



HOUSING ALASKANS

A PUBLIC PRIVATE PARTNERSHIP

Board of Directors

Nils Andreassen
Alaska Municipal League

Melanie Bahnke
Kawerak, Inc

Bryan Butcher*
Alaska Housing Finance
Corporation

Charles Clement
Southeast Alaska
Regional Health Consortium

Jess Hall
Hall Quality Homes

Sauna Hegna
Koniag

Mike Huston
Northrim Bank & Northrim
BanCorp, Inc.

Lisa Parady
The Alaska Council of
School Administrators

Preston Simmons
Retired, Providence Alaska

J. Chad Stovall*
U.S. Department of Housing
and Urban Development

Dan Winkelman
Yukon-Kuskokwim
Health Corporation

***Ex Officio**

February 3, 2025

Senator Forrest Dunbar
State Capitol
Juneau, AK 99801

Re: SB 50 An Act relating to the comprehensive plans of first and second class boroughs.

Dear Senator Dunbar,

Housing Alaskans: A Public-Private Partnership (HAPPP) was formed in 2022, making Alaska the 48th state with at least one statewide housing funding trust. Housing Alaskans serves as a housing accelerator which leverages federal, state, and municipal resources with philanthropic contributions to stimulate housing development. Housing Alaskans invests to produce, preserve, and protect housing for Alaskans through creative funding solutions to help developments cross the finish line. It is governed by an experienced, influential Board of Directors from across the state, and advised by an Advisory Committee of housing subject matter experts. Housing Alaskans made its first investments of \$1M into housing projects that resulted in 84 new housing units in the communities of Sitka, Juneau, Wasilla, Nome, Nikolai, and Soldotna. Another grant opportunity has just been opened for housing projects in the Mat-Su Borough made possible by a philanthropic donation.

Alaska's pervasive housing shortage stifles economic growth, impedes workforce attraction and retention, hampers community well-being, and undermines family stability. Alaska needs 27,500 new and rehabilitated homes over the next ten years to meet current need and a conservative moderate population growth. Yet, post-pandemic conditions such as skyrocketing construction costs, financing hurdles, and a scarce workforce exacerbate our already serious housing problems.

The consequences of the crisis include:

- Lack of housing is the #1 reason why businesses say they can't grow.
- Alaska's workers, from healthcare workers to teachers to cooks, can no longer afford rising housing costs.
- Housing production has shriveled since most development exceeds what Alaskans can afford.
- Housing construction peaked in the 1980s. As new construction and renovations lag, our outdated housing stock is a major obstacle to attracting and retaining a workforce, preventing economic growth.



HOUSING ALASKANS

A PUBLIC PRIVATE PARTNERSHIP

The status quo is failing. The market isn't building enough housing for working families, and Alaska's housing crisis is felt statewide. From Ketchikan to Anchorage to Utqiagvik, new developments will take new resources. Many housing projects are financially complicated, requiring dozens of different funding sources that take years to maneuver the various application processes to build the required capital stack. Many projects languish, lacking the final funding needed to achieve financial feasibility.

For the reasons noted above, housing is a necessary infrastructure for communities to thrive. Especially given the large development gap in what housing costs to build and what Alaskans can afford to pay, housing needs to be planned for just like other community infrastructure projects. The best planning is done at the local level. SB 50 makes that clear by explicitly adding housing to the list of items for a local comprehensive plan.

Sincerely,

Shauna Hegna
Chair, Board of Directors, Housing Alaskans