties that have been converted into short-term rentals have caused a major hassle with people looking for affordable long-term rentals.”

“ADUs, RVs, and yurts get shut down in most of our communities because of planning and zoning where they are not allowable uses, or like in Homer where you don’t have an available footprint because our RV parks all fill up with seasonal visitors in the summer.”

“Area restaurants have had to close early or not open at various times due to lack of workers.”

“We had more people roommating prior to COVID, but because of the incentives of COVID funding that has changed and I have more single people living in two-bedroom apartments.”

“We don’t have nearly as many multi-generational family members living together. When it comes to bedrooms, I think we actually have more housing, we just don’t have people in all the rooms.”

“To build multi-unit housing, and I’ve looked into building these, I can’t make it work without heavily subsidized financing - even beyond what AHFC offers.”

“Would be helpful to have planning with community specific needs assessment. Perhaps Alaska Housing Finance Corporation could help. Perhaps the American Planning Association has assessment models particularly for small rural communities. RurAL CAP has been doing other projects in the KPB and could be a partner. This Housing Action effort should leverage the new addition of Housing plans in the Alaska Comprehensive Plan Statute.”





“Aligning with some of the transportation plans, as we have done in Anchorage, to help knock down infrastructure barriers to improve livability, walkability, and housing aspects.”

“A fast track permitting process for ADUs could be helpful too, which is also something Anchorage has done.”

“Reach out to local architects to design pre-permitted ADUs. I know that’s worked well in Seattle.”

“I hope we are not going to be too reactive to what could be a temporary housing problem. Want to make sure we make the right moves and not create management problems down the road.”

“At the Borough, we are really excited about the Land Affordability Plan, which requires putting a home on a permanent foundation to get the 25% reduction in land costs.”

“As a property manager, most of the requests I get are for 3-bedroom units. It doesn’t have to be a house, though that’s preferred. However, there’s just not as much supply of rental units with 3-bedrooms.”

“With our senior population and need for seasonal workers housing, and the notion of having enough bedrooms but not enough available housing, it just seems like there could be some type of program that connects the two.”





“3-D printed homes are very interesting. There’s a 3-D printed home going up in Nome, and there was a test structure done in Fairbanks last summer. These were on my radar because we’ve been receiving training about doing mortgages for these.”

“The building is often not the hard part, it’s usually having land available with infrastructure. It can cost \$60,000 just to go a couple hundred feet for water, sewer, and gas. It’s not so much what you have to put on top, but how much you spend to put in the utilities underneath.”

“We have a ton of land here, but the cost to install utilities make it unaffordable to build on the land here.”

“All the land with easily available utilities is becoming harder to get.”

“A lot of homes available for those first-time homebuyers, around \$360,000 price point, are just old and in disrepair. We’ve got some poorly built homes all over Alaska.”

“We need some condos that professionals or retired people can move into. The few that we do have are kinda weird, but I think having more condos could help our area a lot. The ones in Soldotna are nice (Pinewood Villas), and when those come up, they go fast.”

“For Homer, I think we have an attitude problem around density. We just have to recognize that some of our communities must have a little more density.”

“One of the challenges with updating these older homes through renovation or expanding housing supply with ADUs is that it increases property value, and hence people’s property tax bill. The reality is you get taxed higher for making your property nicer, so you kind of get punished, but maybe it should be the opposite, where you get taxed more if you have 40 broken down cars in your yard.”





“Overall, the City of Seward administration has done a lot of smart things that limit nightly lodging and prioritize housing development. Such as limiting houses from being used as nightly rentals, allowing land owners to drill wells inside city limits, and allowed for ADUs.”

“We have a lot of demand for nightly rentals in Seward because we don’t have enough hotel rooms. We own a 100-room hotel in town, and it is booked every night of the summer. We are part of another two hotels in town and it’s the same thing - 100% occupancy rate. Opening up more lodging via hotels reduces the number of people who need to stay at AirBnB’s, and more of those could be turned into long-term rentals.”

“I have a lot of buyers on the lower part of the income spectrum who frequently get beat out on houses from cash offers by non-local people who want to turn them into rentals. I don’t know how to address that, because sellers should be able to sell to cash buyers, but it makes it very tough for those first-time buyers or lower income buyers.”

“I do see a lot more people from Anchorage and Fairbanks and those areas investing on the Peninsula. I don’t know what made them all of a sudden so aware that we have a little paradise down here, but they have figured it out and they are coming down here and buying land and second homes.”

2026



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**CITY OF HOMER
HOMER, ALASKA**

Davis/Erickson

RESOLUTION 26-028(A)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
ASKING THE ECONOMIC DEVELOPMENT ADVISORY COMMISSION
(EDC) TO REVIEW SHORT-TERM RENTALS (STRs), GATHER
COMMUNITY INPUT, AND PROVIDE FINDINGS AND
RECOMMENDATIONS TO THE CITY COUNCIL

WHEREAS, Short-term rentals (STRs) are one of several factors that may influence housing availability, seasonal workforce needs, and the local economy in Homer; and

WHEREAS, Homer experiences significant seasonal variation in population, housing demand, and visitor activity, particularly during peak summer months; and

WHEREAS, The availability of both long-term and seasonal summer and winter housing is an ongoing concern for residents, employers, and employees in the community; and

WHEREAS, STRs may provide economic benefits to property owners, local businesses, and the broader visitor economy; and

WHEREAS, Policy approaches to STRs vary widely across Alaska and other tourism-based communities, including registration approaches, zoning tools, owner-occupancy requirements, and other local measures; and

WHEREAS, The City Council recognizes the importance of maintaining a level playing field among lodging types, and between STR activity occurring within and outside City limits, including consideration of tax collection and related requirements; and

WHEREAS, The City Council would benefit from a clearer understanding of local conditions in Homer, including community perspectives and how STRs may interact with housing availability and economic activity; and

WHEREAS, The City Council desires to consider both potential benefits and potential unintended consequences of any future policy direction;

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby directs the Economic Development and Advisory Commission to:

1. Gather input from a range of local perspectives, including residents, renters, employers, STR hosts, Kachemak Board of Realtors, the Kenai Peninsula Economic Development District and others affected by seasonal housing dynamics;

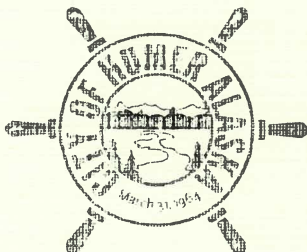
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2. Consider definitions of STR's, hotels, hostels, bed and breakfasts, hotels and apartments in conjunction with the Title 21 rewrite project;
3. Develop a general understanding of STR activity in Homer, including approximate numbers, general distribution, and seasonal patterns of use;
4. Consider how housing availability changes throughout the year, particularly during peak summer months, slower winter months and how STRs may or may not contribute to those changes;
5. Review examples of STR approaches used in other Alaska and comparable communities, and consider which elements, if any, may be relevant to Homer (the attached AI-assisted summary of other communities' approaches may be helpful in this regard);
6. Consider potential effects of STR activity and potential policy responses on housing availability, seasonal workforce needs, local businesses, and the visitor economy;
7. Consider the potential benefits, costs, and practical implications of a local STR registration approach, including whether registration numbers should be displayed in online listings or advertising, whether registration should be offered at no cost, a nominal cost, or at a level intended to recover administrative expenses, and whether a registration approach would improve the City's understanding of STR activity and support more informed decision-making;
8. Provide to the City Council a summary of observations, key takeaways, and a small number of possible near-term steps for Council consideration;
9. Provide, if appropriate, a broader range of potential future approaches for Council discussion;
10. Report back to the City Council ~~on or before~~ **between August 1st and** October 15, 2026.

PASSED AND ADOPTED by the Homer City Council this 13th day of April, 2026.

CITY OF HOMER

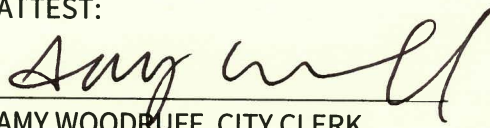

RACHEL LORD, MAYOR



86 ATTEST:

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AMY WOODRUFF, CITY CLERK

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91 Fiscal Note: N/A



MEMORANDUM

CC-26-085

Resolution 26-028, a Resolution of the City Council of Homer, Alaska Asking the Economic Development Advisory Commission (EDC) to Review Short-Term Rentals (STRs), Gather Community Input, and Provide Findings and Recommendations to the City Council.

Item Type: Backup Memorandum
Prepared For: Mayor Lord and Homer City Council
Date: April 7, 2026
From: Julie Engebretsen, Community Development Director; Councilmembers Shelly Erickson and Jason Davis
Through: Melissa Jacobsen, City Manager

SUMMARY:

This resolution asks the Economic Development Advisory Commission (EDC) to take a focused look at short-term rentals (STRs) and how they may relate to housing conditions in Homer. This is not a proposal to regulate STRs. It is a step toward getting a clearer, shared understanding of local conditions before making decisions.

BACKGROUND:

Short-term rentals are frequently discussed in connection with housing availability, seasonal workforce needs, and economic activity. At the same time, they are also part of Homer’s visitor economy and may contribute to local income and tax revenue.

Homer also has a distinct seasonal pattern, with peak demand concentrated in the summer months. Understanding how housing availability shifts during those periods—and how STRs fit into that picture—is an important part of the conversation.

At present, much of the discussion locally is based on partial information, individual experiences, or comparisons to other communities. There are also residents and groups who have already gathered information or developed their own perspectives. This effort is intended to bring those viewpoints together and consider them alongside broader community input.

The resolution asks the EDC to focus on practical steps: hearing from people directly affected, developing a reasonable picture of STR activity in Homer, considering how housing availability

changes through the year, reviewing how other communities have approached similar questions, and thinking through the potential role and structure of a basic registration approach.

It also encourages a balanced view, including consideration of both potential benefits and unintended consequences for housing and the local economy.

The goal is for the EDC to come back with a clear summary of what it heard and observed, key takeaways, a short list of possible near-term steps, and, if useful, a broader set of potential approaches.

An initial report is anticipated within six months.

Also attached is a summary of STR approaches used in other Alaska and tourism-based communities. This document is intended as background only and should not be viewed as prescriptive.

RECOMMENDATION:

Adopt Resolution 26-028

ATTACHMENTS:

Summary of STR approaches

SHORT-TERM RENTAL REGULATIONS

Caps, Zoning, and Ownership Rules in Alaska and Comparable Tourism Communities

Research survey of approaches in Alaska, Oregon, and Washington | 2025–2026

At a Glance: Community Comparison

The table below summarizes the regulatory approaches of the communities researched. Detail on each follows in subsequent sections.

Community	Approach	Key Details
Seward, AK	Zoning + Permit	Residential zones: 50% of bedrooms, max 3; commercial zones: max 5. Annual life safety inspection required. STRs banned in boat harbor.
Soldotna, AK	Tax + Permit	4% lodging tax effective Jan 2025. New permit ordinance (2025): all STRs require administrative permit; owner-occupied units previously exempt.
Sitka, AK	Owner Occupancy	New STRs require owner to live on property as primary residence ≥6 months/year. Effectively bans investor-owned vacation rentals.
Anchorage, AK	Licensing (Data-First)	Municipal STR license required as of Sept 2024 (\$400/yr). No cap or zoning restriction. Primary goal: data collection. Vetoed once by mayor.
Juneau, AK	Registration Only	Free CBJ registration; listing must display registration number. 14% lodging tax. No caps, no zoning limits, no owner-occupancy requirement.
Bend, OR	Spacing + Type Tiers	Type II (non-owner-occupied whole house): must be 500 ft from nearest Type II. Type I (owner-occupied, ≤2 rooms): no spacing limit. Effective cap via distance rule.
Newport, OR	Neighborhood Caps	Hard caps by district: Nye Beach ~100 licenses; Oceanfront ~75; other residential ~30. Plus 250-ft spacing rule.
Chelan County/Leavenworth, WA	Hard Housing Stock Cap	County-wide cap at 6% of housing stock. Leavenworth area at ~16% and closed to new permits. Non-transferable permits (expire on sale).

1. Alaska: The Regulatory Landscape

Alaska has no statewide STR registration, licensing, or cap system. There is also no statewide lodging tax — Alaska is the only state in the nation without one. All regulation is municipal. This creates a patchwork where approaches vary widely even between neighboring communities on the Kenai Peninsula. A 2023 Alaska House bill (HB 184, Rep. Andrew Gray) proposed a statewide registry and a limit of one STR per owner, but it did not advance out of committee. As of early 2026, no statewide framework has passed.

Soldotna

Soldotna has been actively tightening its STR framework since 2023. In December 2023, the city council adopted a 4% lodging tax on stays under 30 days, effective January 1, 2025, with revenue directed to a Tourism Enhancement Fund. The ordinance was amended in December 2024 to add quarterly reporting requirements, a \$25 penalty for failure to file, and a \$250/day fee for unlawful operation.

A second ordinance (2025-039), under consideration as of early 2025, would require all STRs — including owner-occupied units currently exempt — to obtain an administrative permit and meet operational requirements. Non-owner-occupied units already require a local point of contact, occupancy limits, and parking/signage restrictions; the proposed change would bring owner-occupied units into the same framework. As of the time of this research, the ordinance had not yet been adopted.

Note: *Soldotna currently has no hard cap on STR numbers, no zoning restrictions by district, and no owner-residency requirement — but the pending permit ordinance would close the exemption for owner-occupied units.*

Seward

Seward has one of the more developed STR frameworks on the Kenai Peninsula, shaped by its acute housing shortage and heavy summer tourism. Key features of the current code:

- Residential zones: STRs limited to 50% of bedrooms per unit, with a maximum of 3 bedrooms rentable. This effectively ensures that in a whole house, at least half the bedrooms remain in residential use.
- Commercial zones: up to 5 bedrooms permitted for STR use.
- Annual permit required (\$50 application fee + \$45 life safety inspection fee), renewable each January.
- Listing must display the STR permit number.
- STRs are not permitted in the Seward Boat Harbor.

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Seward's Planning and Zoning Commission considered more aggressive measures in 2022, including a ban on new whole-house rentals in residential zones and a 4-year waiting period for non-Seward-area residents seeking commercial-zone permits. These proposals met resistance from the City Council and as of 2022 had been postponed. Community Development Director Jason Bickling noted that residents rejected an outright cap: "People did not want an actual cap because there were some downsides... but to see if we could come up with some other ways to reach our goals of protecting residential housing, keeping land speculation out."

Note: *Seward's bedroom-ratio rule is a notable alternative to a hard cap — it limits STR intensity per property without setting a ceiling on the total number of permitted STRs. The proposed non-resident waiting period would be a significant tool against outside land speculation if enacted.*

Sitka

Sitka has Alaska's most restrictive STR policy for investor-owned properties. Following a 2022 ordinance tightening, new STRs are only permitted if the owner occupies the property as a primary residence for at least six months of the year. This effectively prohibits investor-owned whole-house vacation rentals while still allowing homeowners to host guests seasonally. Sitka also maintains a Planning Commission permitting process to control STRs in residential neighborhoods.

Anchorage

Anchorage's path to STR regulation has been contentious. The Assembly passed a licensing ordinance in March 2024 on a 7-5 vote; Mayor Bronson vetoed it within 24 hours, calling it "meddling" with property owners. The Assembly overrode the veto, and the licensing program went into effect September 15, 2024. Requirements include:

- Municipal STR license per unit: \$400/year (renewable every 2 years). Fee waived to \$50 if the unit is the owner's primary residence or rented long-term for more than 180 days — explicitly designed to incentivize return to long-term rental market.
- Minimum \$500,000 liability insurance (waived if major platform provides equivalent coverage).
- 24/7 on-call contact who can respond to issues within 24 hours.
- 12% room tax on stays under 30 days.

Notably, Anchorage's program was framed primarily as a data-collection exercise — to understand how many STRs exist, who owns them, and whether they are materially affecting the housing market. No caps, no zoning restrictions, and no owner-occupancy requirements have been adopted. Assembly member Zaletel: "We need to figure out: Is it a problem? If it is, how big is it?"

Juneau

Juneau takes the lightest-touch approach of Alaska's major cities. Registration with the CBJ Sales Tax Office is required and is free. Every listing must display its CBJ registration number. The 14% combined tax (5% sales + 9% lodging) is substantial. But Juneau has imposed no caps, no zoning

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restrictions, and no owner-occupancy requirements. As of July 2025, platforms like Airbnb and VRBO are required to collect and remit Juneau's taxes on behalf of hosts.

State-Level Proposal: HB 184 (2023)

In May 2023, Representative Andrew Gray (D-Anchorage) introduced HB 184, which would have established a statewide STR registry and limited each owner to one registered STR unit. The bill was grounded in research showing that ownership-limit policies have a larger effect on STR market size than registration-only policies. UAA economist Brett Watson stated: "It seems that the policies that are enforcing strict rules have some bite, and they decrease the size of the market." The bill did not advance past committee. No comparable statewide measure has passed as of early 2026.

2. Oregon: Sophisticated Density Controls

Bend

Bend has one of the most carefully engineered STR frameworks in the Pacific Northwest, developed in response to explosive STR growth (over 1,000 listings by 2022 in a city of ~100,000). The core mechanism is a two-tier permit system tied to owner occupancy and a geographic spacing rule:

- Type I (Owner-Occupied or Infrequent Use): Covers owner-occupied rentals of up to 2 bedrooms, or whole-house rentals limited to 4 periods or 30 days per year. No spacing requirement — anyone may obtain this permit. Application fee: ~\$1,315.
- Type II (Non-Owner-Occupied Whole House): Requires that no other Type II rental exists within 500 feet, measured radially from the property boundary. This 500-foot buffer was increased from 250 feet in 2022. Application fee: ~\$3,657. Minimum \$500,000 liability insurance required.

In practice, the 500-foot rule effectively functions as a density cap without being a numeric cap — as STRs fill in a neighborhood, the 500-foot bubble around each one prevents new permits from being issued nearby. Practitioners note that as of 2023, "the regulations put an effective stop on new short-term rentals" in much of Bend. Pre-2015 permits are grandfathered and transferable, making those properties significantly more valuable.

The land use permit is property-specific and non-transferable for post-2015 Type II permits. Operators also need a separate annual operating license (\$205/year renewal). Occupancy is capped at 2 per bedroom plus 2 additional (e.g., 8 guests maximum for a 3-bedroom home).

Note: Bend's spacing rule is a highly replicable model for communities wanting density control without a hard numeric cap. It avoids the legal vulnerability of numeric caps (see Idaho section) while achieving a similar result geographically.

Newport

Newport (pop. ~11,000, home of the Oregon Coast Aquarium) enacted a significant STR ordinance in 2019. Newport uses hard numeric caps by neighborhood district — an unusual approach among Oregon cities:

- Nye Beach historic district: capped at approximately 100 STR licenses.
- Oceanfront area: capped at approximately 75 licenses.
- Other residential zones: smaller district caps of approximately 30.
- Total city cap set initially around 200 licenses, with a goal of reducing to ~170 through attrition.
- 250-foot spacing buffer between STRs in certain zones.

Newport's approach is directly relevant for communities that want to limit STR concentration in particular neighborhood types — distinguishing, for instance, between a historic downtown or touristy waterfront zone and quieter residential areas. Enforcement tightened in 2023.

3. Washington: Hard Housing-Stock Caps

Chelan County / Leavenworth

Chelan County (home to the tourist destination of Leavenworth) enacted comprehensive STR rules in July 2021 after a moratorium. The county uses a hard housing-stock cap approach:

- County-wide cap: STRs may not exceed 6% of the total housing stock in most areas. In the immediate Leavenworth, Lake Wenatchee, and Plain areas, the cap has been exceeded (the area is at approximately 16% of housing stock) and is closed to new permits indefinitely.
- Owner-occupancy tiers: Tier 1 (owner within 200 feet of property at all times during guest stays) is allowed in most zones. Non-owner-occupied properties face stricter zoning requirements (Rural Residential/Resource, 5+ acres minimum in some categories).
- Non-transferable permits: STR permits expire when a property is sold. New owners cannot inherit the STR permit and must reapply — but since the cap has been exceeded, they cannot get a new one. This effectively means STR-permitted properties in Leavenworth sell at a premium and that the permitted inventory shrinks over time through attrition.

The city of Leavenworth itself takes an even harder line: STRs are largely prohibited in residential zones within city limits, with exceptions only for owner-occupied bed-and-breakfast operations (conditional use permit required, owner must be on premises during all guest stays). Non-owner-occupied STRs within city limits are prohibited in all residential districts.

Chelan County's non-transferable permit design is worth particular attention: it allows existing operators to continue while ensuring that permits don't become a tradeable commodity, and that over time the total inventory declines through natural turnover.

4. Synthesis: What Works, What Doesn't, and What Alaska Communities Can Learn

On Caps and Limits

Numeric hard caps — a fixed ceiling on the number of permitted STRs across a community or zone — are the most direct tool. Alaska has no court precedent or state preemption statute limiting their use, and the communities in this report that have adopted them have done so without successful legal challenge to date. Alternatives to a hard cap exist and are worth knowing about, as they can achieve similar density-control results through different mechanisms:

- Geographic spacing rules (Bend's 500-foot buffer between non-owner-occupied whole-house rentals) — effectively create scarcity without a numeric ceiling.
- Housing-stock percentage caps (Chelan County's 6%) — frame the limit as a proportion of the housing market, not an absolute number, which may be more defensible as a legitimate land-use regulation.
- Bedroom-ratio rules (Seward's 50% of bedrooms) — limit intensity at the property level without capping total numbers.
- Neighborhood/district caps (Newport's tiered district approach) — target high-tourism areas specifically.

On Zoning Approaches

Limiting STRs by zoning district — allowing them in commercial or resort zones while restricting or banning them in residential zones — is among the most widely used and legally durable approaches. Leavenworth prohibits STRs in residential zones entirely; Seward limits STR intensity by bedroom ratio within each zone. For Alaska communities, a zoning-based approach has several advantages: it aligns with existing land-use planning frameworks, it is spatially targeted, and it preserves residential neighborhoods for long-term housing without eliminating tourism accommodation capacity in appropriate commercial zones.

The key implementation challenge is enforcement: rules on paper without dedicated staffing produce large illegal markets. Communities that have added a dedicated STR enforcement officer — funding the position through licensing fees — have seen materially better compliance.

On Owner Occupancy and Ownership Limits

Owner-occupancy requirements are among the most effective tools for preserving residential housing stock. The core logic: a homeowner renting spare rooms or hosting while away is a fundamentally different activity from an outside investor converting a home into a de facto hotel. Sitka (Alaska) has adopted this directly, requiring new STR operators to be primary residents for at least six months annually — the most directly usable Alaska model for other communities considering this approach.

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One-per-owner limits (the approach proposed in Alaska's HB 184) target the commercial multi-STR investor rather than the homeowner supplementing their income. Research from UAA suggests ownership-limit policies have a larger effect on market size than registration requirements alone.

Non-transferable permits (Chelan County) achieve a similar result indirectly: by ensuring that STR permits don't survive property sales, the policy discourages pure investment acquisition while allowing existing operators to continue. This approach may be more legally defensible than ownership limits because it regulates the permit, not the person.

Key Takeaways

- Registration and taxation alone (the Juneau model) generate revenue and data but do not limit STR growth or protect housing stock. They are a starting point, not a complete policy.
- Geographic spacing rules and zoning restrictions — alongside hard caps — each have a track record of effectiveness; the right tool depends on community goals and political context.
- Owner-occupancy requirements are the single most direct tool for separating homeowner hosting from investor-owned vacation rentals — and Sitka's approach is a usable Alaska model.
- Non-transferable permits (Chelan County model) are an underused tool that naturally limits permit inventory over time without requiring enforcement of a hard cap.
- Dedicated enforcement staffing is essential — regulations without an enforcement mechanism produce large illegal markets. Self-funding enforcement through licensing fees is a proven model.
- A pre-resident or local-residency waiting period (Seward's proposed 4-year waiting period for non-Seward-area residents) is a creative tool specifically targeted at outside land speculation.
- The Anchorage model of data-first licensing before additional restrictions is sensible for communities that don't yet know the scale of the problem — but should include a stated timeline for evaluating whether additional measures are needed.

— End of Report —

16.60.080 Specific use criteria – Short-term rentals.

- A. Except as otherwise provided in this section, no person shall engage in operating a short-term rental on property within the city.
- B. Short-term rentals, including bed and breakfasts, are permitted after issuance of an administrative permit in RR, R-1, R-2, R-M, and C districts. Short-term rentals are prohibited in the P and I districts.
- C. An application for a permit for all short-term rentals must provide the following additional information:
1. *Owner/Applicant Information.* The name, address, mailing address, email address, and telephone number of the applicant and owner of the short-term rental property. If the applicant or owner is a partnership, a corporation, or limited liability company, the application must list all of the owners, including all partners and members.
 2. *Local Contact Information.* The name, telephone number, mailing address, and email address of the local contact. A local contact is a person or company who can be contacted concerning use of the property or complaints related to the short-term rental. For purposes of this requirement, “local” means the representative will be present within a one-hour travel time of the short-term rental, and available at all times the property is being rented to respond to complaints or other issues.
 3. *Insurance.* Proof of either a rider on a homeowner’s policy or a commercial policy that expressly covers short-term rentals and provides a minimum of \$1,000,000 liability and personal injury coverage per short-term rental unit. Insurance required above shall be without prejudice to coverage otherwise existing and shall name, as an additional party, the city, its officers, and employees, and shall provide that the policy shall not terminate or be cancelled prior to the completion of the short-term rental permit period without 45 days’ written notice to the city at the address shown in the short-term rental permit. A copy must be submitted with permit application and with subsequent renewal applications.
 4. *Occupancy.* The number of bedrooms and the proposed maximum occupancy for the short-term rental (daytime and overnight).

5. *Septic.* Certification, dated within one year of submission of the application for the permit, from a state-licensed and certified septic inspector or inspection service, that each septic system located upon the site of the short-term rental is functioning properly and complies with all applicable city, borough, and state health and safety regulations and requirements.
 6. *Business License.* Written confirmation from the planner that a complete application for a city business license for the short-term rental has been properly filed with the city.
- D. All short-term rentals operating within the city must comply with the following:
1. *Parking.* The short-term rental must have a minimum of two on-site parking spaces for exclusive use of the renters while the dwelling is occupied by a renter. When the dwelling consists of more than four bedrooms, each additional bedroom or sleeping area beyond the first four requires one additional dedicated parking space. No portion of any such required parking stall shall be located within either a required front or street side yard setback area, except on a designated driveway or parking area. Grassed or landscaped areas of the yard may not be utilized for required parking spaces. All required parking spaces shall comply with the parking standards in this title, except for the minimum number of required parking spaces. On-street parking is prohibited for short-term rental units.
 2. *Occupancy.* The maximum overnight occupancy of the short-term rental shall be limited to two persons per bedroom, plus two additional persons, up to a maximum of eight occupants.
 3. *Rental Period.* A minimum of a one-night stay must be required of guests.
 4. *Signage.*
 - a. *Exterior.* A sign must be posted on the property on which the short-term rental is located which contains the name and telephone number of the local contact and the short-term rental registration number. The local contact information must be posted in a clear and visible location that can be seen and read from the road abutting the front yard of the property. The required sign may be no larger than four square feet in area. Except as otherwise provided in this section, no other signage is permitted. No on-site exterior signage of any type may be posted to identify the property as a short-term rental or to solicit rental of such residence.
 - b. *Interior.* A sign with the following information must be posted conspicuously within the short-term rental:

- i. The maximum number of occupants that are permitted, and notification that failure to comply with the maximum occupancy is a violation of the short-term rental permit;
 - ii. The number of parking spaces provided, the location of assigned parking, and the maximum number of vehicles that are permitted;
 - iii. The trash pickup day(s) and applicable regulations pertaining to leaving or storing trash on the exterior of the property;
 - iv. Notification that the occupant may be subject to citation and fines for violating applicable ordinances and laws;
 - v. The name and telephone number of the local contact;
 - vi. 9-1-1 emergency information, including the complete physical address of the short-term rental, must be posted in each sleeping area and must be in a font size 36 points or greater;
 - vii. Emergency exit information must be posted in each sleeping area and must be in a font size 36 points or greater; and
 - viii. Short-term rental identification number provided by the city.
5. *Advertising.* All advertising for the short-term rental must include the city-issued short-term rental identification number provided by the city.
6. *Structural and Design Features.*
- a. *House Numbers.* The short-term rental must have a visible numerical address on the building and at end of driveway, with the number easily seen from the street during the day and night. The size and type of lettering must comply with all applicable local, borough, state, and federal regulations.
 - b. Each dwelling used as a short-term rental shall maintain an operational fire extinguisher, smoke alarms (one per bedroom plus one in each hallway), and carbon monoxide alarms (a minimum of one per floor).
 - c. Exit, egress, and an emergency evacuation map must be displayed in a prominent location in each room used for sleeping purposes.

d. Operable egress windows must be in each bedroom.

e. The owner is responsible for ensuring that the short-term rental permitted under this chapter complies with applicable local, borough, state, and federal regulations, including, but not limited to, building codes, business license, and private covenants and restrictions.

7. *Contact Information.* The owner shall maintain a valid 24-hour telephone number for the local contact of a short-term rental who will respond to all emergencies and problems that may arise during the rental period, whether from occupants, neighbors, or municipal authorities.

E. Short-term rentals must follow all permitting requirements for any accessory or ancillary use under this title, including the use of the property or building for events, meetings, or camping.

F. Administrative permits and conditional use permits issued for short-term rentals shall expire five years from the date of issuance. (Ord. 25-14(AM) § 2, 2025)

The Wasilla Municipal Code is current through Ordinance 26-06, passed March 23, 2026.

Disclaimer: The Office of the City Clerk has the official version of the Wasilla Municipal Code. Users should contact the clerk's office for ordinances passed subsequent to the ordinance cited above.

[City Website: www.cityofwasilla.gov](http://www.cityofwasilla.gov)

[City Telephone: \(907\) 373-9090](tel:(907)373-9090)

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Chapter 16.26 SHORT-TERM RENTALS

Sections:

- 16.26.010** Purpose and intent.
- 16.26.020** Definitions.
- 16.26.030** Applicability.
- 16.26.040** Application and fee.
- 16.26.050** Approval criteria – New and renewal.
- 16.26.060** Standards.
- 16.26.070** Prohibitions.
- 16.26.080** Issuance – Term.
- 16.26.090** Renewal – Transferability.
- 16.26.100** Denial.
- 16.26.110** Violations – Enforcement.
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- 16.26.130** Severability.

OLD CODE

16.26.010 Purpose and intent.

A. The purpose of this chapter is to establish the regulations governing the use of a residential dwelling unit as a short-term rental. This chapter provides reasonable and necessary regulations for the permitting of short-term rental of residential dwelling units in order to:

1. Ensure the safety, welfare and convenience of occupants, owners, and neighboring property owners;
2. Balance the legitimate neighborhood livability concerns with the property owner’s desire to use their property as they choose;
3. Recognize the need to limit short-term rental options within neighborhoods to ensure compatibility, while recognizing the benefits of short-term rentals in providing recreation and income opportunities, as well as transitional housing and business or hospital-related short stays;
4. Help maintain the city’s needed housing supply for long-term residential use; and

5. Protect the character and stability of the city’s neighborhoods by limiting the number, concentration, and maximum occupancy of full-time short-term rentals in residential zones. In the adoption of these regulations, the city finds that the transient rental of dwelling units can be incompatible with surrounding residential uses. Therefore, special regulation of residential dwelling units listed for transient rental is necessary to ensure that these uses will be compatible with surrounding residential uses and will not materially alter the neighborhoods in which they are located.
- B. A short-term rental permit grants approval to operate a short-term rental in accordance with this chapter. A short-term rental permit may be terminated or revoked if the standards of this chapter are not met and will expire if the dwelling is sold or otherwise transferred as defined in this chapter. This chapter provides an administrative framework for approving the annual operation of a short-term rental.
- C. The regulations of this chapter are not intended to permit any violation of the provisions of any other law or regulation.
- D. Exemption of a use from the provisions of this chapter shall not exempt the use from other applicable provisions of this title.
- E. Prior to the adoption of the provisions contained in this chapter, there were no provisions in this title that identified or allowed the establishment of a “short-term rental” as a legally permitted land use. Accordingly, nothing in this chapter shall be construed to identify or allow an existing use to be classified or considered a legal nonconforming short-term rental subject to the provisions and allowances of WMC Chapter [16.28](#). (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.020 Definitions.

When used in this chapter, the following words and phrases shall have the meanings set forth in this section:

“Agent” means a property management company or other entity or person who has been designated by the applicant, in writing, to act on their behalf. The authorized agent may or may not be the designated representative for purposes of contact for complaints (see “Local contact”). The agent is responsible for advertising and operating a short-term rental and ensuring compliance with short-term

rental regulations. Any agent other than the property owner must be a properly licensed broker or licensee with the state of Alaska. Note: This term does not include listing services or online platforms for short-term rental listings.

“Applicant” means an individual submitting an application to the city for a short-term rental permit. The applicant may be the owner or agent for the owner.

“Daytime” means between the hours of 7:00 a.m. and 10:00 p.m.

“Hosting platform” means any electronic or other operating system, functioning in the nature of a marketplace by which an operator markets, advertises, offers, solicits customers for, or makes available for commercial use a residential dwelling unit as a short-term rental.

“Local contact” means the person designated by the owner or agent who will be available 24 hours per day, seven days per week, for the purpose of responding to concerns or requests for assistance related to the owner’s short-term rental.

“Occupant” means any person who occupies or is entitled to occupy by reason of concession, permit, right of access, license or other agreement a short-term rental for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days.

“Overnight” means between the hours of 10:00 p.m. and 7:00 a.m. the following day.

“Owner” means the person or entity that has the right to possess, use, and convey title to the property for which the short-term rental permit is sought and is responsible for compliance with these provisions, regardless of whether an agent or property manager is used to manage the short-term rental.

“Owner occupied” means that the dwelling unit is occupied by the owner for a minimum of six months out of a calendar year.

“Permanent resident” means a person who is eligible for a permanent fund dividend under AS [43.23.005](#) for the same year or for the immediately preceding year. If the applicant has not applied or does not apply for the permanent fund dividend, the applicant must show that they would have been eligible for the permanent fund dividend.

“Primary residence” means an owner’s permanent residence or usual place of return for housing as documented by at least two forms of identification (e.g., state of Alaska driver’s license, utility bills, Matanuska-Susitna property tax bill). A person may have only one primary residence.

“Short-term rental” means the commercial use, or the making available for commercial use, of an entire residential dwelling unit for transient rental, dwelling, overnight lodging or sleeping purposes, wherein any individual occupant rents or occupies the entire dwelling unit for a period of 30 days or less, with or without financial compensation, for a minimum of one night, but no more than 30 consecutive calendar days in duration. May also be referred to as VRBO, AirBnB, etc. Note: This term does not include bed and breakfast, hotel, motel, dormitory, public or private club, recreational vehicle park, hospital and medical clinic, nursing home, convalescent home, foster home, halfway house, transitional housing facility, any housing operated or used exclusively for religious, charitable or educational purposes, group living facility, or any housing owned by a governmental agency and used to house its employees for governmental purposes.

“Transfer” means the addition or substitution of owners not included on the original license application, whether or not there is consideration. If multiple owners exist on a short-term rental permit, individual owners may be removed from the license without constituting a transfer.

“Transient rental” means the occupancy of a residential dwelling unit for compensation on less than a month-to-month basis. (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.030 Applicability.

- A. No owner of a property within the city limits may advertise, offer, operate, manage, rent, offer to rent, or otherwise make available or allow another person to make available for occupancy or use as a short-term rental to another person without a valid short-term rental permit approved and issued in the manner provided for by this chapter. “Advertise or offer” includes utilizing any media, whether written, electronic, web-based, digital, mobile or otherwise.
- B. Where there are multiple short-term rental units on the same property, each unit must be permitted individually.

C. The requirements of this section apply to zoning districts as listed in the district use chart in WMC [16.20.020](#) but do not apply to principal transient accommodations (hotels, motels, bed and breakfast) or residential dwelling units occupied for more than 30 days.

D. The owner is responsible for ensuring that short-term rentals permitted under this chapter comply with applicable local, borough, state, and federal regulations, including, but not limited to, building codes, business licenses, and private covenants and restrictions. (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.040 Application and fee.

A. *Application Fee.*

1. An application for a short-term rental permit must be accompanied by a nonrefundable fee established by resolution of the planning commission; provided, however, the purpose of the fee is to defer the cost incurred by the city in administering the provisions of this chapter.
2. *Increased Permit Fee for Noncompliance (After-the-Fact Fee).* A penalty of five times the regular permit fee shall be charged for a short-term rental permit application for a short-term rental that was advertised without first obtaining the necessary permit.

B. *Application.* An application must be submitted for each short-term rental and must be on forms provided by the city, demonstrating the application meets the standards required by this chapter, and must contain the following information, at a minimum. The applicant or authorized agent shall certify the following information to be true and correct:

1. *Owner/Applicant Information.* The name, address, mailing address, email address, and telephone number of the applicant and owner of the short-term rental property. If the applicant or owner is a partnership, a corporation, or limited liability company, the application must list all of the owners.
2. *Local Contact Information.* The name, telephone number, address, and email of the local contact, which can be a person or company, who can be contacted concerning use of the property or complaints related to the short-term rental. For purposes of this requirement, “local” means the representative will be present within a one-hour travel time of the short-term rental and available at all times the property is being rented to respond to complaints or other issues.

3. *Site Plan.* A scaled site plan that meets all site development requirements of WMC [16.08.015](#), except that the site plan may be prepared by the owner or applicant; provided, that it is to scale. The site plan must include property lines, any existing structures, proposed signage, proposed and existing site improvements such as, but not limited to, parking, fences, hot tubs, pools, docks, gazebos, etc.
4. *Insurance.* Proof of either a rider on a homeowner's policy or a commercial policy that expressly covers short-term rentals and provides a minimum of \$1,000,000 liability and personal injury coverage per short-term rental unit. Insurance required above shall be without prejudice to coverage otherwise existing and shall name, as an additional interested party, the city, its officers and employees, and shall provide that the policy shall not terminate or be cancelled prior to the completion of the short-term rental permit period without 45 days' written notice to the city at the address shown in the short-term rental permit. A copy must be submitted with permit application and with subsequent renewal applications.
5. *Occupancy.* The number of bedrooms and the proposed maximum occupancy for the short-term rental (daytime and overnight).
6. *Septic.* Certification, dated within one year of application for the permit, from a state-licensed and certified septic inspector or inspection service that each septic system located upon the site of the short-term rental is functioning properly and conforms to all applicable city, borough, and state health and safety regulations and requirements.
7. *Acknowledgement.* Notarized acknowledgement by the owner of receipt and inspection of a copy of city regulations pertaining to the operation of a short-term rental within the city limits.
8. *Business License.* Evidence of a valid business license issued by the city for the short-term rental.
9. Such other information as the city planner may deem reasonably necessary to administer this chapter. (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.050 Approval criteria – New and renewal.

- A. The applicant has the burden of proof to demonstrate compliance with each of the applicable criteria for approval or renewal of the short-term rental permit. The approval criteria also operate as continuing code compliance obligations of the owner. Staff may verify evidence submitted and the applicant shall cooperate fully in any investigation.
- B. To receive approval, an applicant must demonstrate that all approval criteria listed below have been satisfied:
1. The zoning for the property is in compliance with the requirements of this title.
 2. The site upon which the short-term rental use is to be established is adequate in size and shape to accommodate said use.
 3. The residential character of the neighborhood in which the use is located will be maintained and preserved and the issuance of the permit will not be detrimental to the public health, safety, and welfare of the residents in the neighborhood or detrimental to the community within the vicinity in which the short-term rental is located.
 4. The property owner is a permanent resident of the state of Alaska, as defined in this chapter.
 5. *Local Contact Information.* The applicant has provided information sufficient to verify that a local contact will be available for questions and/or concerns regarding the short-term rental. The local contact shall be available to be contacted by telephone, text, or email to ensure a response to complaints regarding the short-term rental address at all hours (24 hours a day, seven days a week) while the dwelling unit is occupied for rent. Response must be within one hour. The local contact may be changed from time to time throughout the term of the short-term rental. To do so, the revised contact information shall be submitted to the planning department at least 30 days prior to the date the change takes effect to allow notification of property owners within a minimum of 1,200 feet of the lot lines of the short-term rental, except when the failure to do so is beyond the owner's control. In an emergency or absence, the local contact may forward information to a qualified person to act in their stead.
 6. *Notice.* Prior to approval of a short-term rental permit, the city planner must notify all owners of property within a minimum of 1,200 feet of the lot lines of the short-term rental by first-class

mail that a permit application has been received and is pending approval by either the city planner or planning commission, as appropriate. The applicant will be responsible for the postage fees for the mailing. The notice shall be mailed at least 10 business days prior to making a final determination on the application. The notice must provide a brief description of the use requested by the applicant, the anticipated date the permit will be issued, and where information regarding the application may be obtained. For permits that require conditional use approval from the planning commission, the notice will also indicate the date, time, and location of the public hearing.

7. *Parking.* The short-term rental must have a minimum of two on-site parking spaces for exclusive use of the renters while the unit is occupied by a renter. When the unit consists of more than four bedrooms, each additional bedroom or sleeping area beyond the first four requires one additional dedicated parking space. No portion of any such required parking stall shall be located within either a required front or street side yard setback area, except on a designated driveway or parking area. Grassed or landscaped areas of the yard may not be utilized for required parking spaces. All required parking spaces shall comply with the parking standards in WMC [16.24.040](#), except for the minimum number of required parking spaces. On-street parking is prohibited for short-term rental units.

8. *Inspection.* Prior to issuance of the short-term rental permit, the owner(s) shall request and pay the applicable fee for an inspection from a licensed commercial or home inspector to confirm that the required fire and safety protection measures required in this chapter are in place and functioning, including but not limited to smoke detectors, carbon monoxide detectors, fire extinguishers, operable egress windows in each bedroom, an evacuation plan posted conspicuously in each sleeping area, repair of any exposed wiring, water heater inspection, required safety measures for pools (if applicable), and exterior stairwells (if applicable). By accepting a short-term rental permit, the owner agrees to allow on-site inspections by the city at reasonable times with reasonable notice.

9. The city planner (or planning commission when required) shall have the authority to place reasonable conditions on the permit to ensure that the use will comply with the general approval criteria in WMC [16.16.050](#). (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.060 Standards.

Short-term rentals must comply with the following standards:

- A. *Density.* A maximum of 75 short-term rental permits may be issued by the city planner. No owner or officer or employee of an entity may possess more than three permits and no household with multiple owners may possess more than a total of three permits for the household. The dwelling must comply with the following additional limitations:
1. *Multifamily Buildings.* No more than 25 percent of the lawfully permitted residential dwelling units in a multifamily building may be rented as a short-term rental. For a triplex, only one of the lawfully permitted units may be rented as a short-term rental.
 2. *Duplex.* One of the two units in a lawfully permitted duplex may be rented as a short-term rental.
 3. *Rentals per Unit.* No more than one short-term rental is allowed within any single-family residential dwelling unit.
- B. *Occupancy.* The maximum overnight occupancy of the short-term rental shall be limited to two persons per bedroom, plus two additional persons, up to a maximum of 10 occupants, excluding persons two years of age or younger.
- C. *Rental Period.* A minimum of a one-night stay is required.
- D. *Signage.*
1. *Exterior.* No on-site exterior signage of any type may be posted to identify the property as a short-term rental or to solicit rental of such residence. The only signage allowed is the required sign containing the information for the local contact and the short-term rental permit number. The required sign may be no larger than two square feet in area.
 2. *Interior.* A sign with the following information must be posted conspicuously within the short-term rental:
 - a. The maximum number of occupants that are permitted and notification that failure to conform to the maximum occupancy is a violation of the short-term rental permit;

- b. The number of parking spaces provided, and the location of assigned parking and the maximum number of vehicles that are permitted;
 - c. The trash pickup day(s) and applicable regulations pertaining to leaving or storing trash on the exterior of the property;
 - d. Notification that the occupant may be subject to citation and fines for violating applicable ordinances and laws;
 - e. The name and telephone number of the local contact that may be reached at all times;
 - f. 911 emergency information, including the complete physical address of the short-term rental, must be posted in each sleeping area and must be in a font size 36 or greater;
 - g. Emergency exit information must be posted in each sleeping area and must be in a font size 36 or greater; and
 - h. Short-term rental permit number.
- E. *Advertising.* All advertising for the short-term rental shall include the city-issued short-term rental permit number.
- F. *Structural and Design Features.*
- 1. *House Numbers.* The short-term rental must have a visible house number easily seen from the street, day or night. The size and type of lettering must comply with all applicable local, borough, state, and federal regulations.
 - 2. *Kitchens.* The residential dwelling unit used for a short-term rental shall not be modified to allow or contain more than one indoor kitchen/cooking facility. However, the addition of an indoor wet bar, microwave, and/or refrigerator may be allowed within the short-term rental.
 - 3. Each dwelling used as a short-term rental shall maintain an operational fire extinguisher, smoke detectors (one per bedroom plus one in each hallway) and carbon monoxide detectors (a minimum of one per floor).
 - 4. Exit/egress and an emergency evacuation map must be displayed in a prominent location in each room used for sleeping purposes.

5. Operable egress windows must be in each bedroom.
 6. Safety measures must be in place for pools and exterior stairwells.
 7. *Alterations or Modifications.* No alteration may be made that would identify a residential dwelling unit as a short-term rental and that would not preserve and protect the residential character of the residential dwelling unit or existing neighborhood. This includes the usage of lighting, signage, color, materials, construction type, etc. Alterations and modifications must also comply with all applicable provisions, requirements and standards of this title. Short-term rental permits will not be issued to structures that have been previously altered or modified without obtaining the appropriate permit for the alteration or modification.
 8. *Lighting.* Any lights used to illuminate a site used for a short-term rental purpose must be directed toward the short-term rental and shall not be directed toward adjoining properties and/or public rights-of-way.
 9. *Nuisance.* The owner/agent shall ensure that the occupants of the short-term rental do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate applicable provisions of the Wasilla Municipal Code or any state law pertaining to noise, disorderly conduct, overcrowding, the consumption of alcohol, or the use of illegal drugs. Owners are expected to take measures necessary to abate disturbances, including, but not limited to, directing the occupant, calling for law enforcement services or city code enforcement officer, evicting the occupant, or any other action necessary to immediately abate the disturbance.
 10. The owner is responsible for ensuring that the short-term rental permitted under this chapter complies with applicable local, borough, state, and federal regulations, including, but not limited to, building codes, business license, and private covenants and restrictions.
- G. *Contact Information.* The owner shall maintain a valid 24-hour telephone number for the local contact of a short-term rental who will respond to all emergencies and problems that may arise during the rental period, whether from occupants, neighbors or municipal authorities.
- H. *Records.*
1. *Records.* Accurate books and records must be maintained a minimum of three years and must be made available upon request to the city planning, finance, or code enforcement department,

including an occupant log that includes, at a minimum, the name, address, and telephone number of all overnight occupants, total occupancy, rates and sales tax collected, and dates of occupancy.

2. Records shall be made available to the city within five working days upon written request from the city. Personal information regarding guests may be redacted prior to providing records to the city.

I. *Rental Agreement.* A rental agreement shall be required for each rental of an approved short-term rental unit prior to occupancy and must include the following notifications and disclosures:

1. The maximum overnight occupancy of the short-term rental shall be limited to two persons per bedroom, plus two additional persons, up to a maximum of 10 occupants, excluding persons two years of age or younger;
2. Individual renting the short-term rental must be a minimum of 21 years of age;
3. Prior to occupancy, the owner shall obtain the name, address and driver's license number or a copy of the passport of the primary responsible adult occupant of the short-term rental;
4. Riding off-road vehicles is restricted to approved off-highway vehicle areas only;
5. All animals under the renter's control shall be cared for in a manner consistent with all city animal standards;
6. The maximum number of occupants that are permitted and notification that failure to conform to the maximum occupancy is a violation of this chapter;
7. The number of parking spaces provided, the location of assigned parking, and the maximum number of vehicles that are permitted;
8. The trash pickup day(s) and applicable regulations pertaining to leaving or storing trash on the exterior of the property;
9. Notification that the occupant may be subject to citation and fines for violating applicable ordinances and laws;
10. The name and telephone number of the local contact that may be reached at all times;

11. 911 emergency information, including the complete physical address of the short-term rental;
and

12. On-street parking is prohibited for short-term rental units.

J. *Animals.* Occupants are prohibited from allowing animals under their control to roam freely outside of the short-term rental at any time. Animals may not be restrained and left unattended outside at any time. All animals under the occupant's control shall be restrained and cared for in a manner consistent with all city animal control standards.

K. *Property Maintenance.*

1. The owner shall keep, or cause to be kept, the short-term rental property and landscaping in a neat, clean, and orderly manner at all times. Where a property is not maintained as specified herein, the property owner shall be required to restore the property to its required neat and clean manner upon receipt of a written notice of violation. A failure to return the property to a neat, clean, and orderly manner within 10 days of a notice to do so shall be grounds for revocation of the short-term rental permit.

2. Trash and refuse shall not be stored within public view, except in proper containers for the purpose of collection by the responsible trash hauler. The owner of the short-term rental shall provide sufficient trash collection containers and service to meet the demand of the occupants.

3. All pools and/or spas on site shall be maintained in a safe, neat, clean, and healthy manner at all times. Each pool and/or spa shall conform to all applicable codes and standards for the city, borough, and state.

4. The owner of each short-term rental shall ensure that all required accesses, driveways and parking spaces remain clear and unobstructed, and are available and ready for the occupants' use at all times.

L. *Miscellaneous Conditions.*

1. Advertisement of the short-term rental (in any media format) shall not identify the street address of the short-term rental but must include the short-term rental permit number and occupancy limits.

2. The city planner (or planning commission when required) shall have the authority to place reasonable conditions on the permit to ensure that the use will comply with this chapter and the general approval criteria in WMC [16.16.050](#). (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.070 Prohibitions.

- A. Functions such as meetings, luncheons, banquets, reunions, bachelor or bachelorette parties, receptions, weddings, fundraising events, commercial or advertising activities, and/or any other gathering of persons other than the authorized lodgers, whether for direct or indirect compensation, are prohibited in any buildings or anywhere on the site approved for a short-term rental permit.
- B. Commercial meetings and uses are prohibited in short-term rentals.
- C. *Overnight Camping.* No RVs, travel trailers, tents, yurts, or other temporary shelters may be used as a short-term rental or occupied in addition to a short-term rental. Recreational vehicles are permitted if they are the primary transportation for the renter or visitor but may not be used for overnight accommodations during the stay and must be located in a designated parking space. (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.080 Issuance – Term.

- A. The short-term rental permit shall only be issued to the owner of the property.
- B. The short-term rental permit shall be valid for a period of one year from the date of issuance.
- C. The city planner (or planning commission when required) shall have the authority to place reasonable conditions on the permit to ensure that the use will comply with the general approval criteria in WMC [16.16.050](#). (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.090 Renewal – Transferability.

- A. *Renewal.*
1. The owner must renew a short-term rental permit annually prior to the permit issuance anniversary date.

2. The renewal permit must include the renewal fee, any changes to the information requirements set forth in WMC [16.26.040](#), copy of a current inspection by a commercial or home inspector licensed in the state of Alaska or a notarized affidavit that the required fire and safety protection measures are still in place and operational, and current proof of the required liability insurance. If an affidavit is used, the applicant must include a note that the city's failure to inspect short-term rentals does not constitute a waiver of its right to perform future inspections.

3. The city planner (or the planning commission when required) shall have the authority to impose additional conditions on the renewal of any permit in the event of any violation of the conditions to the permit or the provisions of this chapter subject to compliance with the procedures specified in WMC [16.26.110](#).

B. *Transferability.* No short-term rental permit issued under this chapter shall be transferred or assigned or used by any person other than the owner to whom it is issued, or at any location other than the one for which it is issued. If multiple owners exist on a short-term rental permit, individual owners may be removed from the license without constituting a transfer. (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.100 Denial.

No application for a short-term rental permit may be denied if it meets the conditions of permit issuance pursuant to this chapter unless one of the following conditions applies:

- A. A short-term rental permit issued to the same owner has been revoked within one year of the application date, or is in the process of being revoked pursuant to WMC [16.26.110](#); or
- B. The owner has violated any federal, state, local, or city law or regulations pertaining to the use of the property as a short-term rental; or
- C. The Alaska State Troopers or any other law enforcement agency with jurisdiction in the city limits or Matanuska-Susitna Borough fire code official has determined that the short-term rental poses a serious threat to public health, safety, or welfare; or
- D. The owner/applicant has made a false statement of material fact on an application for a short-term rental. (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.110 Violations – Enforcement.

A. The owner of the short-term rental is responsible for compliance with the provisions of this chapter and the failure of an agent and/or local contact to comply with this chapter will be deemed noncompliance by the owner. The city planner (or planning commission when required) may revoke or void any permit for a short-term rental for noncompliance with the conditions and standards set forth in this chapter and pursuant to the procedures established in this subsection.

B. *Violations.* Remedies and penalties for violations under this chapter are provided in WMC Chapter [1.20](#) and subsection [\(D\)](#) of this section. The following conduct shall constitute a violation for which the referenced penalties may be imposed, or the permit revoked:

1. Noncompliance with any of the requirements in this chapter.
2. Noncompliance with conditions imposed by the city planner and/or planning commission.
3. The owner/agent commences or continues to advertise and/or operate a short-term rental without first procuring the required permit.
4. Failure to comply with a notice of violation/citation and/or pay any fines imposed pursuant to this subsection.
5. Failure to remit city sales tax or submit a report as required by WMC Chapter [5.16](#).
6. The occupants of the short-term rental have created noise, disturbances, or nuisances, in violation of the Wasilla Municipal Code or state law pertaining to consumption of alcohol or the use of illegal drugs.
7. Failure to provide and maintain a valid 24-hour contact telephone number for the local contact responsible for a short-term rental.
8. Failure to preserve occupancy records or failure to present such records when requested by the city to do so.

C. *Evidence of Violation.*

1. Advertising of any kind by an owner or agent that offers a residential dwelling unit as a short-term rental, as defined and regulated in this chapter, shall constitute prima facie evidence of the

operation of a short-term rental. The burden of proof shall be on the owner, operator, or lessee of record to establish that the subject property is being used as a legal short-term rental or is not in operation.

2. Other evidence of the operation of a short-term rental without a valid permit number may include, but is not limited to, occupant testimony, rental agreements, advertisements, and receipts or bank statements showing payments to the owner by an occupant.

D. *Penalties.* The penalties for violations specified in this chapter shall be the responsibility of the owner as follows:

1. For the first violation within any 12-month period, the penalty shall range from a notice of violation to a fine of \$500.00.

2. For a second violation within any 12-month period, the penalty shall be \$1,000 and may also include revocation of the permit.

3. For a third violation within any 12-month period, the penalty shall be revocation of the permit.

4. A separate offense shall be deemed committed on each day during or on which a violation occurs or continues.

5. Revocation of the short-term rental permit may occur at any time if the owner/agent fails to preserve occupancy records or present such records when requested by the city to do so.

6. In addition to the penalties above, a notice to cease and desist operation of the short-term rental of a residential dwelling unit shall be issued for any short-term rental that is determined to be advertised for use as a short-term rental without first obtaining the necessary permit required under this chapter.

E. *Written Notice.* The city shall provide the owner with a written notice of any violation of this chapter. A copy of the warning notice shall be sent to the local contact.

1. *Correctable Violation.* The written notice will set forth the type of violation, the remedy, and the time period allowed to correct the violation.

2. *Revocation.* If the violation results in revocation of the short-term rental permit, the written notice will set the grounds upon which the permit was revoked, the date and time when the revocation is effective, and the appeals procedure. These provisions do not preclude the city planner's use of any other remedy prescribed by law with respect to violations of this chapter.

F. *Application for Permit after Revocation.* A person who has had a short-term rental permit revoked shall not be permitted to apply for a subsequent short-term rental permit for a period of two years from the date of revocation. (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.120 Appeals.

Appeal of an action made pursuant to this chapter must be filed in accordance with WMC Chapter [16.34](#). (Ord. 19-29(SUB)(AM) § 2, 2020)

16.26.130 Severability.

The terms and provisions of this chapter shall be deemed to be severable and if any section, subsection, sentence, clause, or phrase shall be declared to be invalid or unconstitutional, the same shall not affect the validity of any other section, subsection, sentence, clause, or phrase of this section and the remainder shall continue in full force and effect the same as if such invalid or unconstitutional provision had never been a part hereof. (Ord. 19-29(SUB)(AM) § 2, 2020)

The Wasilla Municipal Code is current through Ordinance 23-04, passed January 23, 2023.

Disclaimer: The Office of the City Clerk has the official version of the Wasilla Municipal Code. Users should contact the clerk's office for ordinances passed subsequent to the ordinance cited above.

[City Website: www.cityofwasilla.gov](http://www.cityofwasilla.gov)

City Telephone: (907) 373-9090

[Code Publishing Company](#)



MEMORANDUM

EDC-26-XXX

Conduct of the Public during Public Comment

Item Type: Informational Memorandum
Prepared For: Economic Development Advisory Commission
Date: May 19, 2026
From: Amy Woodruff, City Clerk

SUMMARY:

Public Comment is protected by the First Amendment. If a commenter is complying with time limits and commenting during the appropriate section of the agenda, the Chair may not take action to restrict comment unless it meets the criteria for unprotected speech such as a threat of harm.

BACKGROUND:

As public officials, EDC Commissioners may be the subject of criticism or other types of public comment during meetings. While this attention can be uncomfortable, we ask that you remain calm and professional during public comment. It is out of order for a Commissioner to engage in conversation with the public at any point during a meeting. Commissioners may make statements during specific agenda items or **COMMENTS OF THE COMMISSION** that provide context, correction, or otherwise acknowledge the content of public comment.

Public Comment is protected unless the content of the speech meets certain criteria. Most relevant among those criteria are Harassment and True Threats. If speech meets any of the criteria laid out in the attached table, it is appropriate for the Chair to interrupt a commenter and end their public comment. This does not remove the commenter's right to make comment at a future time.

The Chair can make a statement when opening public comment to encourage the public to conduct themselves with integrity and respect. Examples include:

- The people at this dais are your neighbors who volunteer their time on the commission to contribute to this community.
- Please refrain from making personal attacks in your public comment.
-

ATTACHMENTS:

Table 2: Supreme Court Rules & Tests for Unprotected Speech from ACLU's [First Amendment 101](#)

ECONOMIC DEVELOPMENT ADVISORY COMMISSION 2026 Calendar

	AGENDA DEADLINE	MEETING	CITY COUNCIL MEETING FOR REPORT*	ANNUAL TOPICS/EVENTS
JANUARY	Wednesday 1/7 5:00 p.m.	Tuesday 1/13 6:00 p.m.	Monday 1/26 6:00 p.m.	<ul style="list-style-type: none"> • City Mid-Biennium Budget Review/Develop Requests • Land Allocation Plan Review • KPEDD Industry Outlook Forum
FEBRUARY	Wednesday 2/4 5:00 p.m.	Tuesday 2/10 6:00 p.m.	Monday 2/23 6:00 p.m.	<ul style="list-style-type: none"> • KPC Job Fair
MARCH	Wednesday 3/4 5:00 p.m.	Tuesday 3/10 6:00 p.m.	Monday 3/23 6:00 p.m.	<ul style="list-style-type: none"> • Clerk Reappointment Notices Sent Out • Update from Public Works Director • KPEDD CEDS Review
APRIL	Wednesday 4/8 5:00 p.m.	Tuesday 4/14 6:00 p.m.	Monday 4/27 6:00 p.m.	<ul style="list-style-type: none"> • Terms Begin April 1st • Advisory Body Training Worksession
MAY	Wednesday 5/6 5:00 p.m.	Tuesday 5/12 6:00 p.m.	Tuesday 5/26 6:00 p.m.	<ul style="list-style-type: none"> • Annual Review of Commission's Bylaws • Election of EDC Officers
JUNE	Wednesday 6/3 5:00 p.m.	Tuesday 6/9 6:00 p.m.	Monday 6/22 6:00 p.m.	<ul style="list-style-type: none"> • Comprehensive Plan Review
JULY	No Regular Meeting			
AUGUST	Wednesday 8/5 5:00 p.m.	Tuesday 8/11 6:00 p.m.	Monday 8/24 6:00 p.m.	<ul style="list-style-type: none"> • Capital Improvement Plan Review • Update from Public Works Director
SEPTEMBER	Wednesday 9/2 5:00 p.m.	Tuesday 9/08 6:00 p.m.	Monday 9/21 6:00 p.m.	<ul style="list-style-type: none"> • Workforce Development Speaker
OCTOBER	Wednesday 10/7 5:00 p.m.	Tuesday 10/13 6:00 p.m.	Monday 10/26 6:00 p.m.	<ul style="list-style-type: none"> • Annual Review of EDC's Strategic Plan/Goals & BR&E
NOVEMBER	Wednesday 11/4 5:00 p.m.	Tuesday 11/10 6:00 p.m.	Monday 11/23 6:00 p.m.	<ul style="list-style-type: none"> • Chamber's Annual Presentation to EDC • Approve Meeting Schedule for Upcoming Year
DECEMBER	No Regular Meeting			

*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. If you are unable to attend your assigned meeting to give a report in person, you can submit a written report to the Clerk's office for inclusion in the Council packet.