

The deficit of affordable housing in Ketchikan has led to high rent burdens, overcrowding, substandard housing. Forcing people to be either on the verge of homeless or cutting corners to stay in their homes, over worse, moving out of town.

Compounding this is our growing senior population and disabled individuals at risk of becoming homeless due to lack of affordable housing and lack of accessible housing.

In the past year per the State of Alaska Average rent for the Ketchikan community is between \$998.00 for a studio to \$1400.00 a month for a one- or two-bedroom apartment, Rent has increased 29% per the state statistics. The numbers are based on the 2020-2021 state report attached to this document and is a conservative number. Since Then and in the last month, it has been reported that several properties were purchased and rents raised over 40% with only a months notice, and several families give a 30 day notice to vacate the property.

Take in to account that most rents do not include utilities or heating fuel, and with the average income of Ketchikan residents at \$27,842.00 a year, this is well over the burden of cost for anyone trying to live and feed their families.

Currently, the supply of available housing in Ketchikan and the surrounding areas, including POW, has been low. The lack of housing in both the rental and buying markets has driven the housing cost up and put a cost burden on many homeowners and renters.

A Household is considered Cost-Burdened when it spends more than 30% of its total income on housing. Based on this 53% of renters and 30% of homeowners in Ketchikan are cost-burdened. And those who pay at least 50% of their income toward housing expenses are said to be severely cost-burdened.

Putting this into perspective, for example, if your monthly housing costs are \$800.00 and your income is \$2,000.00, your rent burden is 40%.

Another example, if most individuals make \$10.00 an hour and work full time earning \$1,600.00 a month, and pay the \$1,300.00 for Rent, not including utilities, they are 81.25% Rent Burdened. I did not add utilities to this example, so think about that, if the \$1,600.00 is before taxes, the person is making, after-taxes, approx. 1,300.00. This simple analogy doesn't consider other items, like insurance, retirement, or other misc. Items.

Taking the Ketchikan average income based on the state page of \$27,842.00 works out to \$14.50 an hour. And they are paying \$1,300.00 for a one bedroom. So they are 56.03% rent-burdened.

This is gross so we know taxes, insurance, social security are coming out of that pay. Then let's add in utilities. If they have kids and need two-bedrooms, I have found to be averaging between \$1,500 and \$1,800.00 without utilities.

In the end, imagine a household earning \$20,000. Suppose it pays 30 percent of its income on Rent. In that case, it is likely to be left without adequate resources to cover other living expenses, including food and medical expenses. In this scenario, housing cost burdens are consequential.

However, a household earning \$100,000 that pays 30 percent of its income on Rent will likely not face the same burdens.

[State of Alaska – Department of Labor and Workforce Development
<https://live.laborstats.alaska.gov/housing/rentsfapt.html?fbclid=IwAR17TzryWle6cfm3bseOk2XwpRcaYyZj-KMe2noTUG5V9Dv6prkzkU-ynhU>]

When Housing advocates talk about the affordability crisis, there are several things that come into play

1. We have Noah coming soon, to make Ketchikan it's home base, which means we will have approximately 100 new people needing housing + family. Next, we have more homeowners turning their properties into Air BnB's or even their apartments. Can I blame them? No, I completely understand and get it.

Especially when it is your investment we are talking about and what is the fastest, easiest, and least damaging way to make money from a said asset.

The fact is that this crisis has been building and developing over the last 20 -30 years, and is why we are seeing an increase in homeless across this country and in our own community.

Course Homelessness and lack of housing are not new to Ketchikan, as those of us know who lived through the growth and increase in population with the canaries and Pulp Mill.

What we need to realize is that we need to move quickly, and at this point, we needed to move 3 years ago towards more affordable housing.

Ketchikan currently has three Low-income housing projects; Glacier Park Apartments has 44 apartments with some 4- bedroom apartments. Which is part of a sliding scale for AK Housing and based on income, so I couldn't give you a base rent; same goes for Bear Valley Apartments.

Woodside Village apartments have 57 units. Rent for a one-bedroom includes heat is \$905.25 to a Three bedroom for \$1,365.00; 49er Apartments has 33 units a mix of studios, one bedroom, and two bedrooms that include heat and range from \$986.00 and up. Opportunity Housing has eight apartments for those living with disabilities and who need daily assistance. All of these are full, with a waiting lists.

Let's consider our housed population takes up 142 total apartments in our most affordable housing projects. We still average approximately 45-53 homeless, couch surfing, and additional families who have multiple generations living together due to the high cost and lack of housing. We know we need approximately 200-300 more affordable housing units.

I did not include the two Towers or The Mary Frances, which are all privately owned condos and, for the most part, full. If I went into the number of boarding rooms that used to be in Ketchikan during the 1950-1990s we had double the 142 apartments with shared bathroom facilities.

In other words, Ketchikan has lost around 200 rooms for let since 1995, and in the last 16 years, even more apartments to the home away from home programs like BnB's, Airbnb, VRBO, etc.

My thoughts and ideas to address these issues include several things, and first, they will require city and borough support.

What can we do as a city for a housing first project to get off the ground? First, the city will need to consider its role and partnership in any large project, including the use of unused city-owned land. Land that can provide affordable, accessible housing to multiple groups.

A housing first project in line with the PATH program, which has been a long-standing and solid program working within its means and going on 30 + years, should be considered the lead.

With a combined effort and multiple grants that work towards three issues we have, I believe we can create a program that would work and is unique to Ketchikan.