



JUNEAU HOUSING NEEDS ASSESSMENT

November 2012

Prepared for the City and
Borough of Juneau by



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Executive Summary

Juneau's Housing Market

By many measures, Alaska's housing market is very healthy. In published state rankings of the healthiest housing markets by Lendingtree.com, Alaska ranked seventh as of April 2011 and fourth in March 2012. Using Bureau of Labor statistics and other government data, Lendingtree calculated a housing recovery index based on income and property tax rates, unemployment rates, average home mortgage rates, average home prices, debt service coverage, home ownership rates, vacancy of both rented and owned homes, mortgage delinquencies and whether states allow lenders to sue for deficiency balances after foreclosure, home equity, and average loan to value. Except for the average price of a home, which is among the nation's highest, Alaska (and Juneau) should be an attractive housing market, especially for homeowners and community-based developers. ¹

Juneau's economy is stable with low unemployment, a balance of seasonal and year-round employment, low overall taxes and high per-capita income. It has an effective lending market with local and online participants offering a range of mortgage options at historically low rates. This is partially offset by high cost of living and high real estate prices, fueled by low supply rather than unsustainable market appreciation.

Despite Alaska having many of the favorable characteristics of a healthy housing market, the number of new housing units permitted and built in Juneau has not kept pace with local demand. Low income residents are being pushed out of affordable rentals by median and above median income households. The number of households with incomes over \$100,000 renting rather than owning their homes increased over 90% between 2000 and 2010, far outpacing growth of the rental market overall. In 2011,² Juneau's population is estimated to have grown by over 400 households. A business climate survey published by Juneau Economic Development Council in 2010, reported the high price of real estate emerged as Juneau's top business barrier, with 70% of business leaders identifying the cost of commercial property as a significant barrier to their business and 66% called out the high cost of employee housing as a problem for employers.

Between 2010 and 2012 only 46 rental units and 45 new single-family³ housing units were added to Juneau's housing stock. JEDC expects that if several hundred new single-family homes were built priced to be affordable to Juneau's fair-market renters and homeowners with incomes between \$60,414 and \$90,620 – or within the 80%-120% median household income range – then an even greater number of sales would occur



Source: http://marketing.lendingtree.com/pr/Healthiest_Housing_Markets-March_2012.pdf

1 Alaska's high ranking reflected 0% personal state income tax, 25% debt service coverage, 7.3% unemployment, 65.7% home ownership rate, 1.5% home vacancy rate, 6.1% rental vacancy, 4.3% 30-day delinquency rate, 1.1% foreclosure rate and 66.1% average loan to value. See http://marketing.lendingtree.com/pr/State_RecoveryIndex_20120229.pdf.

2 This growth is based on the difference between U.S. Census 2010 population counts and the population estimate of the Alaska Department of Labor for 2011.

3 The 81 new units is based on the difference between residential housing units reported in the CBJ assessor's database. Single-family homes include detached homes, attached or zero-lot homes, condominiums and single family homes with apartments. The units in this last category are split between the owner occupied unit and the rental unit in subsequent analysis.



all along the price continuum simply because so many residents are living in homes they cannot afford. However, if nothing is done to increase the pace of new home construction beyond the levels of recent years, Juneau's housing shortage will become even more acute.

Rental Housing Needs

In Juneau, there are 1,790 cost-burdened renter households paying more than 30% of their household income for rent, with 1,585 of these earning less than \$50,000. Using a variety of methods for calculating the current shortage of rental housing units, JEDC estimates Juneau needed 170-230 new rental housing units to reach 5% vacancy in 2011. About 441 rentals priced under \$700/month are needed to cover the income-rent gap for low- and very low-income households, many of whom are already eligible for subsidized housing or vouchers, which are already fully allocated. The need for smaller one- and two-person rentals in Downtown Juneau is high, only exacerbated by the recent displacement of over 40 households due to fire-related evacuation from the Gastineau Apartments. Further study is needed to determine the need for additional senior housing units. Though that population is growing and existing senior housing is full, the number of households requiring supportive services has not been quantified. Similarly, the need for dormitory or other styles of housing for seasonal non-resident workers requires further analysis to determine whether and how new housing of this type could be economic.

Owner Housing Needs

The effective age and functional obsolescence of Juneau's housing stock, the slow pace of new home construction and long-term unmet demand all indicate Juneau needed 513-517 new single-family homes in 2011 to achieve a 5% vacancy rate. Based on annualizing year-to-date sales volume and the supply of properties listed for sale, Juneau only has a 3.1-months inventory of single-family and duplex properties available for buyers. Another 113 single-family homes and duplexes would increase the inventory of likely owner-occupied properties to a six-month supply, which like the 5% rental vacancy rate, is generally enough to provide homebuyers an appropriate range of property styles, conditions, prices and locations from which to choose and, more importantly, some leverage with respect to sellers.

If we focus just on meeting the needs of cost burdened households within the range of 80%-120% of Juneau's 2010 median household income, JEDC estimates there were 1,183 households in homes they could not comfortably afford in 2010. The range of home prices affordable to this segment of the market would be \$251,000-\$377,000.

Key Juneau Housing Indicators

- 441 fewer rental units are priced at \$700 or below than low-income renters need.
- 359 more Juneau households are eligible for public housing and 395 more Juneau households are eligible for housing subsidy vouchers than either exists in Juneau. These eligibilities overlap.
- 1,585 low- and moderate-income renter households pay more than 30% of their income for housing.
- 24.7% of Juneau's renter households live in subsidized housing (based on the 2010 ACS estimate of 4,318 renter households and the current, unchanged inventory of subsidized rental and vouchers).
- 1.9% was Alaska Housing Finance Corporation's (AHFC) 2012 estimated apartment rental vacancy rate for Juneau's non-subsidized rental units.
- 1.45% is the average of the vacancy rates calculated in the 2010 U.S. Census and 2010 American Community Survey estimate based on 2006-2010 averages for owner-occupied homes.
- 562 homeless individuals were estimated to live in Juneau in 2011.
- Single-family home prices reached an all-time high in 2011.

Direct and ongoing proactive engagement among public housing providers, fair-market residential builders and developers and local government planning, facilities and development officials should be at the core of a housing strategy for Juneau which includes incentives for private sector development along with public investment so Juneau's supply of affordable housing can meet the needs of its current and future citizens.

- Through September 2012, more homes sold than in all of 2011, prices exceeded 2011 levels, and the average time single family homes were on the market through September 2012, dropped 43% to 49 days.
- Between 2010 and 2012, 81 new housing units were added to the CBJ assessor's tax rolls.

Total 2011 Juneau Housing Need Estimate

Below are JEDC's simplest estimates, based on various methods of analyzing housing units needed in Juneau to meet 2011 demand and help resolve the lack of affordability in Juneau's housing market. The fair-market housing unit need is based on the assumption that Juneau should have a 5% overall vacancy rate to maintain adequate quantity and affordability of housing for Juneau's residents. The subsidized housing unit need is primarily based on filling the gap between what housing is currently available for Juneau's poorest, including homeless, citizens and the rents they can afford.

Fair-Market or Market-Rate Housing Units

- 683-747 Total Market Rate Housing Units
 - 170-230 Fair Market Multi-family Rentals
 - 513-517 Single-Family Homes priced \$251,000-\$377,000

Subsidized Rental Housing Units

- 441 New Public Housing Rental units and/or housing vouchers to bring rents to ≤\$700/month. This number takes into consideration AHFC subsidized housing waitlist data, the shortage of below market rental units and the number of Juneau's homeless residents

Introduction

Background

Juneau Economic Development Council (JEDC), with support from the City and Borough of Juneau (CBJ),⁴ has supported the work of the Juneau Affordable Housing Commission and the Juneau Homeless Coalition, both groups focusing on the availability and affordability of housing for Juneau’s residents. Out of this work, it became clear there was a need to clarify how much and what types of housing is available to meet the different needs of Juneau’s population. In November 2010, JEDC published the first City and Borough of Juneau Housing Needs Assessment.

In November 2010, JEDC presented the results of a Southeast Alaska Business Climate Survey which identified key benefits and barriers to owning and operating a business. Of the 125 Juneau respondents, 66% identified the cost of housing for employees as a barrier (41% rated the cost of housing as a significant barrier). Across the region, employee-housing costs are frequently cited for businesses’ inability to attract and retain employees.

The 2010 City and Borough Housing Needs Assessment concluded that Juneau needed 343 additional housing units to achieve a “healthy” 5% overall vacancy rate (see definition below), including 138 new rental units and 205 new owner-occupied homes. Since 2010, additional data has become available. The 2010 Census and other federal and state data have been updated. Average home sale prices have increased to all-time highs. Some new multi-family projects have been permitted and built.

St. Vincent de Paul Society has planned and is seeking funding for a 12-unit expansion of its existing Paul’s Place senior housing. Juneau’s AWARE shelter received funding for expansion of its transitional housing for women and children victims of domestic violence. There has also been new data collected about the state’s and Juneau’s homeless population.

Further study and analysis of the specific current housing and supportive service needs of Juneau’s current and projected senior population is needed to determine how many of what types of senior housing and in what price ranges are needed.

In the spring of 2012, The CBJ-appointed Affordable Housing Commission, working with the CBJ Lands and Resources Department, identified several tracts of CBJ owned land in the Switzer/Lemon Creek and Pedersen Hill areas to be developed with roads, utilities and sewer, making more CBJ-owned land available for housing. The Affordable Housing Commission expects these tracts to be developed with a mix of housing types to meet various community needs, including some developments targeting low-income residents.

Additionally, since the 2010 Juneau Housing Needs Assessment was completed, the CBJ completed water and sewer expansion projects in the North Douglas area. This is expected to open new areas for development or, at least, reduce barriers to development. The CBJ also completed changes to zoning that would allow increased housing density in selected areas of Juneau, primarily downtown and adjacent to the public transit corridor.

In October 2012, Tlingit Haida Regional Housing Authority announced it had acquired 1.4 acres and may develop additional single-room occupancy units or an assisted living facility.

Also, in 2012, statewide legislation was adopted to allow boroughs to defer property tax increases related to subdividing and preparing undeveloped lots for sale, and CBJ staff is working to develop business practices for implementation of a tax deferral ordinance. This initiative has momentum and widely expected to remove one development disincentive faced by private landowners.

⁴ In this report, CBJ will refer to the government of the City and Borough of Juneau. “Juneau” will be used when referring to the community or the geographic area.

JEDC has had discussions with several representatives of key industries related to seasonal workforce housing, and has also been working with a taskforce addressing downtown revitalization. Out of that work and some surprisingly high downtown rental vacancy rates reported in the 2010 Census, the issue of residential property being taken out of the market surfaced as an issue needing more investigation and analysis.

Methodology

This study includes an analysis of the household characteristics, income, education and employment of Juneau residents; an examination of current and projected employment levels and projected wage rates of workers employed in Juneau's primary industries; an analysis of past and projected housing production and price points; a discussion of barriers to development, including the availability of developable land; and a model that compares housing supply with demand, as defined by household income levels. Last, we will include a review of emergency housing and supportive services that serve homeless and very-low income residents and an assessment of unmet needs of those populations.

The primary data and information sources used in the analysis include the following:

- Population and household projections from the Alaska Department of Labor and Workforce Development, Research and Analysis Section, the 2010 U.S. Census and the 2010 American Community Survey based on 5-year averages from 2006-2010 (ACS)⁵
- Social and economic information from the ACS and 2010 Census
- Employment data from the JEDC's 2012 Juneau & Southeast Alaska Economic Indicators report
- Vacancy and rental rate data from the ACS and 2010 Census, and the 2012 Alaska Housing Finance Corporation Annual Rental Survey (AHFC).
- Data on subsidized rental units and rental subsidy programs from AHFC and JEDC surveys of operators of subsidized housing properties
- Data on new construction from the CBJ Community Development Department and the Assessor's Office
- Data on home prices and tax assessed value from the Juneau Multiple Listing Service, the CBJ Assessor's Office and ACS.

Definitions, Assumptions and Sources

Affordable & Cost Burdened Housing - For the purpose of this report, the term "affordable housing" is defined as housing that costs 30% or less of the household's total gross income, including monthly rent or mortgage payments (plus principal, interest, taxes and insurance) along with occupant-paid utilities. For example, a property for which occupancy costs are \$1,750 or less is considered to be affordable housing for a household with a gross income of \$70,000 or above, whether it is rented or owned. When the proportion of household income needed to pay housing costs exceeds 30 percent, a household is considered to be "cost burdened," or "rent burdened."

Area Median Income or AMI - Housing programs generally focus on assisting lower-income populations. Federal and state governments divide low- and moderate-income households into categories based on their relationship to the area median income (AMI): extremely low-income (earning 30 percent or less of the AMI), very low-income (earning between 31 and 50 percent of the AMI), low-income (earning between 51 and 80

⁵ The American Community Survey is conducted annually by the U.S. Census Bureau in cities of a certain size. As with all surveys, the ACS data are based on a sample of households and, as such, are subject to a margin of error.

percent of the AMI) and moderate-income (earning between 81 and 95 percent of the AMI). In 2012, the AMI for Juneau was \$94,200.⁶ The term AMI is somewhat confusing. AMI, as used by the U.S. Department of Housing and Urban Development (HUD), factors in local housing costs as a means to determine eligibility for housing programs. The \$94,200 HUD AMI relates to a family of four, which is not necessarily the median family or household size in a community. The median household income for Juneau reported by the 2010 Census and 2010 ACS, are in the range of \$75,517, reflecting Juneau's median household size is 2.49, significantly smaller than HUD's family of four.

Fair Market Rent – Fair Market Rent as used by the American Community Survey (ACS) (see discussion below) and HUD equates to the 40th percentile of gross rents (including utilities) for typical, non-substandard, occupied rental units *recently rented* in a local housing market, based on a calculation that adjusts ACS 5-year survey of rents from 2006-2010 by recent trend factors.

Healthy Vacancy Rate – A community's housing vacancy rate is one measure of general housing availability. A low vacancy rate suggests households will have difficulty finding housing within their price range. Conversely, a high vacancy rate may indicate a high number of housing units that are undesirable for occupancy, a high number of seasonal units, or an oversupply of housing. With a healthy vacancy rate, housing consumers have a wider range of housing types and prices from which to choose. When vacancy rates drop, shortages generally raise housing costs and limit choices. JEDC recognizes that 5% is somewhat arbitrary and that there may be circumstances within which a higher or lower overall vacancy rate would be more appropriate. The 2010 Juneau Housing Needs Assessment based its calculation of housing units needed on the number required to achieve 5% vacancy. This analysis will use 5% as well.

Sources

Several different sources of housing data were used for this report. While each set of data is gathered and compiled in a different way, their individual estimates of housing counts in Juneau are similar. In this analysis, sometimes more than one type of data is used to develop estimates. Following is a summary of the types of data used for this report. Occasionally, data from sources other than those outlined below will be used and will be identified.

Local Data

- The City and Borough of Juneau (CBJ) Assessor's database contains information on taxable properties existing within the Borough. Properties are coded according to their use and this report considers only residential housing units. From this database, it is not possible to determine whether a housing unit is being occupied by the owner or a renter and, indeed, if the unit is occupied at all. However, this database gives a comprehensive count of actual buildings being used as housing units and does not rely on a sample of the population. Institutional and group housing is generally not analyzed in this database. The property database is updated continually. The CBJ also keeps accurate records of the number of permits issued to build new housing units each year. This data is updated monthly.
- The Southeast Alaska Multiple Listing Service gathers data on the number of housing units sold in the Juneau area, including the general location and sales price of the units, and how many days each unit is on the market for sale. This data is updated monthly, with a lag time of one to two months from gathering to reporting.

⁶ AMI is also commonly referred to—particularly by the U.S. Department of Housing & Urban Development (HUD)—as median family income or MFI.

State Government Data

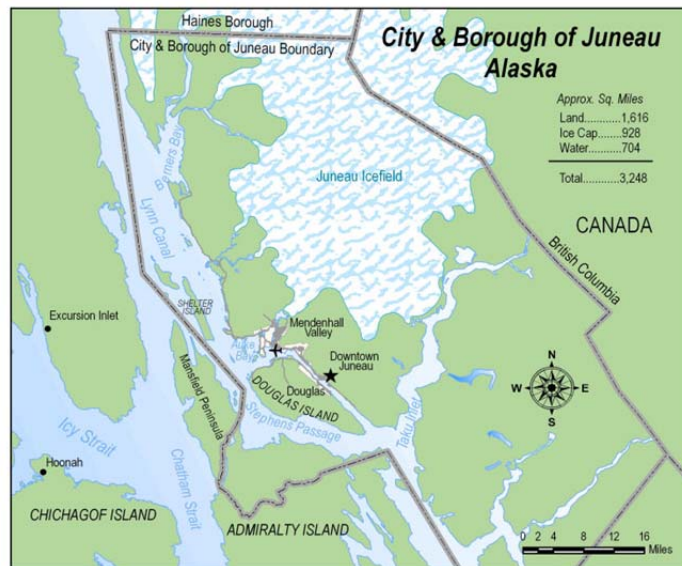
The Alaska Department of Labor and Workforce Development works in conjunction with the Alaska Housing Finance Corporation (AHFC) to survey mortgage lenders and residential property owners who rent in various communities around the state. From this survey, data is reported quarterly and annually about numbers and amount of new mortgage loans, apartment and Single-Family home rental prices, and vacancy rates.

Federal Government Data

- The U.S. Census Bureau keeps track of population, demographics, employment and income, and housing data in different ways. Every ten years, a comprehensive count of the national population is done by individual census workers going door to door. The Census count (last performed in spring 2010) tallies housing units, and whether units are occupied or vacant. If a unit is occupied, the occupants are asked if they own or rent the home, how many people live there, and each person's age, sex, race, and family connection to the Householder (mortgagee or rent payer). While the 2010 Census collected limited data, that data came from a comprehensive count of the population. 2010 Census data counted institutional and group housing (such as prisons and assisted living facilities) in their housing data.
- The U.S. Census Bureau also performs other data-gathering activities. Through the American Community Survey program (ACS), the Bureau selects a sample of the population for in-depth surveying about jobs, income, and housing (both the financial and physical characteristics of housing). The smaller the population of an area, the smaller the sample sizes of the population surveyed, and the larger the margins of error in the accuracy of the resulting data. The ACS has more information, but it is less accurate. While ACS data is gathered every year, it is also reported as three or five year averages. For this report, we generally use the five year averages (2006 to 2010), as a longer average tends to minimize extremes in the data. If the data being reported is monetary, it is adjusted for inflation to the current dollars of the last year reported. ACS data has a lag of up to two years from collection to reporting.
- The U.S. Department of Housing and Urban Development (HUD) estimates Fair Market Rents and the ability of residents to rent those units for all counties in the nation each year. These estimates are based on the Census Bureau's ACS data, and are updated annually.

Location

According to CBJ's Comprehensive Plan, "the City and Borough of Juneau encompasses 3,248 square miles, of which 1,616 square miles are land, 928 are ice field and 704 are water. Of the land area, approximately 14,956 acres are zoned for residential use, of which approximately 8,900 acres are vacant, representing 60 percent of all residentially-zoned land in the city and borough..."⁷



Source: <http://www.juneau.org/community/mans/horouhman.nhn>

⁷ Chapter 4. Housing Element, City and Borough of Juneau Comprehensive Plan.

The city is nestled among mountains, glacial ice fields and an archipelago of Pacific Ocean islands, all of which serve as natural barriers preventing the construction of roads to surrounding communities. Consequently, air and water travel both serve crucial roles in transporting people, vehicles and goods in and out of the Juneau area.

As the capital of Alaska, Juneau hosts a large state and federal government sector, but it also serves as a popular visitor destination and as an important regional distribution center, helping to provide goods and services to several of the smaller surrounding communities. In addition to government and tourism, maritime agencies and industries play a large role in the economy, including commercial and recreational fisheries, marine transportation, maritime research, marine sightseeing and recreation and many other businesses and agencies that support or use these maritime entities. Two, nearby precious-metal mines also play substantial roles in the economy of Juneau.

Juneau's topography and history have concentrated residential development along its shoreline and within the relatively flat Mendenhall Valley.

Housing Inventory

This section of the report will estimate the number of housing units in Juneau. It will also describe the characteristics of those units and their occupants. We will address all units first and present separate sections on renter occupied and owner occupied homes later in this report.

Juneau Housing Sales and Prices

The Southeast Alaska Multiple Listing Service (MLS) maintains a database of listed real estate inventory and closed sale transactions. The average sales price for a single-family home in the first nine months of 2012 was \$288,894 including single-family detached, attached or zero-lot homes, single-family with accessory apartments and condominiums. The average price of single-family detached homes, roughly 60% of the single-family market, reached \$378,282, surpassing the previous 2007 price high by over \$40,000. Since 2009, Juneau's home prices have continued to rise as those at the national-level have faltered. According to the National Association of Realtors, mean average existing home prices dropped 10.2% in 2009, increased 1.7% in 2010 and then dropped again by 2.9% in 2011.

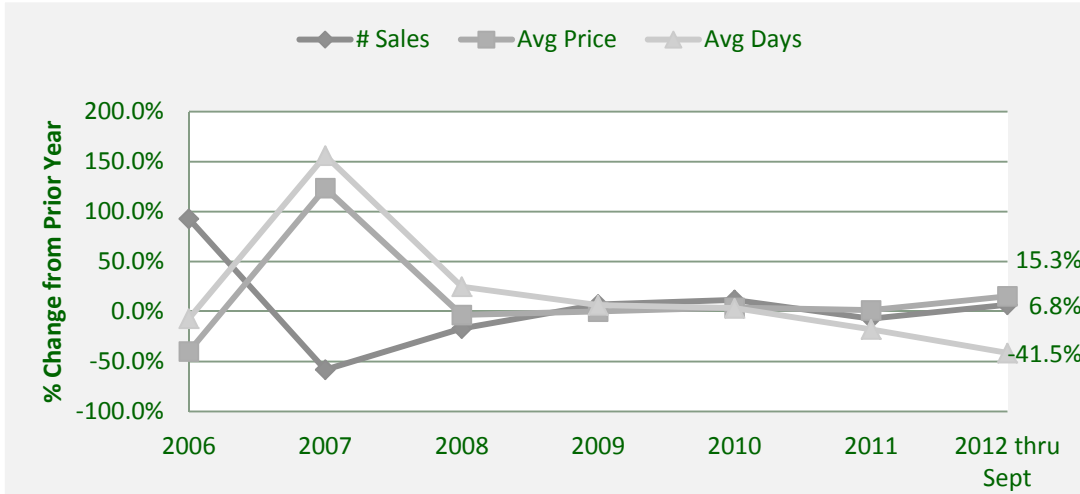
AVERAGE SALES OF SINGLE-FAMILY HOMES 2005 THROUGH SEPTEMBER 30, 2012

Year	# Sales	Single-family Average Sale Price	Average Days on Market
2005	336	\$239,663	38
2006	407	\$237,206	57
2007	328	\$251,309	78
2008	285	\$239,702	92
2009	294	\$241,194	100
2010	329	\$248,370	95
2011	305	\$255,104	87
2012 thru September	312	\$288,894	49

Source: Southeast Alaska Multiple Listing Service provides monthly sales and listing data for single-family detached, attached, single-family with apartments, condos, cabins, duplexes and mobile homes. The last three categories are not included in the above estimates generated by JEDC.

Comparing the seasonally unadjusted year-to-date average sales data for September 2012 to 2011 results could be misleading if sales were very seasonal. However, in Alaska, according to AHFC's Alaska Housing Market Indicators quarterly reports of lender surveys, 75% of annual home sales occur in the first three quarters of the year. Taken together the increase in price along with the decrease in the average time homes are on the market is an indicator of a worsening housing shortage.

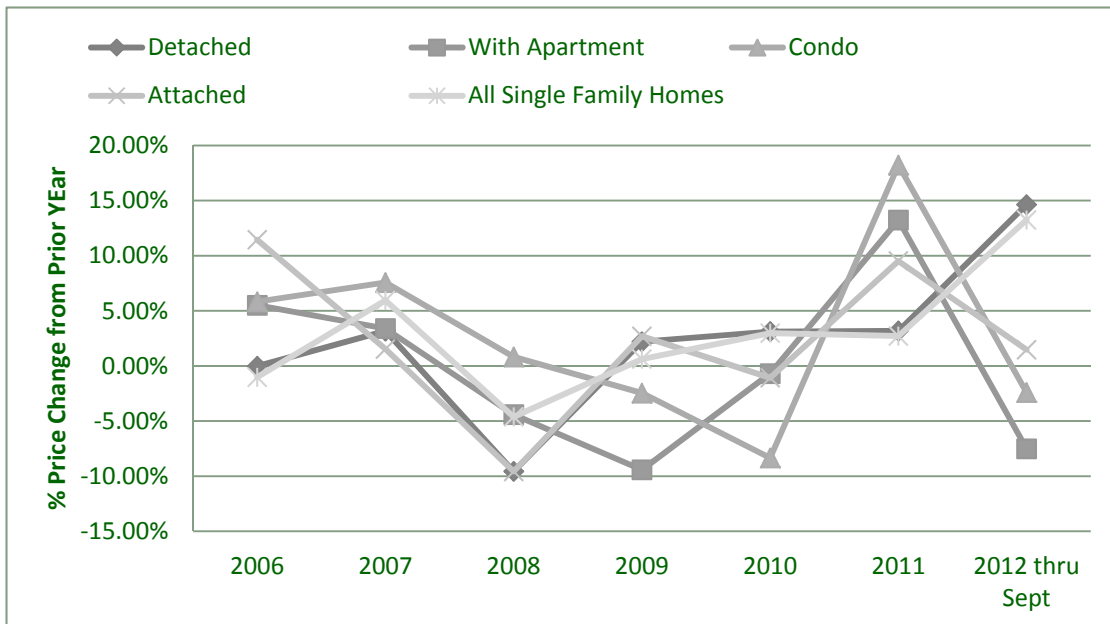
MARKET TRENDS FOR JUNEAU SINGLE-FAMILY DETACHED HOMES 2006-SEPTEMBER 2012



Source: Southeast Alaska Multiple Listing Service, JEDC analysis.

The trends in sales prices by type of single-family home are shown in the graph below, along with the annual change in the average price of all four main styles of residence. Detached homes and attached or zero lot homes led the market down in 2008 with the biggest (-9.6% each) average one-year price drop. Condos and homes with accessory apartments showed the biggest price gains in 2011 with 18.2% and 13.2% increases respectively over 2011. In the first three quarters of 2012, average detached home prices increased 14.6% bringing the average of all single-family home prices up over 2011 by 13.3%.

CHANGE IN AVERAGE PRICE OF JUNEAU SINGLE-FAMILY HOMES BY TYPE 2005 - SEPTEMBER 2012, YEAR TO DATE



Source: Southeast Alaska Multiple Listing Service, JEDC analysis.

Below are details about the prices for different types of single-family dwellings since 2005. Interestingly, sales by type of housing unit in 2011 did not follow the same proportions as the Borough's housing stock. Proportionately more sales of attached or zero-lot homes and condominiums occurred in 2011 than that type of housing exists in Juneau's overall housing stock, indicating higher demand for lower priced homes.

SALES STATISTICS FOR SINGLE-FAMILY HOMES IN JUNEAU 2006-SEPTEMBER 2012

	2006	2007	2008	2009	2010	2011	2012 thru Sept
All Types of Single Family Homes							
# Sales	407	328	285	294	332	316	307
Average Price	\$237,206	\$251,309	\$239,702	\$241,194	\$248,370	\$255,104	\$288,894
Avg. Days to Sell	57	78	92	100	95	87	49
Attached Homes							
# Sales	95	57	60	53	60	55	45
Average Price	\$252,986	\$256,853	\$232,270	\$238,526	\$235,963	\$258,432	\$262,244
Avg. Days to Sell	36	79	73	89	42	84	37
Condominiums							
# Sales	95	75	54	57	62	62	61
Average Price	\$173,244	\$186,359	\$187,885	\$183,260	\$167,965	\$198,570	\$193,787
Avg. Days to Sell	84	91	86	107	111	135	55
Detached Homes							
# Sales	198	177	150	168	184	176	186
Average Price	\$325,243	\$335,563	\$303,466	\$310,129	\$319,811	\$329,974	\$378,282
Avg. Days to Sell	52	69	99	105	109	73	49
Homes with Accessory Apartments							
# Sales	19	19	21	16	26	23	15
Average Price	\$417,785	\$431,984	\$412,909	\$374,006	\$371,426	\$420,583	\$388,978
Avg. Days to Sell	69	102	108	67	74	58	60

Source: Juneau Multiple Listing Service

According to the MLS, closed residential sale transactions through September 2012 are below. Note that the table below includes all types of single-family homes and duplexes.

2012 YEAR TO DATE JUNEAU MLS RESIDENTIAL SALES AS OF SEPTEMBER 30

Residential Property Type	# Sales	Total Sales Volume	Mean Price	Median Price	Median Days on Market	Median Sale/List Price
Zero Lot Home	45	\$11,801,000	\$262,244	\$260,000	37	99%
Cabin	1	\$120,000	\$120,000	\$120,000	195	89%
Condominium	61	\$11,821,000	\$193,787	\$199,500	55	98%
Mobile Home in Park	6	\$309,000	\$51,500	\$55,500	40	86%
Mobile Home on Lot	5	\$733,800	\$146,760	\$149,900	55	97%
Single-family Home	186	\$70,360,422	\$378,282	\$345,450	49	100%
Single-family with Apartment	20	\$8,704,600	\$435,230	\$419,500	60	99%
Duplexes	9	\$3,500,800	\$388,978	\$359,900	20	100%
Total	333	\$107,350,622				

Source: Juneau Multiple Listing Service

Comparing the 2011 sales volume of \$89.9 million for single-family homes, which does not include duplexes, cabins or mobile homes, the total sales volume through September 30, 2012 was \$102.7 million or 14% higher than all of 2011. The nine-month number of closed sales was up 2.2% over 2011. According to the National Association of Realtors nationwide statistics of home prices and sales volume, there was, as of September 2012, an 8.4% average price increase in existing homes over 2011 prices.

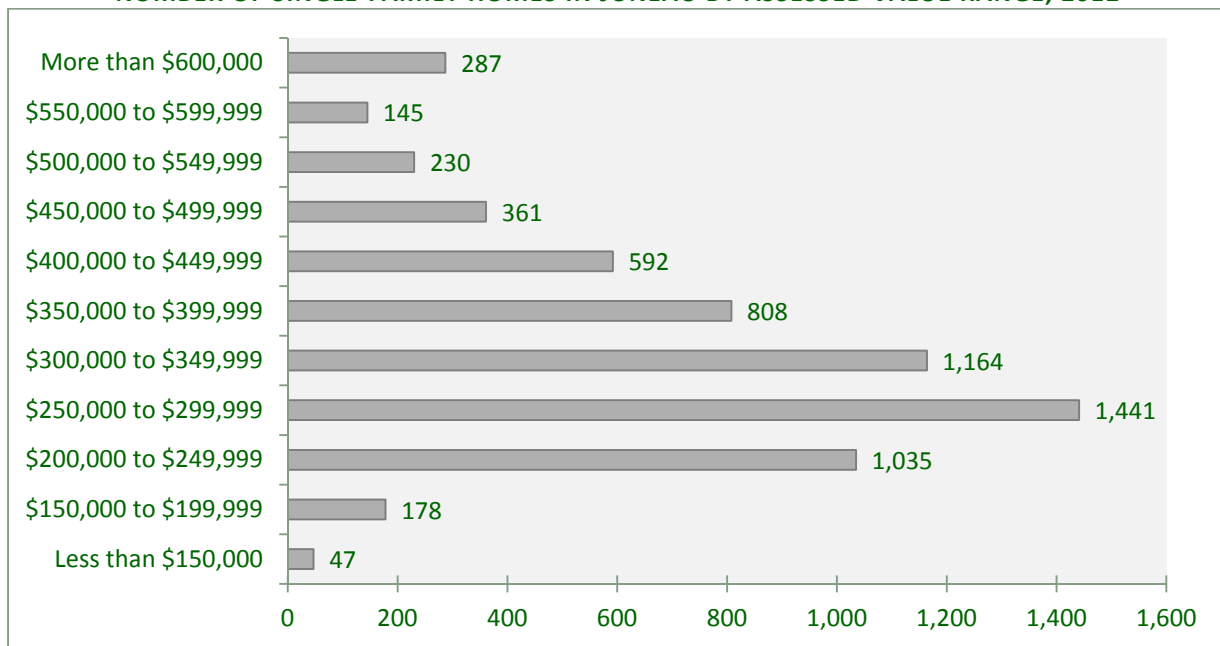
NATIONAL AVERAGE MEAN SALES PRICE OF EXISTING HOMES			
Year	All Existing Homes	Single-family Homes	Condos & Co-Ops
2009	\$216,900	\$217,000	\$216,300
2010	220,000	220,600	215,700
2011	214,000	214,300	211,300
Sep 2012	232,000	232,500	227,900
Change from 2001	8.4%	8.5%	7.9%

Source: 2012 National Association of REALTORS®

Assessed Housing Values

According to the CBJ Assessor’s Database, in 2012, the average assessed value of the 6,288 single-family homes in Juneau was \$347,912, 6.8% higher than the average single-family home value in 2010. Only 3.6% of Juneau’s single-family homes were valued below \$200,000 in 2012. Those homes valued \$300,000 or more made up 57% of Juneau’s single-family homes in 2012, up 7% from 2010. For this analysis, Juneau single-family homes include single-family detached homes, single-family homes with accessory apartments and zero-lot lines. Condominiums, mobile homes and multi-family dwellings are excluded.

NUMBER OF SINGLE-FAMILY HOMES IN JUNEAU BY ASSESSED VALUE RANGE, 2012



Source: City & Borough Assessor. Compiled by JEDC, 2012.

The CBJ Assessor’s estimate of the value of residential properties, including lots, is below. This does not include multi-family residential properties with more than four units.

2012 JUNEAU BOROUGH HOUSING VALUES

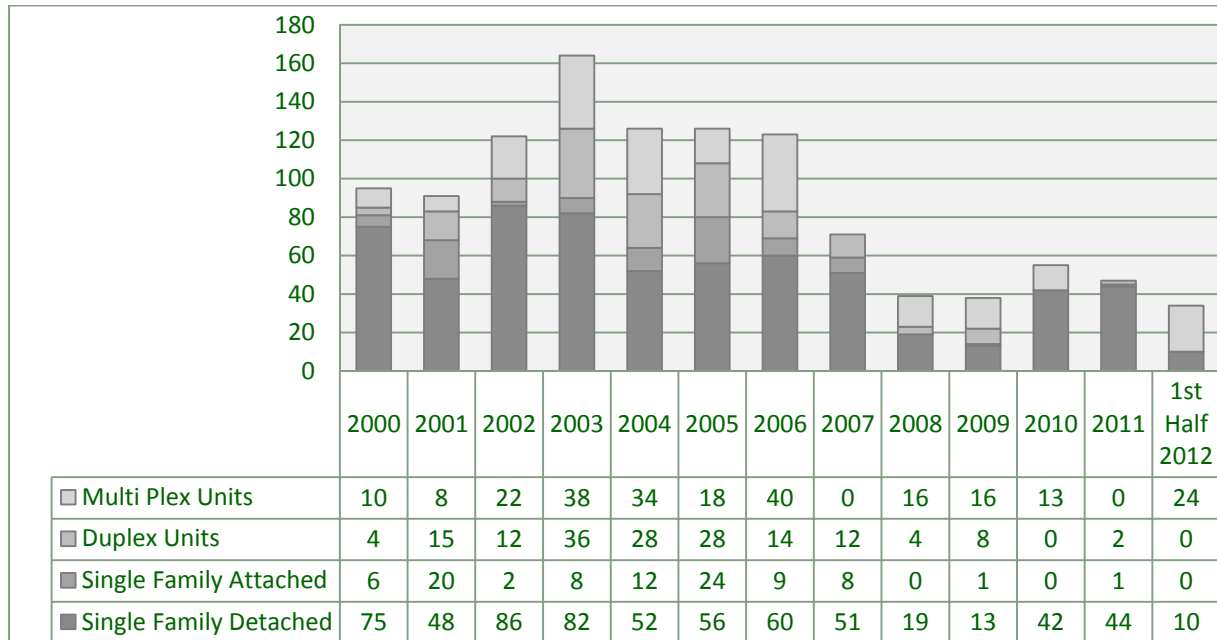
Property Type	Mean Value	Median Value
Single-family	\$359,300	\$332,300
Zero Lot Line	\$245,800	\$240,800
2-4 Plex	\$392,000	\$377,100
Condominium	\$181,500	\$160,000
Mobile Home	\$30,900	\$25,000
Waterfront Home	\$536,200	\$509,400
Vacant Lot	\$171,300	\$95,000

Source: City & Borough Assessor.

Residential Construction

Permits

NEW UNITS PERMITTED⁸ TO BE BUILT IN JUNEAU 2000 TO FIRST HALF OF 2012



Source: City & Borough of Juneau Permit Center reports.

In 2011, 47 new housing units were permitted for construction in Juneau, including 45 single-family homes and 2 duplex units. This represents a decrease of 8 units over 2010. In 1996, 307 housing units were permitted. From 1996 to 2008, on average, 129 housing units were permitted in Juneau annually.

As of July 1, 2012, new residential building permits were issued for 34 new housing units in Juneau. Ten of those permits were for single-family homes, and one permit was for 24 apartments. Those units have not all been completed, so they are not currently part of the available housing inventory.

⁸This does not include mobile home setups, or housing units built in conjunction with commercial developments or remodels of existing structures.

The graphic above illustrates changes in the number of new housing units permitted in the Borough from 2000 through the first half of 2012. Over this period, new housing permits peaked in 2003 with 164 new housing units permitted.

New Housing Units

Below is a comparison of the number of housing units in Juneau in the CBJ property tax assessor's database in 2010 and 2012. There has been an increase in 81 total housing units over that two-year period, which included 36 multi-family buildings, 26 condominiums and townhouses, and 18 single-family homes, eight of which included accessory apartments. These new units were not all entirely new construction. Some could have resulted from remodels (such as adding accessory apartments) or additions to commercial buildings (such as adding caretaker apartments), reclassification of buildings from commercial to residential use and other reasons. In 2012, seven mobile homes and two cabins were removed from the property tax roll.

JUNEAU HOUSING BY TYPE OF HOUSING UNIT, COMPARISON BETWEEN 2010 AND 2012

Housing Unit Type	2010 ⁹	2012	Change
Apartments	2,309	2,319	10
Apartments (Low Income Tax Credit)	344	344	0
Apartments	1,310	1,312	2
Accessory Apartments	655	663	8
Single-Family Homes	6,349	6,367	18
Single-Family Residences	4,842	4,852	10
Zero lot line Residences	852	852	0
Residences with Accessory Apartment	655	663	8
Condos and Townhouses	1,190	1,216	26
Condos	1,013	1,039	26
Townhouses	177	177	0
Multiple Units	1,464	1,500	36
Duplex Units	571	568	-3
Triplex Units	144	141	-3
4-Plex Units	404	432	28
Multiple buildings on property	345	359	14
Mobile homes or cabins	1,381	1,372	-9
Mobile homes on lot	242	237	-5
Mobile homes in park	974	972	-2
Cabins	165	163	-2
Total Units	12,693	12,774	81

Source: City and Borough of Juneau, Property Tax Assessor's Database. Compiled by JEDC.

Half of Juneau's housing stock is single-family homes and 10% of those homes have accessory apartments. From this information it is not possible to estimate how many housing units in Juneau are rentals as opposed to owner occupied. All of the apartments and many of the multiple unit dwellings are likely rentals, as well as some portion of the remaining housing units (condos, townhouses, single-family homes, mobile homes and cabins). The number of rentals will be estimated using other data later in this report.

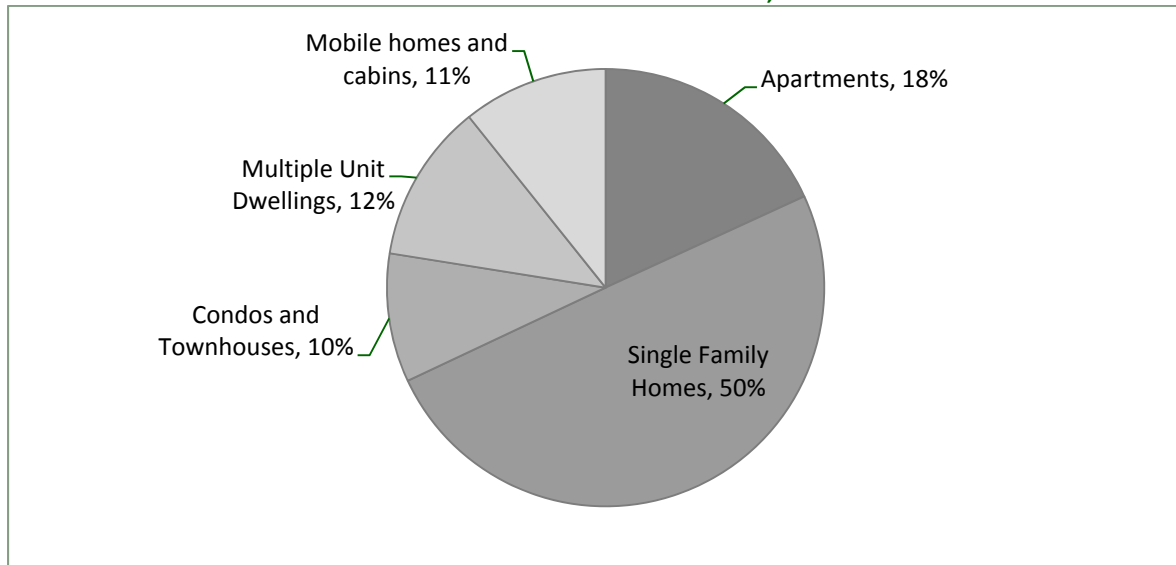
Housing Property Types

This section will outline the existing housing in Juneau in general. Later sections in this report will hone in on the specifics of rental housing and home ownership. It is important to note that while CBJ housing data is

⁹ The Juneau Housing Needs Assessment Report completed for 2010 had an over count of about 281 housing units in the Multiple Buildings on Property category. This report has corrected that over count.

current, it lacks some of the detail available from 2010 Census and ACS information. Between 2010 and June 2012, only 35 new single-family homes, and 46 new multi-family housing units have been built according to the CBJ Assessor's database. For some of those units, construction has not been completed, so it is possible not all those units are available for occupancy. For that reason, 2010 Census and ACS housing data is often used in the following sections to characterize Juneau's current housing market.

JUNEAU HOUSING UNITS BY TYPE, 2012



Source: City and Borough of Juneau, Property Tax Assessor's Database, data compiled by JEDC.

Bedroom Size and Age of Housing Units

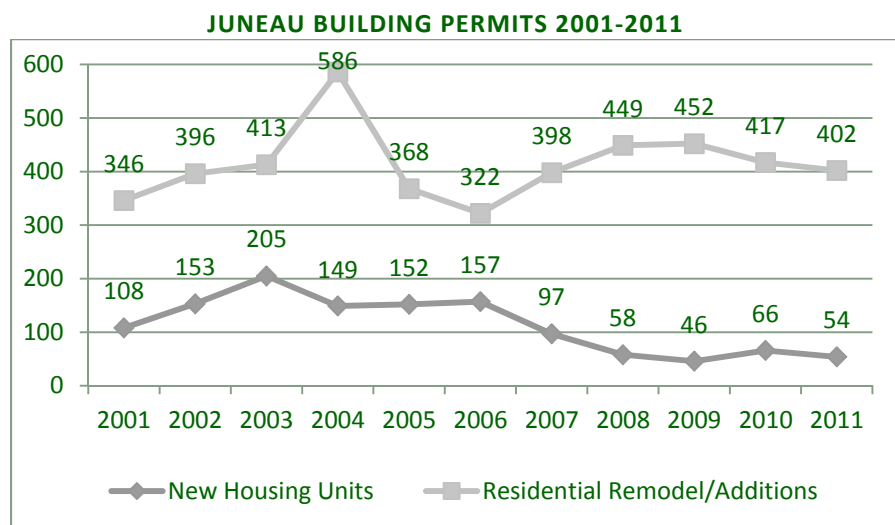
Juneau is one of the oldest established communities in Alaska. Below is a table showing Juneau's housing units by range of years in which they were built. Nearly 10% of Juneau's housing was built prior to 1939. Over half (53.4%) of all occupied housing in Juneau is over 33 years old and just over 80% is over 23 years old. As older homes typically have less efficient furnaces, insulation, windows, appliances and so on, homeowners and landlords will have higher operating costs in terms of heating costs and repairs than national or Alaska averages. Juneau's high year-round humidity also reduces the life of roofs, decks and other surfaces exposed to water. Many homes built during the construction boom period of 1970-1989, have some degree of rot. When 40-45 years is considered the effective useful life of a new residential property, it is clear much of Juneau's housing stock is now or soon will be functionally obsolete.

JUNEAU'S OCCUPIED HOUSING BY YEAR BUILT

	Owner Occupied		Renter Occupied		All Units	
	Occupied	%	Occupied	%	Occupied	%
Total Housing Units Built	7,687		4,318		12,005	
2005 or Later	175	2.3%	101	2.3%	276	2.3%
2000 to 2004	331	4.3%	247	5.7%	578	4.8%
1990 to 1999	900	11.7%	624	14.5%	1,524	12.7%
1980 to 1989	2,249	29.3%	963	22.3%	3,212	26.8%
1970 to 1979	2,162	28.1%	1,149	26.6%	3,311	27.6%
1960 to 1969	610	7.9%	336	7.8%	946	7.9%
1950 to 1959	458	6.0%	258	6.0%	716	6.0%
1940 to 1949	156	2.0%	176	4.1%	332	2.8%
1939 or Earlier	646	8.4%	464	10.7%	1,110	9.2%

Source: U.S. Census Bureau, American Community Survey Data, 2006 to 2010 annual average

Factors that reduce the effective age of Juneau’s housing stock include remodels, additions, and weatherization improvements including roof, door, window, furnace, insulation replacement and upgrades. According to the CBJ Community Development Department’s historical record of permits issued, it appears homeowners have responded to the shortage of new housing by improving what exists, especially since 2007, but it is not known how many permits were for additions versus upgrades or major repairs that would reduce operating costs or resolve structural problems.



Further analysis of the type, cost and recoverable value of permitted remodels and additions would be useful to determine the average effective age and functional obsolescence of Juneau’s housing stock as well as estimate the capital investment needed to bring it up to Alaska or national averages.

Source: City and Borough of Juneau Permit Center, <http://www.juneau.org/cddftp/documents/2012permstats.PDF>

Bedroom Size of Rental Housing Units

The 2010 Census did not inquire about number of bedrooms in each housing unit. However, the American Community Survey did ask that question, and the responses were proportioned to the population of rental housing units to provide an estimate of the number of rental housing units by number of bedrooms. Two-bedroom rental housing units are the most prevalent size of unit-types in Juneau. However, nearly as many one-bedroom and three-bedroom housing units as two-bedroom units are rented in Juneau.

JUNEAU RENTER OCCUPIED HOUSING BY NUMBER OF BEDROOMS, 2010

Size of Housing Units	2010 Census Renter Occupied Units	Percent of Renter Occupied Units
0 Bedrooms	294	6.8%
1 Bedroom	1,229	28.5%
2 Bedrooms	1,351	31.3%
3 Bedrooms	1,199	27.8%
4+ Bedrooms	245	5.7%
Total Occupied Units	4,318	100.0%
Unoccupied Units	279	
Total Rental Units	4,597	

Source: U.S. Census Bureau, 2010 Census

The table below breaks out Juneau housing units by number of bedrooms in 2010 based on the 2010 ACS 5-year average estimate. The highest proportion of rental units is two-bedroom units, while the highest proportion of owner occupied units are three-bedroom units. Overall, about 40% of Juneau’s occupied housing has three-bedrooms.



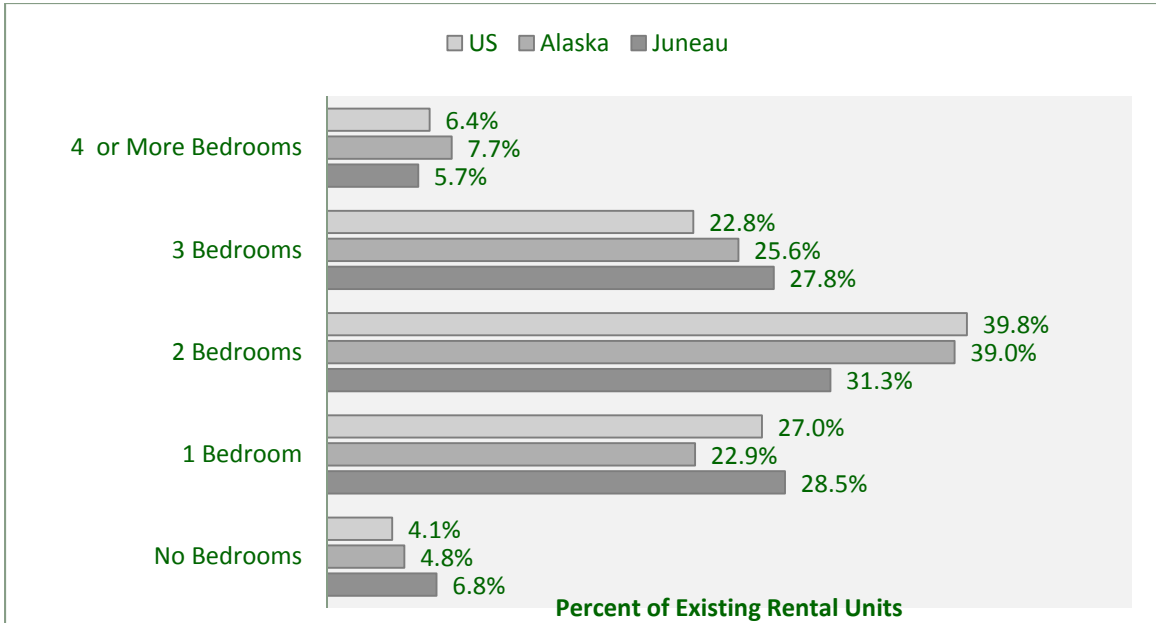
JUNEAU'S OCCUPIED HOUSING UNITS BY NUMBER OF BEDROOMS, 2010

Type of Housing Units	Owner Occupied	Renter Occupied	All Units
Total Housing Units	7,687	4,318	12,005
No Bedrooms	88	294	382
1 Bedroom	478	1,229	1,707
2 Bedrooms	1,780	1,351	3,131
3 Bedrooms	3,549	1,199	4,748
4or More Bedrooms	1,792	245	2,037

Source: American Community Survey Data, 2006 to 2010 annual average

In comparing Juneau, Alaska, and the nation, Juneau’s rental housing stock tends to be smaller, with more studios and one-bedroom units and fewer with four or more bedrooms. Alaska and the nation have a much larger proportion of two-bedroom apartments in their rental markets, and smaller proportions of one and three-bedroom units.

RENTAL HOUSING UNITS BY BEDROOM SIZE FOR JUNEAU, ALASKA, AND THE U.S., 2010



Source: U.S. Census Bureau, 2010 Census and American Community Survey Data, 2006 to 2010 annual average

Owner Occupied Housing

The 2010 U.S. Census found 12,187 occupied housing units in Juneau, of which 7,590 (62%) were owner occupied. Of the owner occupied housing units, about 27% were owned free and clear, and the other 73% were owned with a mortgage or a loan. The 2010 ACS showed 12,005 occupied housing units in Juneau with 64% owner occupied and 36% with occupied by renters. The ACS showed 29.1% of the owned homes as free of home-secured debt.

Current Inventory of Homes for Sale

The MLS listings as of October 1, 2012, indicate there is only a 3 month inventory of homes for sale, assuming 75% of a calendar year’s real estate transactions occur before the end of September, which they generally do. There were no multi-family apartment buildings listed for sale on October 1.

RESIDENTIAL PROPERTIES LISTED FOR SALE IN JUNEAU ON OCTOBER 1, 2012

Residential Property Type	# Listings	Average List		Estimated Sale Volume ¹⁰
		Price	Median List Price	
Zero Lot Home	9	\$286,622	\$262,500	\$ 2,339,811
Cabin	0	N/A	N/A	\$ -
Condominium	23	\$171,074	\$164,900	\$ 3,726,452
Mobile	0	N/A	N/A	\$ -
Mobile Home on Lot	0	N/A	N/A	\$ -
Single-family	71	\$393,813	\$360,000	\$25,551,066
Single-family Apartment	5	\$428,454	\$445,000	\$ 4,824,011
Duplexes	3	\$348,333	\$352,000	\$ 1,056,000
Total	117			\$37,497,340

Source: Juneau Multiple Listing Service, JEDC estimates.

According to the National Association of Realtors as of September 2012, nationally there was an 8.4% average price increase in existing homes over 2011 prices.

NATIONAL SALES PRICE OF EXISTING HOMES

Year	Existing Home Price	Single-family Price	Condo/Co-op Price	National Mos. Supply	Single-family Mos. Supply	Condo/Co-op Mos. Supply
Average (Mean)						
2009	\$216,900	\$217,000	\$216,300	8.8	8.3	12.7
2010	220,000	220,600	215,700	9.4	9.0	12.0
2011	214,000	214,300	211,300	8.2	8.1	9.7
Sep 2012	232,000	232,500	227,900	5.9	5.8	6.3
vs. 2011	8.4%	8.5%	7.9%	-28%	-28%	-35%

Source: 2012 National Association of REALTORS®

Rental Housing

Some of the data used in this section is presented in table form in the previous section in conjunction with data for owner occupied housing.

According to the 2010 Census count, there were 4,597 rental housing units in Juneau in that year. Of those units, 279 were vacant for various reasons, leaving 4,318 renter-occupied housing units in Juneau in 2010.

Over 37% of the housing units in the Borough are rentals. The majority of the housing in Census Tract 5 (mainly downtown Juneau) is rental housing. The area with the least rental housing is Census Tract 1, north of the Mendenhall River.

RENTAL HOUSING UNITS IN JUNEAU BY CENSUS TRACT, 2010

Census Tract	Population	Number of Rental Units	Total Occupied Housing Units	Percent of Units that are Rentals
1 North of Mendenhall River	4,664	427	1,877	22.7%
2 West Mendenhall Valley	7,073	592	2,533	23.4%
3 East Mendenhall Valley and airport area	5,396	831	1,953	42.5%

¹⁰ Year to date median sale/list price times median list price of listings is used to generate the estimated sale volume for each property type.

Census Tract	Population	Number of Rental Units	Total Occupied Housing Units	Percent of Units that are Rentals
4 Switzer, Lemon, and Salmon Creek areas	4,379	663	1,659	40.0%
5 Downtown Juneau and Thane	3,414	1,034	1,784	58.0%
6 Douglas Island and Greens Creek on Admiralty Island	5,462	1,050	2,381	44.1%
Total	30,388	4,597	12,187	37.7%

Source: U.S. Census Bureau, 2010 Census and American Community Survey Data, 2006 to 2010 annual average

While Douglas Island has slightly more rental housing units than downtown Juneau, Douglas has about a third more housing units in general, so the proportion of rental units to the total units is larger in Downtown Juneau. This inventory of rental units includes units renting at the fair market rate, as well as units with rental subsidies.

Subsidized Rentals

In Juneau, there are 819 housing units that were specifically built or financed with capital that requires some percentage of the units to be maintained as permanently affordable for an income threshold based on local median household incomes. Many of these properties are operated by non-profit organizations and some include supportive services, particularly those targeting developmentally disabled and mentally ill residents. These tenants are not required to pay market rate. Some of the 334 allocated housing choice vouchers are used by low-income families to further subsidize rents beyond which the property financing requires. AHFC estimates about 75% of the vouchers in Juneau are used by tenants living in fair market rent units. The rental subsidies paid to Juneau landlords by AHFC for tenant vouchers for November 2012 rents was \$213,330. JEDC estimates there are about 1,069 households in some type of subsidized rental unit or approximately 25% of renter households and about \$2.6 million a year in cash subsidies is paid in Juneau by AHFC.

AHFC's Juneau office estimated there is usually a 300-long wait list for housing vouchers and about 10% of newly issued vouchers are rescinded because eligible recipients cannot find a rental within the time allowed.

JUNEAU'S LOW INCOME HOUSING UNITS

Low Income Housing Program	Total Units	Low Income Units	Units for Elderly	Units for Disabled	Accessible Units
Low Income Housing Tax Credit Unit	284	284			55
AHFC Public Housing Program	213	213	62	12	29
HUD 202 Supportive Housing for the Elderly	24	24	24		24
HUD 811 Supportive Housing for Persons with Disabilities	22	21		21	9
USDA Section 515 Rural Rental Housing Program	24	24			2
Section 8 Project Based Contract Program (not vouchers)	220	180			9
Other Grants	32	2			2
Total subsidized units	819	748	86	21	130
Estimated 75% Housing Choice Vouchers used in Fair Market Rentals	250				
Total subsidized rental inventory including vouchers	1,069				

Source: HUD databases for LIHTC and Section 202 inventory, 2012 JEDC survey

Below are descriptions of the broad categories of low income housing financing which provided funding for the low income housing units above:

The Low Income Housing Tax Credit Program (LIHTC) provides federal income tax credits to individuals or organizations that develop affordable housing through either new construction or acquisition and rehabilitation. In order to receive tax credits, a developer must set aside a number of units, and restrict the rent to below fair market rates for households with less than 60% of the median income in the area. These units must remain affordable for a minimum of 30 years. The last LIHTC development in Juneau was Glacier Village (66 units) developed by Tlingit-Haida Regional Housing Authority in 2003.

AHFC Public Housing Program Units are apartments where tenants pay 30 percent of their adjusted monthly income toward rent. The HUD, through AHFC, subsidizes the balance of the rent.

Project Based Housing Vouchers (Section 8 Project Based Contract Program) are a component of a public housing agencies (PHAs) housing choice voucher program. A PHA, such as AHFC, can attach up to 20 percent of its voucher assistance to specific housing units if the owner agrees to either rehabilitate or construct the units, or the owner agrees to set aside a portion of the units in an existing development.

The Housing Choice Voucher program is the Federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments. The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects. The AHFC runs the Housing Choice Voucher program in Juneau. Currently, there are 344 housing vouchers issued for the Borough. This allocation is subject to change based on utilization rates, demographic changes, or changes made to the overall program at the State and Federal level. It is important to note that the Housing Choice Voucher is what makes these units affordable. Without the voucher the units would be priced similarly to other fair market rentals.

HUD 202 Supportive Housing for the Elderly provides capital to finance construction, rehabilitation, or acquisition with or without rehabilitation of structures that will serve as supportive housing for very low-income elderly persons (50%AMI), including the frail elderly, and provides rent subsidies for the projects to help make them affordable.

HUD 811 Supportive Housing for Persons with Disabilities provides funding to nonprofit organizations to develop rental housing with the availability of supportive services for very low-income adults with disabilities, and provides rent subsidies for the projects to help make them affordable.

USDA Section 515 Rural Rental Housing Program provides affordable rental housing to seniors and people with disabilities (as well as families). To make Section 515 housing available to tenants who cannot afford market rents, USDA provides assistance through the Section 521 Rental Assistance Program which brings tenants' rent down to 30% of their adjusted incomes and makes up the difference to landlords.

Waiting Lists for Subsidized Housing

In its 2011 annual "Moving to Work" report to HUD, AHFC reported the wait list in Juneau for eligible applicants for public housing and/or housing choice vouchers as follows:

NUMBER AND CHARACTERISTICS OF AHFC WAITING LIST HOUSEHOLDS				
	Public Housing		Housing Choice Vouchers	
Total Number of Families ¹¹	359		395	
Extremely Low Income <30%	294	82%	323	82%

¹¹ JEDC suspects this category is mislabeled by AHFC and should instead refer to households, as the number of families reported below is lower.



	Public Housing		Housing Choice Vouchers	
Very Low Income >30% and < 50%	56	16%	65	16%
Low income >50% and <80%	7	2%	6	2%
Families	327	91%	295	75%
Elderly	38	11%	26	7%
Disabled Head/Co-Head of Household	131	36%	106	27%
White	183	51%	190	48%
Black/African American	14	4%	16	4%
American Indian/Alaska Native	135	38%	165	42%
Asian	11	3%	11	3%
Native Hawaiian/Pacific Islander	16	4%	13	3%
Non-Hispanic	341	95%	373	94%
Hispanic	18	5%	22	6%

Source: Alaska Housing Finance Corporation Annual MTW Report, 1/20/2012, <http://portal.hud.gov/hudportal/documents/huddoc?id=alaska-fy11rpt.pdf>

Special Needs Housing

Juneau also has specialized housing dedicated to special populations, including seasonal workers and short term visitors. The chart below lists institutional housing facilities, their capacity and occupancy in Juneau. Some of these facilities offer long term housing, and some offer short term housing. In general, this is housing that is not available to the general public.

INSTITUTIONAL AND SPECIALIZED HOUSING FACILITIES IN JUNEAU

	Maximum Capacity	Current Occupancy	Average Occupancy
Detention Facilities	343	327	321
Lemon Creek Correctional Center	228	223	215
Johnson Youth Center	30	22	21.3
Gastineau Human Services Halfway Houses	85	82	85
Senior/Disabled Housing	226+	207	230
Pioneers Home	45	45	45
Fireweed Place	90	74	82
Wildflower Court	57	57	57
REACH Assisted Living Homes	34	31	34
Other Assisted Living Homes	Variable	12	12
Disaster Relief/Homeless Shelters	187	95+	111
AWARE Shelter	32 (+16 temp)	24	13
St. Vincent de Paul	70	54	50
Glory Hole	43	varies nightly	27
Gastineau Human Services Juno House	26	17	20
University/Hospital Housing	308	231	205
UAS Housing	284	225	204
Bartlett Foundation (Hospital Housing)	24	6	1

Source: JEDC interviews with the facility managers, 2012.

Short-term Housing

While not considered in housing stock surveys, Juneau's hotel room inventory often doubles as short-term housing for seasonal employees or longer-term housing for non-resident workers. Many Juneau hotels offer monthly rates, which imply longer term stays are customary. For this reason, it is important to provide an account of local hotel room stock. Juneau has over 1,100 rooms and over 1,500 beds in the hotel/motel/inn category. There are also 80 bed and breakfast rooms located in Juneau. In addition, short term camping spots are also available in the summer season in the Borough.

Suggested follow up: Survey of motels and key employers to determine whether long-term rentals are significant factor in rental housing market and provide rental cost comparisons.

JUNEAU HOTELS, MOTELS, INNS, AND BED AND BREAKFAST ROOMS, 2012

	Downtown	Other Areas	Total Juneau
Hotels, Motels and Inns			
Number of Rooms	670	464	1,134
Number of Beds	905	651	1,556
Bed and Breakfasts			
Number of Rooms	22	58	80
Grand Total All Rooms	692	522	1,214

Source: Juneau Convention and Visitor's Bureau, 2012.

Non-Resident Worker Housing

Juneau's seasonal population fluctuation further complicates the housing situation in Juneau. Seasonal industries such as the visitor and fish processing industries bring in workers for the summer season. In the winter, legislative workers travel to Juneau from around the state. In addition, mine workers from outside of Juneau may work in the Borough at any time of year.

Some employers of seasonal workers provide or arrange housing for them. The visitor industry probably employs the most seasonal workers, although it is difficult to estimate how many. These summer workers come to Juneau to drive buses, sell diamonds, lead tours, operate cash registers, serve food, and clean up after the tourists. Some of the larger employers provide housing for them. For example, Holland America Princess of Alaska provides group housing for as many as 150 seasonal employees. Allen Marine Tours offers employee housing in private dorm room style living and single rooms in shared apartments. Both the Diamonds International and Tanzanite International stores were built with housing on the top floors (combined they have more than 20 rooms) that double as legislative housing units in the winter.

Local fish processors and hatcheries hire about 190 to 200 seasonal workers, 75% of which are nonresidents. They provide seasonal housing for about 120, so another 30 beds are needed seasonally from the community for this industry.

The legislative season brings about 200 non-resident workers to Juneau between January and April. Some of these workers use housing that is also used in summer for visitor industry seasonal housing.

In addition, mining operations at Greens Creek on Admiralty Island and at Kensington just north of Berners Bay provide temporary, hotel and dormitory-style year-round housing for their workers, including many nonresidents. Currently, the two mine sites can house 450 workers.

Suggested follow up: Formal stakeholder survey of major industry employers to determine characteristics of employer-provided worker housing and quantify unmet need based on affordability and seasonality.

Other Non-Standard Housing

According to the CBJ's Docks and Harbor Department, about 150 to 200 boats in Juneau harbors have live-aboard occupants. There are also about 30 long term and another 25 short term Recreational Vehicle spaces in Juneau. Both housing types were included in the 2010 Census count.

Juneau, like most communities, has a variety of supportive and institutional housing. For this survey, as of the summer of 2012, JEDC surveyed the operators of various types of supportive and institutional housing and found:

- 142 people in federal prisons and detention centers
- 136 people in college dormitories (includes college quarters off campus)
- 77 people in homes or halfway houses for drug/alcohol abuse
- 39 people in nursing homes
- 32 people in short-term care, detention or diagnostic centers for delinquent children
- 31 people in homes for the mentally ill
- 16 people in halfway houses
- 8 people in homes for the developmentally disabled
- 5 people in workers' dormitories
- 5 people in crew quarters on of maritime vessels
- 3 people in agriculture workers' dormitories on farms
- 2 people in military ships
- 178 people in other non-institutional group quarters than those listed above

Vacancy

The 2010 U.S. Census count tracked housing vacancies in conjunction with its population count. Vacancies were categorized by type. The vacancy types that indicate most about housing availability are “for-rent” and “for-sale” vacancies. Seasonal vacancy includes housing used only seasonally, for recreation or occasional use, such as summer or hunting cabins, and housing for seasonal workers. The U.S. Census’ “Other Vacancy” category is a catch-all which includes property which is rented or sold during the lag between occupants, property with an owner or tenant on long-term absences, and property vacated to accommodate renovations. These properties are not available to the market. The chart below presents vacancies for both owner occupied and renter occupied housing units by vacancy type and by Juneau Census Tract¹².

According to the 2010 U.S. Census, Juneau’s vacancy rate was 6.6%, but unevenly distributed throughout Juneau. Vacancies occurring only with the sale and rental of housing units are most indicative of actual demand for housing, so those types of vacancies are given special consideration in this report. For rent and for sale vacancies combined for a vacancy rate in Juneau of 2.1% in 2010, well below the “healthy” 5% target. Since 2010, Juneau has gained over 1,000 in population (over 400 households, assuming the average 2010 household size of 2.5), and only about 164 new housing units have been permitted in the Borough. Since 2010, only 81 housing units have been built. Consequently, the housing vacancy rate in Juneau is likely to be even lower now than at the time of the 2010 Census.

¹² A description and map of Juneau’s six census tracts is provided beginning on page 34.

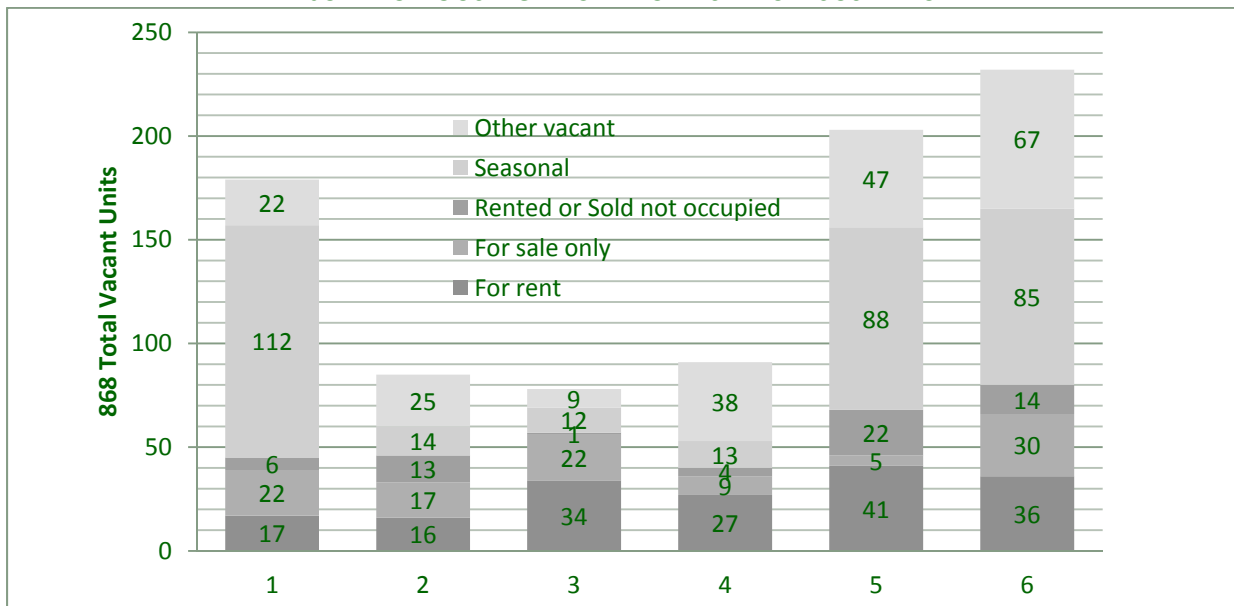
JUNEAU HOUSING VACANCY RATES BY CENSUS TRACT

Census Tract	For rent	For sale only	Rented or Sold not occupied	Seasonal	Other vacant	Overall Vacancy Rate
1 North of Mendenhall River	0.8%	1.1%	0.3%	5.4%	1.1%	8.7%
2 West Mendenhall Valley	0.6%	0.6%	0.5%	0.5%	1.0%	3.2%
3 East Mendenhall Valley and airport area	1.7%	1.1%	0.0%	0.6%	0.4%	3.8%
4 Switzer, Lemon, and Salmon Creek areas	1.5%	0.5%	0.2%	0.7%	2.2%	5.2%
5 Downtown Juneau and Thane	2.1%	0.3%	1.1%	4.4%	2.4%	10.2%
6 Douglas Island and Greens Creek on Admiralty Island	1.4%	1.1%	0.5%	3.3%	2.6%	8.9%
Total	1.3%	0.8%	0.5%	2.5%	1.6%	6.6%

Source: Alaska Department of Labor and Workforce Development, 2010 Census data.

The vacancy rates shown above indicate the overall and seasonal vacancy rate is highest in Census Tracts 1, 5 and 6, and well below 5% for Census Tracts 2 and 4. Tract 4 is the closest to the “healthy” 5% vacancy rate. The seasonal vacancy rate incorporates vacancies from housing units used seasonally for both recreation and for seasonal workers. The almost 9% vacancy rates for Douglas Island and area north of the Mendenhall River likely indicate a large number of summer and hunting cabins, whereas the 10.2% vacancy rate in Downtown Juneau is likely due to housing held off the market for seasonal workers at the time of the April 2010 count. The graph below presents the same data with the actual number of vacant units shown. There were 868 total vacant housing units reported in the 2010 Census.

JUNEAU HOUSING VACANT UNITS BY CENSUS TRACT



Source: Alaska Department of Labor and Workforce Development, 2010 Census data.

In 2010, the for sale vacancy rates are highest in the East Mendenhall Valley, and on Douglas Island, and lowest in downtown Juneau, the West Mendenhall Valley, and the Switzer, Lemon, and Salmon Creek areas.

Rental Vacancies

The AHFC contracts annually with the Alaska Department of Labor and Workforce Development to perform a rental market survey throughout the state. This survey gathers information about rent and utilities paid for market rate housing units, by bedroom-size of units rented, and vacancies. The survey sample is selected from a large database of potential rental units and the sample size is based on the distribution of rental units reported in the latest decennial U.S. Census. The survey response rate for 2012 was about 38% and represents 15,417 rental units in 57 Alaska communities. For Juneau, 1009 units were surveyed, roughly one quarter of the number of rental units counted in the 2010 Census. Unconventional rentals such as rooming houses, cabins without complete plumbing, and subsidized rentals are excluded from survey.

The table below presents AHFC rental vacancy estimates by the bedroom size of rentals in Juneau for 2012. The smaller rentals have the lowest vacancy rates. While rental units with four bedrooms have a high vacancy of 12.5%, the total number of rental units (245 in 2010) and the survey sample for this category in Juneau in 2012 was quite small (8 units).

2012 AHFC RENTAL VACANCIES IN JUNEAU BY NUMBER OF BEDROOMS (BR)						
	0 BR	1 BR	2 BR	3 BR	4 BR	Total
Apartments Surveyed	125	310	306	82	0	823
Number Vacant	2	2	10	2	0	16
Vacancy Rate	1.6%	0.6%	3.3%	2.4%	0	1.9%
Homes Surveyed	0	26	21	22	8	77
Number Vacant	0	1	3	2	1	7
Vacancy Rate	0	3.8%	14.3%	9.1%	12.5%	9.1%
All Rentals Surveyed	125	336	327	104	8	900
Total Vacant	2	3	13	4	1	23
Total Vacancy Rate	1.6%	0.9%	4.0%	3.8%	12.5%	2.6%

Source: Alaska Housing Finance Corporation Annual Rental Survey, 2012.

ACS calculated Juneau's 2010 rental vacancy rate, based on average survey data for Juneau from 2006-2010 at 2.2%. The 2010 Census calculated a 3.6% vacancy rate for rentals based on door-to-door interviews. The just-released ACS rental vacancy rate for 2011 in Juneau, based on 2009-2011 survey averages is also 3.6%.

Housing Affordability

Monthly Rental Costs (Market Rates)

While Juneau has tended to have the highest apartment rental rates in the state, rental rates in several communities surpassed those of Juneau in the first half of 2012. Kodiak, Valdez/Cordova and Anchorage had the highest average rent in the state in 2011. In mid-2012, ADOL reported in the first half of 2012, the average monthly rent in Juneau was \$1,155 including utilities, nearly the same as in 2011.

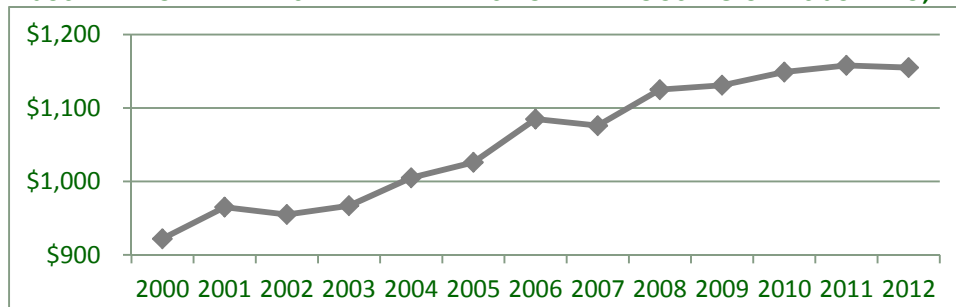
AVERAGE JUNEAU RENTAL PRICES, 2000 - 2012	
Year	Average Adjusted Rent Juneau ¹³
2000	\$922
2011	\$1,158
2012	\$1,155
Change 2011-2012	(0.3%)
Change 2000-2012	24.7%

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section.

Average Rents and Affordability

Residential rental rates in Alaska communities are collected through an annual survey by AHFC. While the average adjusted rent (gross rent plus utilities) increased in Juneau by 25.3% between 2000 and 2012, the rate of inflation over that same time period, as measured by the Anchorage Consumer Price Index for Urban Consumers (Anchorage CPI-U), was over 30%. In addition, while the rate of inflation measured by the Anchorage CPI-U was 2.5% between the first half of 2011 and the first half of 2012, rents in Juneau remained stable during that time. On average, when adjusted for inflation, Juneau's residential rents have remained relatively stable. Average adjusted rents actually dropped very slightly (\$3) to \$1,155 as of the 2012 survey. The median rent for single-family residences was \$1,620 and the median rent for apartments was \$1,110.

AVERAGE ADJUSTED MONTHLY RESIDENTIAL RENTS FOR ALL HOUSING UNITS JUNEAU, 2000 TO 2012



Source: Alaska Housing Finance Corporation Annual Rental Surveys, 2000-2012.

The AHFC annual residential rental market survey for 2012 estimated residential rental rates in Juneau by apartment or house size, and those rates are presented below. Single-family homes with two or three-bedrooms command a substantially higher average rent than comparably sized apartments in Juneau. The average rent for a two-bedroom home is 34% higher than the average rent for a two-bedroom apartment. For a three-bedroom unit, the average rent for homes is 25% above the average rent for apartments.

¹³ The above rents are the average rents for all units. Adjusted rents are calculated rents determined by adding estimated utility costs that are not included in the contract rent. They are not adjusted for inflation.

AVERAGE AND MEDIAN ADJUSTED RENTS IN JUNEAU IN 2012

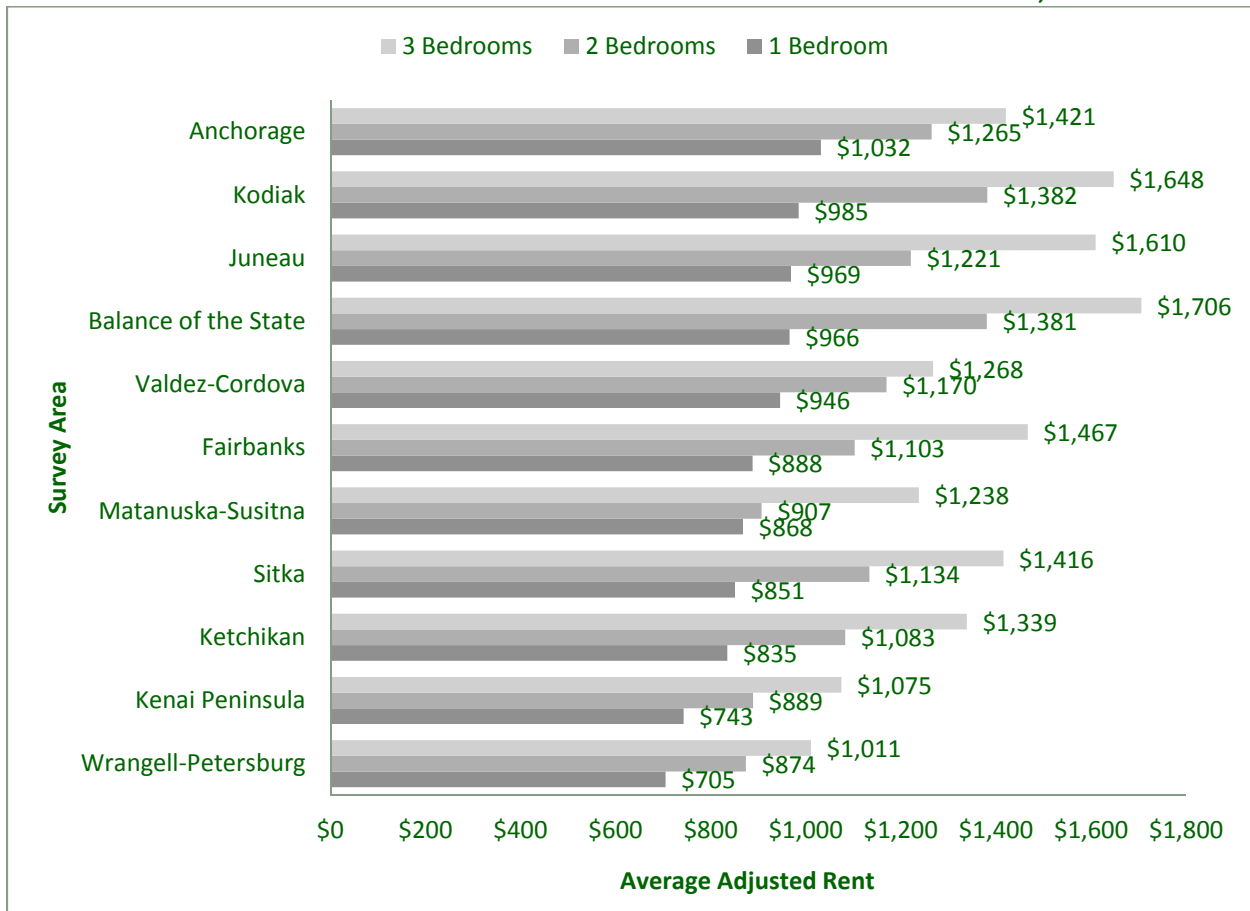
	0 Bedrooms	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Apartments Average Rent	\$816	\$969	\$1,221	\$1,610	
Apartments Median Rent	\$868	\$975	\$1,213	\$1,562	
Single-Family Average Rent		\$1,040	\$1,637	\$2,015	\$2,696
Single-Family Median Rent		\$1,016	\$1,598	\$1,942	\$2,722

Source: Alaska Housing Finance Corporation Annual Rental Survey, 2012.

According to AHFC analysis, a Juneau household requires a gross income of 48,840 annually to afford an average two-bedroom apartment without being rent burdened. While this income is slightly higher than indicated by the National Low Income Housing Coalition or HUD, there may be some benefit to using local data in this determination.

The following graph compares average adjusted apartment rents in selected Alaska communities surveyed in the AHFC report. Of these communities, Juneau’s average apartment rents are the third highest for one-bedroom and three-bedroom apartments, and rank fourth for two-bedroom apartments.

AVERAGE ADJUSTED APARTMENT RENTS IN ALASKA BY APARTMENT SIZE, 2012



Source: Alaska Housing Finance Corporation Annual Rental Survey, 2012.

The HUD also estimates non-subsidized residential rental rates each year (Fair Market Rent) based on ACS data. Because the AHFC survey has a larger sample size and Alaska-specific information, it tends to be favored by State and local government policy makers. However, the HUD data presents some interesting

information regarding income levels required to afford residential rentals at fair market value. In addition, the HUD estimates are based on ACS data, so tie in well to other comparisons using that same data.

FAIR MARKET RENTS AND AFFORDABILITY ESTIMATES FOR JUNEAU, FEDERAL FISCAL YEAR (FFY) 2012

	0-BR FMR	1-BR FMR	2-BR FMR	3-BR FMR	4-BR FMR
Fair Market Rent (FMR) ¹⁴ - FFY 2012	\$744	\$912	\$1,147	\$1,550	\$1,932
Hourly Wage Needed to Afford FMR	\$14.31	\$17.54	\$22.06	\$29.81	\$37.15
Annual Household Income Needed to Afford FMR	\$29,760	\$36,480	\$45,880	\$62,000	\$77,280
Percent Area Median Income (AMI) Needed to Afford FMR	32%	39%	49%	66%	82%
Percent of Renters Unable to Afford FMR			47%		
Percent Median Renter Income (MRI) Needed to Afford FMR	60%	73%	109%	124%	155%
Worker Hours per Week at Minimum Wage (\$7.75/hr.) Needed to Afford FMR	74	91	114	154	192
Full Time Jobs at Minimum Wage (\$7.75/hr.) Needed to Afford FMR	1.8	2.3	2.8	3.8	4.8
Worker Hours per Week at Average Renter Wage (\$12.06/hr.) Needed to Afford FMR	47	58	73	99	123
Full Time Jobs at Average Renter Wage (\$12.06/hr.) Needed to Afford FMR	1.2	1.5	1.8	2.5	3.1

Source: *Out of Reach 2012*, National Low Income Housing Coalition. Based on U.S. Census American Community Survey data

Residents earning only the average renter wage of \$12.06 per hour would have to work 1.5 full time jobs to afford a one-bedroom apartment. According to this analysis, 47% of Juneau renters would pay over 30% of their income to rent an apartment at the fair market price.

Following is a comparison of the percentage of renter households in Juneau, Alaska and the nation paying more than 30% of household income for rent. Juneau residents with incomes between \$20,000 and \$49,999 are disproportionately impacted by Juneau’s high rents, while it appears those earning less than \$20,000 are about as poorly provided for with public housing and vouchers as the nation’s average very low income renters.

¹⁴ Based on American Community Survey data and analysis by the U. S. Department of Housing and Urban Development:

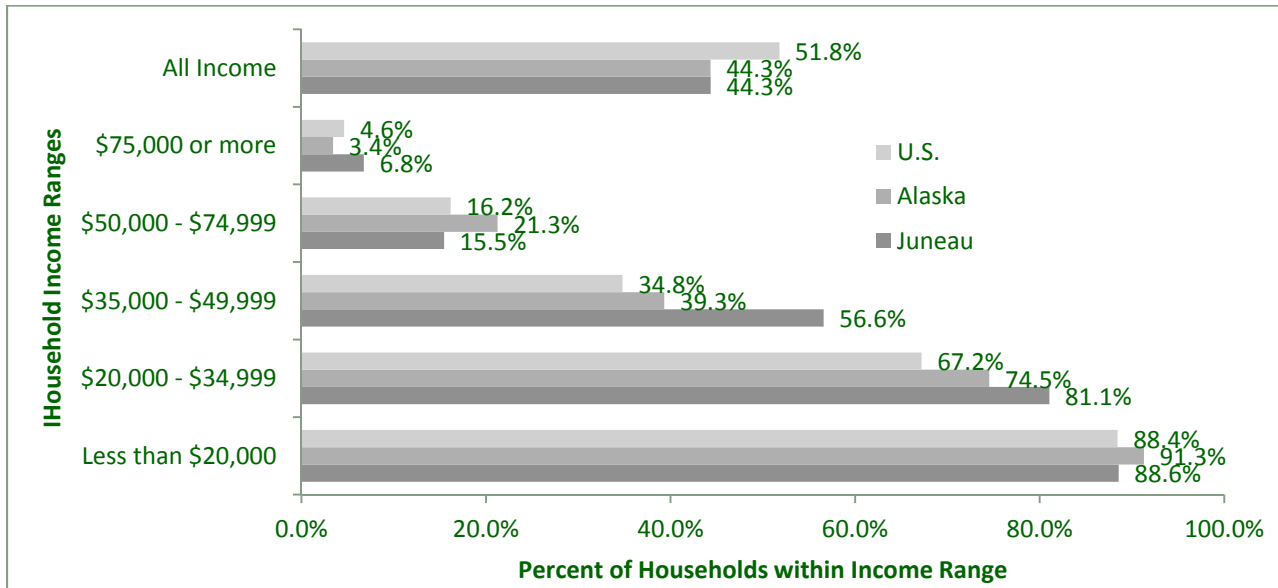
FMR = Fair Market Rent equals the 40th percentile of gross rents (including utilities) for typical, non-standard rental units occupied by recent movers in a local housing market. FMR is determined for individual areas by HUD.

AMI = Area Median Income (Juneau’s AMI for 2012 is \$94,200), which is assumed to be the level of income necessary to make local FMR affordable for a family of four.

MRI = Median Renter Income (Juneau’s MRI for 2012 is \$49,853).



PERCENT OF RENTERS PAYING MORE THAN 30% OF INCOME TOWARDS RENT IN 2010

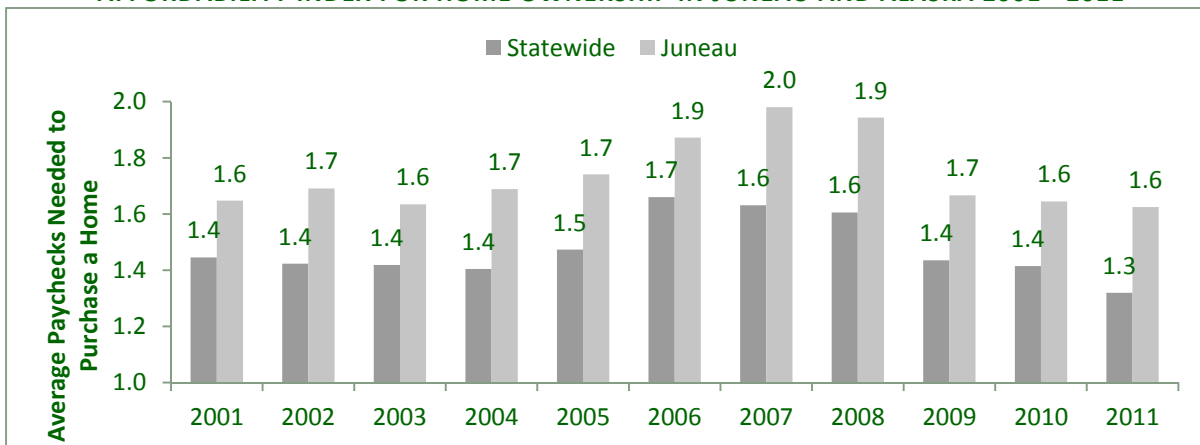


Source: U.S. Census Bureau, 2010 Census and American Community Survey Data, 2006 to 2010 annual average

Owner-Occupied Housing Affordability

AHFC produces an Alaska Affordability Index in conjunction with its housing surveys. This index represents how many average paychecks are needed to afford¹⁵ the monthly mortgage payment¹⁶ on the average single-family home. The chart below averages quarterly affordability data on an annual basis. According to the index, Juneau’s lack of affordability peaked in 2007, when two wage earners were required to afford one Juneau home. Since that time, local and statewide housing affordability has improved. In 2011, the incomes of 1.6 average wage earners (or a total of \$72,346 in earnings per year) were needed to purchase an average home in Juneau. Statewide, the number of paychecks needed to purchase the average home was only 1.3.

AFFORDABILITY INDEX FOR HOME OWNERSHIP IN JUNEAU AND ALASKA 2001 - 2011

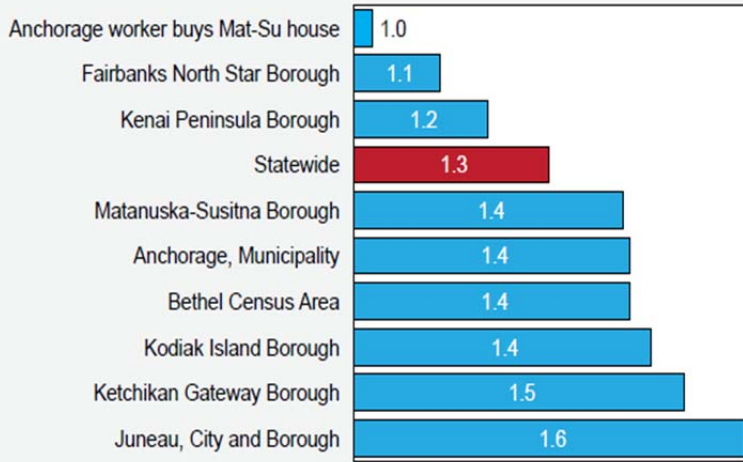


Source: Alaska Housing Finance Corporation.

¹⁵ The AHFC Affordability Index uses 24% as the maximum affordable mortgage payment, which leaves room in household budgets for utilities and maintenance costs, which vary widely by age, size and location of homes in Alaska.

¹⁶ AHFC assumes a 30-year mortgage with the current quarterly average interest rate and a 15 percent down payment.

7 Incomes Needed to Buy a House Alaska, second half of 2011



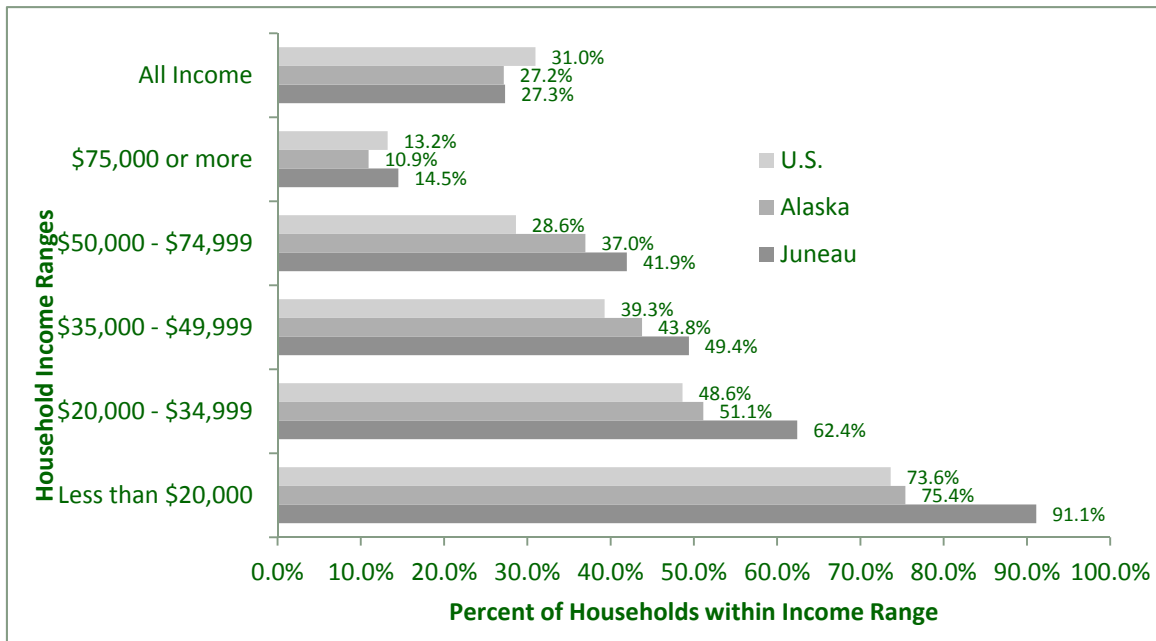
Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and Alaska Housing Finance Corporation

In the Alaska Department of Labor's July 2012 report, *The Cost of Living in Alaska*, higher wages in Anchorage resulted in a better affordability index ranking despite Anchorage having the highest average sales price in the state. "Higher earnings can offset home costs, though, and this factor makes Juneau the least affordable market. The affordability index in Exhibit 7 takes this earning power into account, producing the average number of wage earners required to qualify for a 30-year mortgage with an average interest rate and a 15 percent down payment."

In a comparison of housing costs for homeowners with a mortgage, it is interesting that in 2008, Juneau homeowners were more likely to pay over 30% of their income on housing costs than those

in the nation as a whole (39% for Juneau and 37% for the nation). That turned around in 2010, with national homeowners more likely to pay 30% of their income on housing than Juneau homeowners (27.3% for Juneau and 31% for the nation). This is likely due to the strength of Juneau's economy relative to the nation in recent years.

HOMEOWNERS WITH A MORTGAGE SPENDING MORE THAN 30 PERCENT OF HOUSEHOLD INCOME ON HOUSING COSTS – JUNEAU, ALASKA, AND U.S., 2008 AND 2010



Source: U.S. Census Bureau, 2010 Census and American Community Survey Data, 2006 to 2010 annual average

Juneau Demographic Profile

Information on the growth, age, mobility, household type, race and ethnicity, income and poverty levels and educational attainment of Juneau's population are provided in Annex 1 attached to this report. In some cases comparisons will be made to the region of Southeast Alaska, to Alaska and to the United States. Additional supporting data regarding Juneau's employment, unemployment, household income and cost of living are presented in Annex 2. The reader is also directed to JEDC's annual Juneau and Southeast Alaska Economic Indicators reports which can be found online at www.jedc.org.

Juneau Household Characteristics

Juneau Households by Location

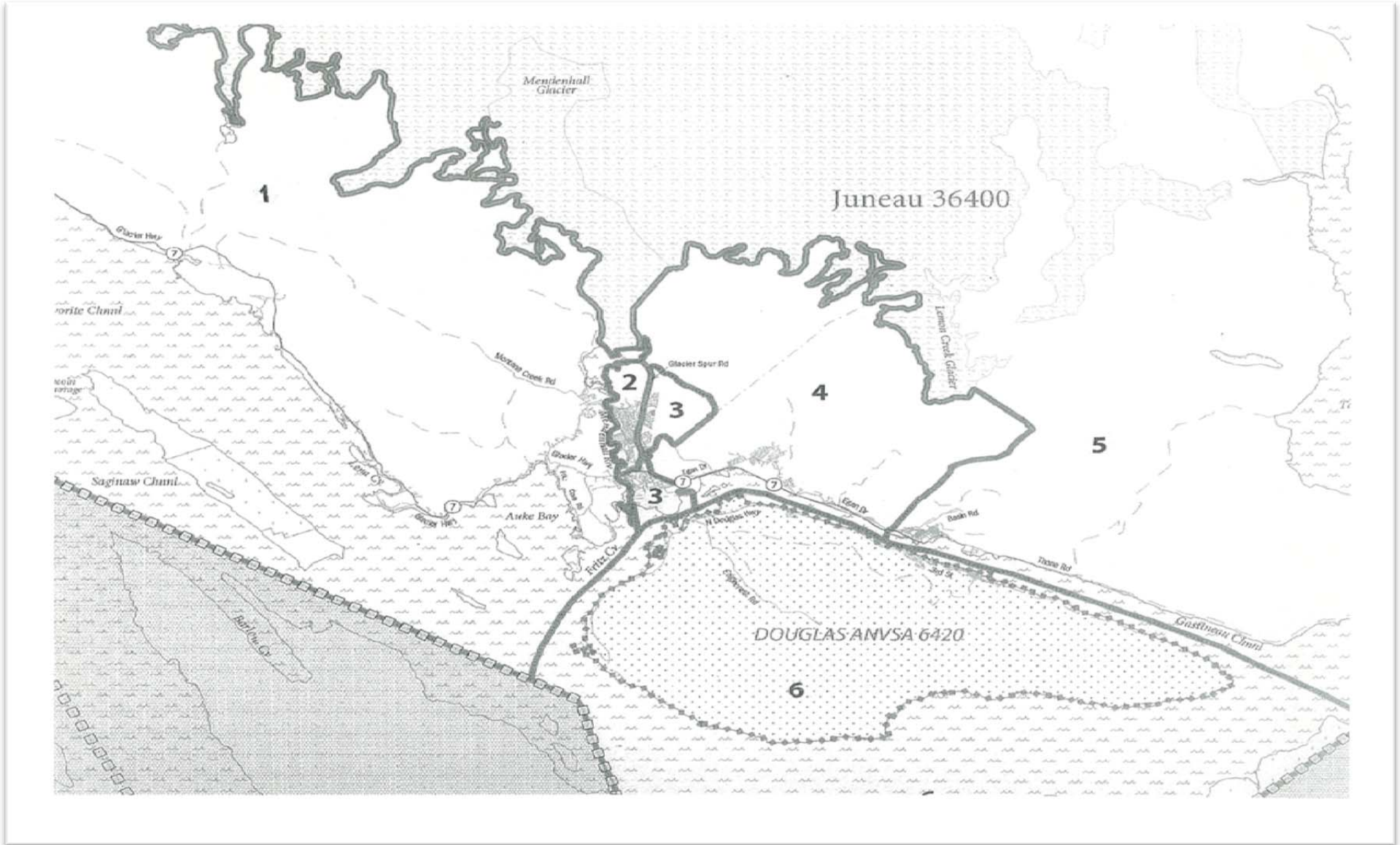
Not all the data collected in the 2010 Census is compiled as of this report. However, we are able to compare directly numbers of housing units, renter versus owner households and the age and racial distribution of Juneau's households. In 2000, the Census reported 11,543 households in Juneau. In 2010, the number increased 6% to 13,055, during a period in which Juneau's total population increased by only 2%. There have been other demographic changes as well. The number of households with children under 18 declined 14.6% between the 2000 and 2010 Censuses, while the number of households including individuals 65 or older nearly doubled.

The 2010 Census project counted residents and housing units in Juneau by area. Each Census Tract is designed to have a similar number of residents, while using physical characteristics, such as roads, rivers, and mountain ridgelines, as boundaries to separate the different tracts. Below is a key, describing the boundaries and the neighborhoods included within each Census Tract.

Census Tract 1	North of Mendenhall River. Bounded on the south by Mendenhall River and Fritz Cove Road, on the east by the Juneau Ice Field and on the north and west by the Borough Boundary.
Census Tract 2	West Mendenhall Valley. Bounded on the north and west by the Mendenhall River, on the south by Egan Drive and on the east by the Mendenhall Loop Road.
Census Tract 3	East Mendenhall Valley and Airport area. Bounded on the west by the Mendenhall Loop Road and the Mendenhall River, on the east by Steep Creek and Jordan Creek and on the south by the Gastineau Channel.
Census Tract 4	Switzer, Lemon and Salmon Creek areas. Bounded on the north and west by the Juneau Ice field and Census Tract 3, on the east by Norway Point and the ridgeline to the Juneau Ice field and on the south by the Gastineau Channel.
Census Tract 5	Downtown Juneau and Thane. Bounded on the north by Census Tract 4, on the west by the Gastineau Channel and on the south and east by the Juneau Ice field and the Borough Boundary.
Census Tract 6	Douglas Island and Greens Creek on Admiralty Island. Bounded on the north and west by the Gastineau Channel and on the south and east by the Borough Boundary.

Displayed on the following page is a map of the six Census Tracts in the Juneau Borough.

CENSUS TRACT MAP FOR THE CITY AND BOROUGH OF JUNEAU - 2010



Source: Alaska Department of Labor from U. S. Census Bureau data, 2012.

In 2010, Juneau's population was distributed as shown below, with just over 40% living in the Mendenhall Valley. Census Tract 2, the West Mendenhall Valley area, has the largest population and is the most compact. Census Tract 5, which includes Downtown Juneau, is just the opposite. It holds the fewest people, despite containing the largest land mass and the commercial area of Downtown Juneau.

Nearly twice as many Juneau residents own a home as rent, though this varies widely by Census Tract. The ratio of home owners to renters is 3.69:1 in the West Mendenhall Valley and 4:1 in the area north of the Mendenhall River. Towards Downtown, the rate of home ownership and average household size decline, though the lowest overall household size is in the Switzer, Lemon and Salmon Creek area. The Population in Group/Other Housing includes Johnson Youth Center and UAS student housing in Tract 1 and Lemon Creek Correctional Center, Gastineau Human Services' halfway housing as well as the Juneau Pioneer Home are located in Tract 4.

2010 JUNEAU POPULATION, OCCUPANCY TENURE & HOUSEHOLD SIZE BY CENSUS TRACT

Tract	Population		Owner/Renter		
			% in Owned	% in Rented	Ratio
1	4,933	15.8%	75.6%	18.9%	4.00
2	7,083	22.6%	78.5%	21.3%	3.69
3	5,483	17.5%	58.3%	40.1%	1.45
4	4,804	15.4%	56.9%	34.2%	1.66
5	3,498	11.2%	49.3%	48.3%	1.02
6	5,474	17.5%	58.1%	41.7%	1.39
2010	31,275	100.0%	64.4%	32.8%	1.96

Sources: U.S. Census 2000 and 2010 (2010 Interactive Population Search by Census Tract)

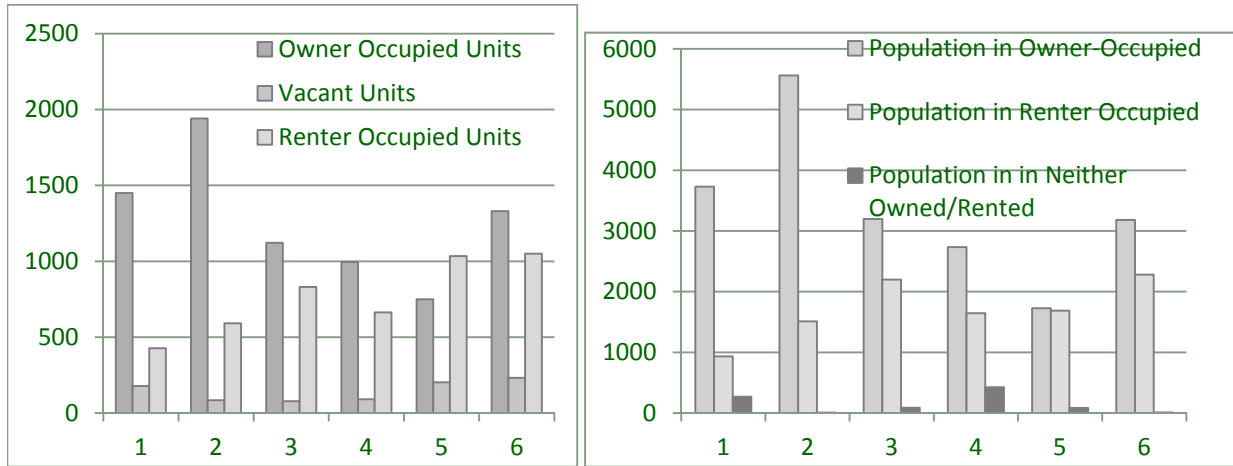
Tract	Total Housing Units		Occupied Units		Average Household Size	Population in Group/Other Housing	
	Units	%	Units	%		Population	%
1	2,056	15.7%	1,877	15.4%	2.48	269	30.3%
2	2,618	20.1%	2,533	20.8%	2.79	10	1.1%
3	2,031	15.6%	1,953	16.0%	2.76	87	9.8%
4	1,750	13.4%	1,659	13.6%	2.64	425	47.9%
5	1,987	15.2%	1,784	14.6%	1.91	84	9.5%
6	2,613	20.0%	2,381	19.5%	2.29	12	1.4%
2010	13,055	100.0%	12,187	100.0%	2.49	887	100.0%
2000	12,282		11,543		2.60	678	

Sources: U.S. Census 2000 and 2010 (2010 Interactive Population Search by Census Tract)

Tract	Owner Occupied Units		Population in Owned Units		Owner Household Size	Rental Units		Population in Rentals		Renter Household Size
	Units	%	Units	%		Units	%	Population	%	
1	1,450	19.1%	3,731	18.5%	2.57	427	9.3%	933	9.1%	2.19
2	1,941	25.6%	5,561	27.6%	2.87	592	12.9%	1,512	14.7%	2.55
3	1,122	14.8%	3,198	15.9%	2.85	831	18.1%	2,198	21.4%	2.65
4	996	13.1%	2,734	13.6%	2.74	663	14.4%	1,645	16.0%	2.48
5	750	9.9%	1,726	8.6%	2.30	1,034	22.5%	1,688	16.5%	1.63
6	1,331	17.5%	3,182	15.8%	2.39	1,050	22.8%	2,280	22.2%	2.17
2010	7,590	100.0%	20,132	100.0%	2.65	4,597	100.0%	10,256	100.0%	2.23
2000	7,356		20,450		2.78	4,187		9,588		2.29

Sources: U. S. Census 2000 and 2010 (2010 Interactive Population Search by Census Tract)

DISTRIBUTION OF JUNEAU HOUSEHOLDS, 2010 BY CENSUS TRACT



Source: U.S. Census, 2010

Household Size

The following table presents an estimate of the number of households in Juneau by household size in 2010. The smaller households (and those with younger householders) tend to be renters.

ANNUAL AVERAGE SIZE OF JUNEAU'S HOUSEHOLDS, 2006 - 2010

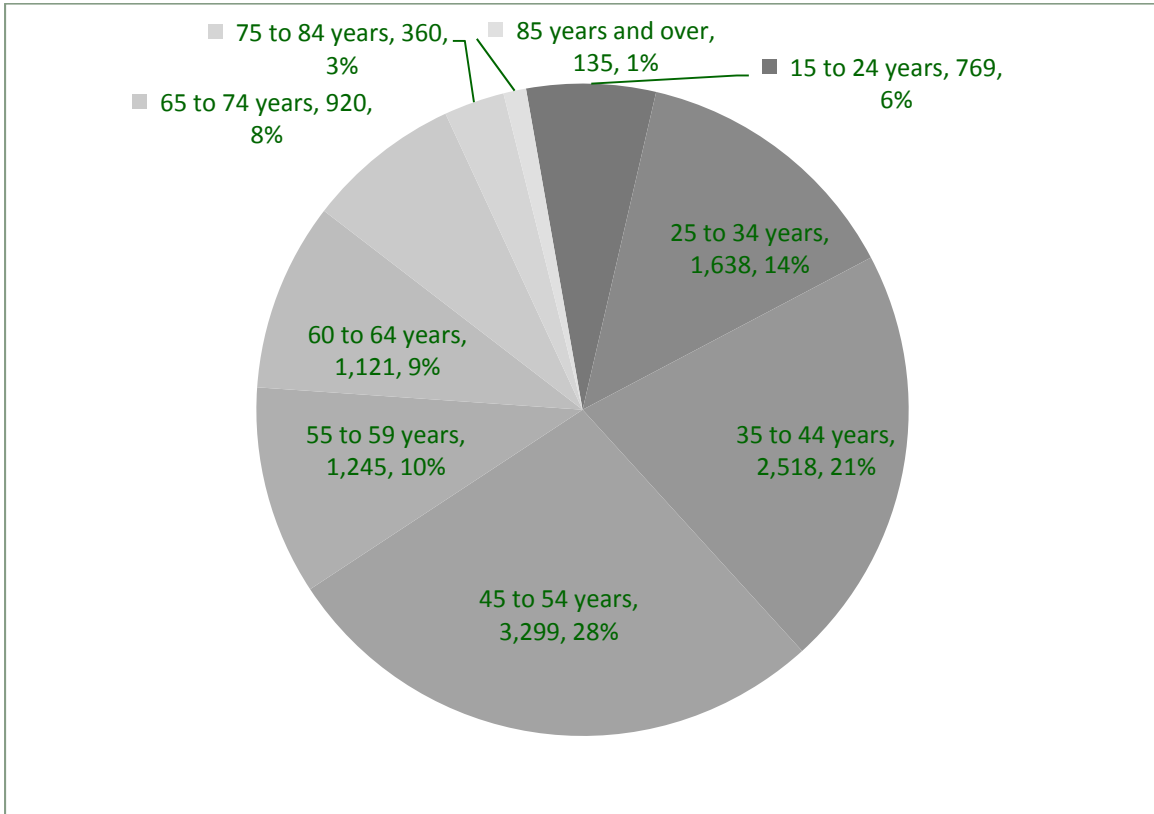
	Owner Occupied		Renter Occupied		Total Households	
	Households		Households			
1-person	1,392	18%	1,640	38%	3,032	25%
2-person	2,651	34%	1,229	28%	3,880	32%
3-person	1,523	20%	791	18%	2,314	19%
4-person	1,015	13%	385	9%	1,400	12%
5-person	828	11%	203	5%	1,031	9%
6-person	237	3%	19	0%	256	2%
7 and more persons	41	1%	51	1%	92	1%
Avg. Household Size	2.8		2.2		2.5	

Source: 2010 ACS estimate (5-year average 2006-2010)

Householder Age

Nearly half of Juneau's householders were aged 35 to 55 years, and about 21% were aged 60 years and older on average in 2010, based on ACS estimates. Householders are typically the oldest person in a household.

AGE OF HOUSEHOLDER IN JUNEAU, 2010



Source: 2010 ACS estimate (5-year average 2006-2010)

Juneau's Homeless Population

Beginning in 2008, the Juneau Homeless Coalition (JHC), made up of 24 non-profits and social service agencies, implemented an annual event, "Homeless Connect", at which people who are unsheltered or without adequate housing can be individually surveyed and offered services. Additional data is added to the Alaska Housing Finance Corporation's database by school districts and social-service providers to develop a profile for the community's homeless populations. The full data for the January 2012 count is not yet available. In 2011 the JHC estimated there were 562 homeless residents. Based on survey data collected at the January 2012 event, 65% were male, 65% were Alaska Native or American Indian – over twice as many as Whites. Families with children made up 22% of the homeless count.

In March 2012, the JHC participated in the 100,000 Homes Campaign Registry Week and canvassed Juneau's unsheltered homeless residents at known campsites and other locations in the early morning hours. Surveys were collected from 55 persons, which the JHC estimates comprise 75-80% of the known homeless most vulnerable¹⁷ population of Juneau. About 30% of

Accurate, timely, and regularly updated year-to-year collection and publication of data about the demographic composition, and reasons for and duration of homelessness, as well as the cost of programs, has been identified by HUD as a prerequisite for maintaining funding for Continuum of Care programs in an environment of restricted federal resources.

¹⁷ The Vulnerability Index used in this survey factors age, length of time on the streets, chronic physical illnesses (such as hepatitis, liver disease, heart disease, kidney disease, cancer, HIV/AIDS and tuberculosis), mental illness, substance abuse and recent hospitalization and emergency room patterns on a scale of 0-5 to calculate the likelihood of premature death, based on a system developed at the Boston Health Care for the Homeless program. <http://100khomes.org/the-model>

these routinely sleep on the streets or in cars. The rest are evenly split between shelters and those who camp under bridges or in the forest. Of the 55 unsheltered surveyed, 55% receive food stamps, 22% receive public assistance, 42% receive Social Security or Disability benefits, over one third reported working as off-book casual labor and 16% reported some form of legal employment.

Currently, Juneau has no supportive housing facility for substance users. The JHC has identified development of a Permanent Supportive Housing project for homeless residents with substance abuse/addiction issues as a top near-term priority, with preference for a Housing First model.

Number of Housing Units Needed

JEDC is estimating the number of housing units Juneau needs, by focusing on what is needed to meet current demand, rather than guessing about future demand. Since the 2010 Housing Needs Assessment, Juneau's population has increased by about 700 households and Juneau's housing supply increased by 81 units.

To estimate the housing units Juneau needs, we focus primarily on what is needed to meet current demand. Some of the methods below use different types of existing housing vacancy rates, days-to-sell, housing cost and income gap analysis as indicators of unmet need. Both rental and for-sale residential properties have been in such short supply for so long that a significant portion of Juneau residents are likely residing in housing which does not meet their needs in terms of size, type or affordability. Almost any type of additional housing geared towards households with incomes at or below \$50,000 would improve affordability overall.

Rental Unit Needs Analysis

The Juneau rental housing vacancy rate from the 2012 AHFC Rental Market survey of market rate rental properties is shown below by rental unit size. Vacancy rates ranged from 0.9% to 12.5% depending on the number of bedrooms (four-bedroom units – the type of unit with the fewest total units – had the highest vacancy rate). A 5% vacancy rate is commonly understood to be “healthy”. Following is an estimate of how many rental units are needed in Juneau to bring our rental vacancy rate up to 5%.

Between 2010 and 2011, Juneau's population grew by 1,015. Using the average household size in 2010 of 2.5, an increase of 1,015 residents would result in an additional 406 households. If the new households rented at a similar rate to that of the percentage of households that rented in 2010 (36%), Juneau needed an additional 220 new rental units to maintain 5% vacancy and accommodate the new households in Juneau in 2011.

Since 2010, 35 new single-family homes and 46 new multi-family homes and apartments have been built. JEDC assumed the new single-family homes were all owner-occupied, and that the multi-family and apartment units were new rentals in the estimates of new units needed that follow. For the purpose of the per-bedroom size analysis that follows, we assumed the new units would be similar to the existing bedroom-size distribution, except that there were no new four-bedroom units.

RENTAL HOUSING NEEDED IN JUNEAU (TO REACH A 5% VACANCY RATE)

Size of Housing Units	2010 Renter Occupied Units	2012 Rental Vacancy Rates (AHFC)	Rental Units Needed for 2010 5% Vacancy	Units Needed 2011 Growth	Total Units Needed
No Bedrooms	294	1.60%	11	11	22
1 Bedroom	1,229	0.90%	54	44	98
2 Bedrooms	1,351	4.00%	15	48	63
3 Bedrooms	1,199	3.80%	16	43	59
4 Bedrooms ¹⁸	245	12.50%	(22)		(22)
Total Units	4,318	4,318	74	146	220
				Less new units built 2010-2012	(46)
				Total Additional Rental Units Needed	174

Sources: 2010 American Community Survey Census data for the renter occupied units in Juneau. 2012 Alaska Housing Finance Corp data for rental vacancy rates for both apartments and single-family homes in Juneau.

¹⁸ The AHFC surveyed only eight rentals with four bedrooms, and found a 12.5% vacancy rate because one of those units was vacant. Because there appears to be an overabundance of four-bedroom units for rent, it is possible that some of those units could be substituted for other types of rentals to reduce the need in Juneau. If that occurs, it would bring the need down by a few housing units.

Looking at just the 2010 census and ACS estimates for 2010 and using the same method to achieve an overall 5% vacancy, in 2011 Juneau needed between 170 and 230 new rentals depending on which data is used.

RENTAL UNITS NEEDED TO REACH A 5% VACANCY RATE, BASED ON JUNEAU RENTAL HOUSING VACANCY RATES

	2010 Census	ACS 2010
Occupied Rental Units	4,597	4,318
Rental Vacancy Rate	3.60%	2.20%
Units Needed Based on Overall Vacancy	70	130
Additional for 2011 Growth	146	146
Less new units built 2010-2012	(46)	(46)
Total Additional Rental Units Needed	170	230

Sources: 2010 U.S. Census, 2010 ACS estimates based on 5-year averages (2006-2010), CBJ Assessor, JEDC estimates of household growth are based on ADOL population migration data.

Two other exercises are commonly used to understand how many households do not have and need affordable housing:

- Compare the supply of housing at various levels of affordability to households by income levels, a “gap analysis”; and
- Determine how many households are paying more than 30% of their incomes toward housing costs.

The chart below aligns the renter households by the number within each household income range with the actual rent paid by renter households by range of rent, matching the lowest income renters to the lowest cost rental units. While the total number of renters and rentals is the same in this analysis, shortages can be estimated based on where the gaps occur and how large they are.

RENTAL GAP ANALYSIS BASED ON AVERAGE ACS 2006-2010 HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2010 INFLATION-ADJUSTED DOLLARS)

2010 Income Ranges	Renter Households	Avg. Maximum Affordable Rent @ 30%	Renters Monthly Housing Cost	# Units	Gap
Less than \$5,000	112	\$63	< \$100 ¹⁹	212	(100)
\$5,000 to \$9,999	229	\$187	\$100 to \$199	26	203
\$10,000 to \$14,999	242	\$312	\$200 to \$299	95	147
\$15,000 to \$19,999	315	\$437	\$300 to \$499	259	56
\$20,000 to \$24,999	104	\$562	\$500 to \$599	155	(51)
\$25,000 to \$34,999	376	\$750	\$600 to \$699	190	186
Needed Low Income Units				441	
\$35,000 to \$49,999	928	\$1,062	\$700 to \$999	1,019	(91)
\$50,000 to \$74,999	920	\$1,562	\$1,000 to \$1,499	1,438	(518)
\$75,000 to \$99,999	587	\$2,187	\$1,500 to \$1,999	639	(52)
\$100,000 to \$149,999	440	\$3,125	\$2,000 or more	285	220
\$150,000 or more	65	\$3,750		Included above	

Source: 2010 ACS estimate 5-year averages (2006-2010)

¹⁹ Including 203 estimated units with No Cash Rent. These are possibly rented to family members and may be occupied by households making more than the minimum level of annual income shown on the chart.

The household income versus household rental cost gap analysis above is based on ACS Survey estimates of 4,318 renter households with a median household income of \$48,159. This method shows Juneau needs an additional 441 rental units priced well below Juneau's Fair Market Rents (unless the units are all studios). Additional housing vouchers would enable renters with household incomes under \$35,000 to rent in the \$700-\$1,499 range, where there is excess supply, provided households in the upper income brackets move out of those units.

There appears to be a need for additional high-end or luxury rentals. Between the 2000 and 2010 Censuses the number of renters with incomes over \$100,000 increased 90.6% or by 240 households while during the same period, the total number of renter households only increased by 138. The cohort of high-income renters typically enjoys housing costs below 20% of household income.

The table below shows Juneau households by income ranges that are rent burdened: paying more than 30% of their monthly household income for rent and utilities. The gap analysis above shows the number of units by price allocated to the lowest income households first, while the rental mismatch of 1,585 units reflects the fact that households in higher income ranges often occupy lower cost rentals. Calculating the number of units needed to provide renters affordable housing is somewhat complicated by the lack of public data that breaks out the renters with incremental rent burdens over 35%. A 5% or 10% additional rent burden may be tolerable. We cannot tell from public data how many of the cost-burdened renters are paying 40%, 50% or more of their incomes towards housing. We do not know how many of the 1,790 cost-burdened renters would actually move to lower priced units if they were available.

We can assume the number of cost-burdened renter households would decrease if a sufficient number of additional units were built to achieve a 5% vacancy because rents would also decrease due to a greater supply. However, because there are so many more cost-burdened renters now than the number of needed units based on the 5% vacancy goal, it may take a number of years for rent prices to come down.

RENTERS WHO ARE COST BURDENED

2010 Income Ranges	# Cost Burdened	% Cost Burdened	# Not Cost Burdened	% Not Cost Burdened
Less than \$10,000:	290	84.5%	53	15.5%
\$10,000 to \$19,999:	433	77.9%	123	22.1%
\$20,000 to \$34,999:	355	74.1%	124	25.9%
\$35,000 to \$49,999:	507	54.6%	422	45.4%
Low to Moderate Income Rental Mismatch	1,585			
\$50,000 to \$74,999:	133	14.5%	786	85.5%
\$75,000 to \$99,999:	72	12.3%	515	87.7%
\$100,000 or more:	0	0%	505	100%
Total Mismatch	1,790		2,528	

Source: 2010 ACS estimate (5-Yr average 2006-2010)

The majority of renters with household incomes over \$50,000 have affordable rentals. Very high percentages of households below the median household income are rent burdened and the increased number and percentage of higher-income households in the rental market has made it harder for the lower income renter households to find affordable rent.

Finally, the AHFC waiting list for subsidized housing, as of January 2012, was for 359 public housing units and/or 395 housing vouchers. The vast majority of the need is for very low-income households, over 90% of which are made up of families.

To summarize the need for rental housing: to meet 2011 population growth and achieve 5% vacancy, Juneau needed 170-230 new rental units, based on the 2010 ACS estimate of rental units and overall vacancy. To serve households that can only afford rentals priced under \$700 per month, Juneau needed 441 rental units

in this range. This need is most likely to be met with additional public housing and or increased housing vouchers. Attractive new or luxury rental units and a broader range of affordable homes for purchase should motivate some higher income households to move out of the lower priced rentals they currently occupy, which would free up some existing lower-cost rental inventory. However, this will not likely help the households that need subsidized rentals unless Juneau rents decline dramatically. JEDC has not estimated the number of additional units that would be needed for population growth beyond 2011.

Owner-Occupied Unit Needs Analysis

In 2010, the US Census reported there were 7,590 owner occupied homes in Juneau and the "for-sale" vacancy rate was 1.4%. To bring the owner occupied housing stock up to a 5% vacancy rate, 292 new units were needed in 2010. Assuming a constant homeownership rate of 64%,²⁰ an additional 288 new single-family units were needed to meet demand in 2011 and maintain a 5% vacancy. The total number of single family units required in 2011, based on 2010 Census occupancy and 2011 ADOL population estimates is 517 units. Using the same methodology and 2010 ACS 5-year average estimates the 2011 shortage was 513 single family homes.

HOUSING UNITS NEEDED TO ACHIEVE 5% OWNER OCCUPIED VACANCY

	2010 Census	2010 ACS
Owner-Occupied Units	7,590	7687
Vacancy Rate	1.40%	1.50%
Units Needed for 5% Vacancy	292	288
Increased households in 2011	260	260
Less new units built 2010-2012	(35)	(35)
Total needed single-family homes	517	513

Sources: 2010 U.S. Census, 2010 ACS estimate (5-Yr average 2006-2010), CBJ Assessor, JEDC estimates of household growth are based on ADOL population migration data.

Looking at the rapid increase in residential housing sales in 2012 in terms of sales volume, number of sales and time on the market and comparing the value of current MLS listings to what was sold year to date further suggests a weakening supply in available housing stock for purchase. A six-month inventory of homes for sale is generally, like a 5% vacancy rate, a large enough supply to give buyers and renters a reasonable selection of styles, conditions, prices and locations. The October 1, 2012 MLS listings included only 117 residential properties, which is a 3.1 month supply, based on annualizing year to date sales September 30, 2012. To achieve a six month inventory of listed properties, 113 housing units would need to be added to the market or about \$33 million additional inventory, using median sale 2012 prices for the different property types.

²⁰ The 2010 U.S. Census found 64% of Juneau households owned their home.

SINGLE-FAMILY HOUSING UNITS NEEDED TO ACHIEVE A SIX MONTH INVENTORY OF LISTINGS

MLS Property Types	9 month MLS Sales Volume Annualized ²¹	Annualized Sales #	MLS Listings Oct 1	Est. Total Market Value of Listings ²²	# Properties needed for 6 month inventory	Est. Total Market Value Needed
Attached	\$15,734,667	60	9	\$ 2,339,811	21	\$5,527,523
Cabin	\$160,000	1	0	\$ -	1	\$ -
Condominium	\$15,761,333	81	23	\$ 3,726,452	18	\$4,154,215
Mobile Home	\$412,000	8	0	\$ -	4	\$ -
Mobile on Lot	\$978,400	7	0	\$ -	4	\$ -
Single Family	\$93,813,896	248	71	\$25,551,066	53	\$21,355,882
Single Family with Apartment	\$11,606,133	27	11	\$ 4,824,011	3 (6 units)	\$979,056
Duplexes	\$4,667,733	12	3	\$ 1,056,000	3 (6 units)	\$1,277,867
Total	\$143,134,163	444	117	\$37,497,340	107 (113 units)	\$33,294,541

Source: Southeast Alaska Multiple Listing Service sales and listing data.

Estimating the number of new owner-occupied homes based on reallocating the mix of property types and/or inventory at specific price ranges is complicated by the fact that 2,100 or 27.3% of Juneau homeowner households already live in properties they cannot comfortably afford. A homeowner's cost burden would have to exceed the transaction cost of buying and selling by some margin to make a move economic. It is important to note that almost 30% of homeowners do not have a mortgage.

The data on the amount of housing costs Juneau homeowners pay in excess of 30% of their household income is somewhat obscure because the Census and ACS reports lump all households over \$75,000 together for the purpose of reporting housing cost burden. This may make sense for the nation, but \$75,000 was slightly below Juneau's median household income in 2010. If we want to capture the housing needed for Juneau's 80%-120% of median income households – those representing most of Juneau's likely workforce homeowners, we need to make some assumptions.

In the income range from \$50,000-\$75,000, there were 547 cost-burdened owner-occupied households in 2010. This cost-burdened group represented 49.4% of the households in Juneau's 67%-99% median income range. The range of home prices affordable to this group, assuming a 4.5% fixed-rate mortgage, 5% down payment, a 30-year fixed rate loan, taxes, property and mortgage insurance and utilities, was \$208,000-\$312,000.

In 2010, there were another 718 households with incomes at or above \$75,000 paying more than 30% of income on housing costs, or 41.9% of that income category. This income category represents 64% of Juneau's owner-occupied households, but we do not know how many of these cost-burdened households were in the lower end of the income range. Based on the distribution of household incomes in Juneau, irrespective of household tenure, about 36% of the households earning over \$75,000 fall into the \$75,000-\$99,999 income range. The 2010 Census data indicated 82% of these households own their homes. Because the percentage of cost-burdened households is lower among the households with higher incomes, we can estimate that there were at least 636 cost-burdened households in the \$75,000-\$99,999 income range in 2010. Given the larger total number of cost-burdened households in this higher income range, it is reasonable to expect there is also unmet demand in the \$312,000-\$415,000 price range affordable to these households.

²¹ JEDC annualized the year to date sales as of September 30 by dividing the total by 75%. AHFC quarterly sales volume reports since 2000 indicate there is virtually no seasonality to adjust for in the last quarter of the year.

²² Year to date median sale/list price times median list price of listings is used to generate the estimated sale volume for each property type.

JEDC estimates Juneau needed around 513-517 new homes in 2011. By targeting the 80%-120% median household income range, JEDC expects the greatest impact on the market will be achieved. To do this, the price range of new homes should be \$251,000-\$377,000. If new homes in this price range were built, then it is likely Juneau's inventory of less expensive, older and smaller properties, including mobile or manufactured homes, attached homes and condos will also become affordable for purchasers below \$60,413, or 80% of Juneau's median household income.

JEDC expects that as new housing units are added to the market, regardless of the price within the recommended range, a greater number of sales will occur all along the price continuum simply because so many residents are living in homes they cannot afford. However, if the pace of new home construction does not significantly increase beyond the levels of recent years, Juneau's housing shortage will become even more acute than it already is.

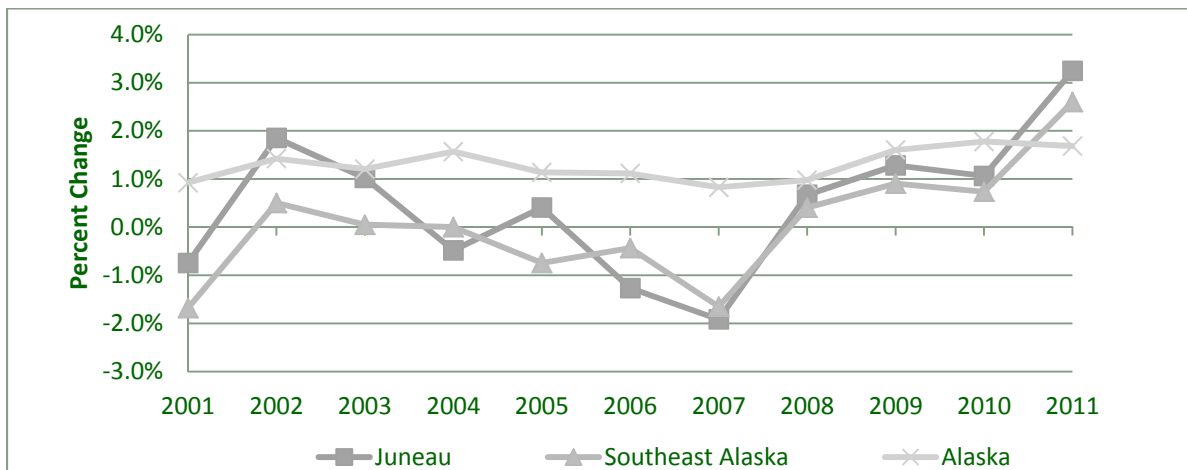
Annex 1 - Juneau Demographic Profile

This annex presents information on the growth, age, mobility, household type, race and ethnicity, income and poverty levels and educational attainment of Juneau's population. In some cases comparisons will be made to the region of Southeast Alaska, to Alaska and to the United States.

Juneau Population Trends

The Juneau area was originally inhabited seasonally as a fishing camp for the indigenous Tlingit Indians, but the discovery of a large gold vein in 1880 led to the founding of a community of gold seekers. The City of Juneau was incorporated in 1900, and just six years later, Alaska's capital city was moved from Sitka to Juneau. Juneau's population remained under 10,000 until statehood, grew 64% in the 1960's, and then grew on average about 40% for each of the next three decades. Growth slowed to 14.8% between 1990 and 2000, and was only 1.8% in the decade ending 2010.

CHANGE IN POPULATION FOR JUNEAU, SOUTHEAST ALASKA, AND ALASKA, 2000 – 2011

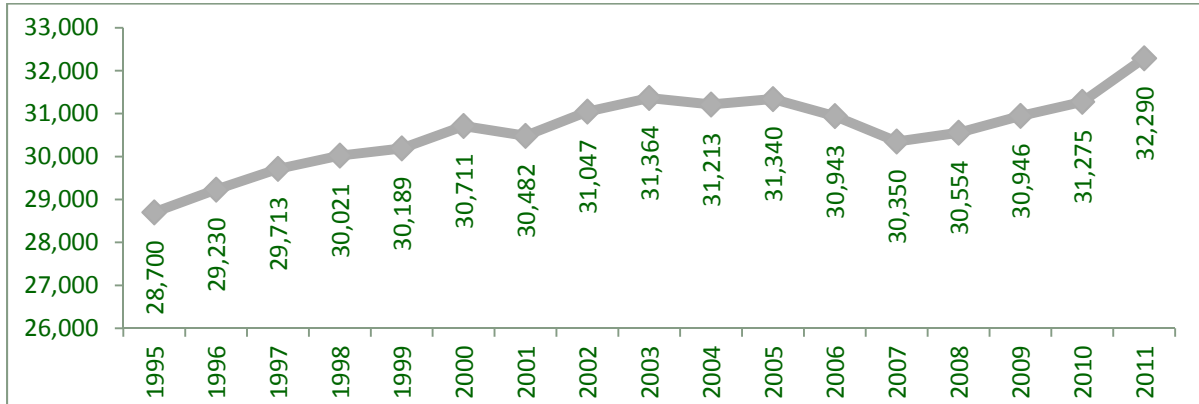


Source: Alaska State Demographer, Alaska Department of Labor and Workforce Development.

The graph below depicts Juneau's annual population between 1995 and 2011. Despite what seemed like a population peak in 2003 and a subsequent decline that was forecasted, until recently, to continue into the foreseeable future, growth picked up again in 2007 and has been rising ever since. In 2011, the Juneau population grew by 1,015 residents (3.25%) to 32,290.

The State Demographer's Office recently released its 2011 estimates of population for Alaska communities. The population of the Juneau and Southeast Alaska region grew by 3.2% and 2.6% respectively, over the previous year. In most areas in the region, the population growth in 2011 far surpassed the average annual population growth between 2000 and 2011.

JUNEAU POPULATION, 1995 - 2011



Source: Alaska State Demographer, Alaska Department of Labor and Workforce Development.

While Alaska’s population has grown faster than the nation as a whole over the past 11 years, the population of Southeast Alaska has barely increased at all. However, between 2010 and 2011, Alaska’s population grew nearly twice as fast as that of the nation, and the population of Southeast Alaska grew at nearly three times the growth rate of the nation.

SOUTHEAST BOROUGH AND CENSUS AREA POPULATION 2000-2011

Area	2000	2010	2011	Change 2010-2011	Average Annual Change 2000-2011
Juneau	30,711	31,275	32,290	3.2%	0.5%
Southeast Alaska	73,082	71,664	73,526	2.6%	0.1%
Alaska	626,932	710,231	722,190	1.7%	1.4%

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section.

Juneau’s Population by Age Group

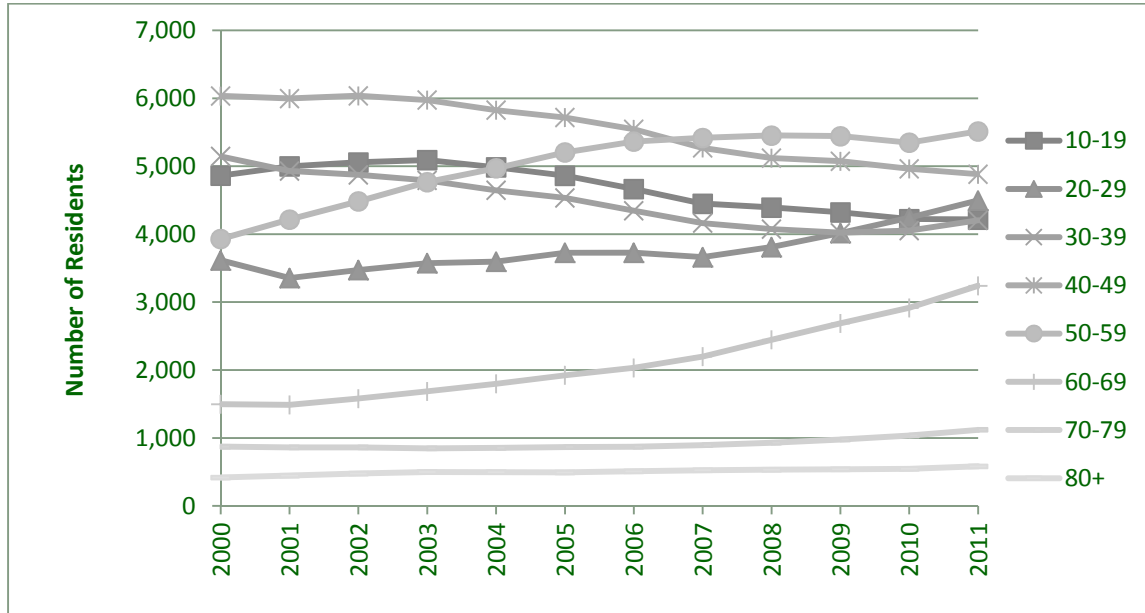
The most recent age distribution of Juneau residents can be seen in the table below. In 2011, about a quarter of Juneau’s population was under 20 years, just over a quarter was aged between 20 and 40 years, nearly a third was aged 40 to 60 years, and about 15% were 60 years and over. In 2011, Juneau’s largest single age group was 50-59 year olds.

JUNEAU RESIDENTS BY AGE, 2011

Age	Number	Percent
Under 10	4,037	12.5%
10 to 19	4,216	13.1%
20 to 29	4,496	13.9%
30 to 39	4,204	13.0%
40 to 49	4,882	15.1%
50 to 59	5,513	17.1%
60 to 69	3,241	10.0%
70 and Older	1,701	5.3%
Total	32,290	100. 0%

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section

JUNEAU POPULATION BY AGE GROUP, 2000 - 2011



Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section; U.S. Census Bureau

Median Age

Just 12 years ago, the median age of the nation was nearly identical to that of Juneau and Southeast Alaska. Now, the current national median age is noticeably lower than that of Juneau and Southeast Alaska, as can be seen in the chart below. In 2011, the Alaska Department of Labor estimated the median age in Juneau to be 38 years old, about 2.7 years older than the 2000 estimate. The median age of Alaska is also considerably younger than Juneau and the Southeast region and has been consistently so since 2000. By 2011, the difference had grown to more than 5 years, indicating an increase in residents of an older age in Southeast Alaska. While the aging of Juneau residents is slower than that of Southeast Alaska in general, it is occurring nearly twice as fast as Alaska and the nation. This is in part because it has a higher percentage of 45 to 64 year olds, and a smaller percentage of 15 to 34 year olds than the state or nation. In 2010, 21% of Juneau householders were aged 60 years or older.

MEDIAN AGE IN YEARS OF AGE BY AREA, 2000, 2010, AND 2011

Area	2000	2010	2011	Change 2000-2011	Change 2010-11
Juneau	35.3	38.0	38.0	2.7	0.0
Southeast Alaska	35.6	38.3	39.4	2.7	1.1
Alaska	32.4	33.8	33.9	1.4	0.1
United States	35.3	37.2	36.8	1.9	-0.4

Source: Alaska Department of Labor and Workforce Development, and CIA World Factbook.

Although it is expected that the median age will rise slowly as a population ages, the median age also tends to fluctuate as migratory and natural changes affect the number of residents. When residents migrate to and from Juneau and residents are born and pass away, alterations in the median age outside of the expected aging occur. Migration, births, deaths, and aging must all be taken into consideration when analyzing the ages within a community, particularly when estimating the number of current households.



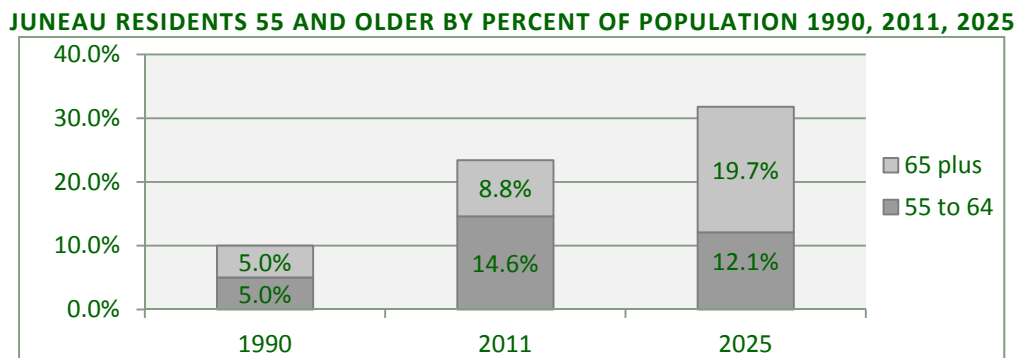
Population Projections

Alaska has grown steadily over recent years and, according to the ADOL, the population is expected to increase by an additional 30% over the next 25 years. In contrast, over the next 25 years, Southeast Alaska's population is expected to decrease by about 4.75%. Southeast Alaska is the only region in Alaska expected to have population decline during that time period. JEDC believes this is a pessimistic projection.²³

Increasing Senior Population

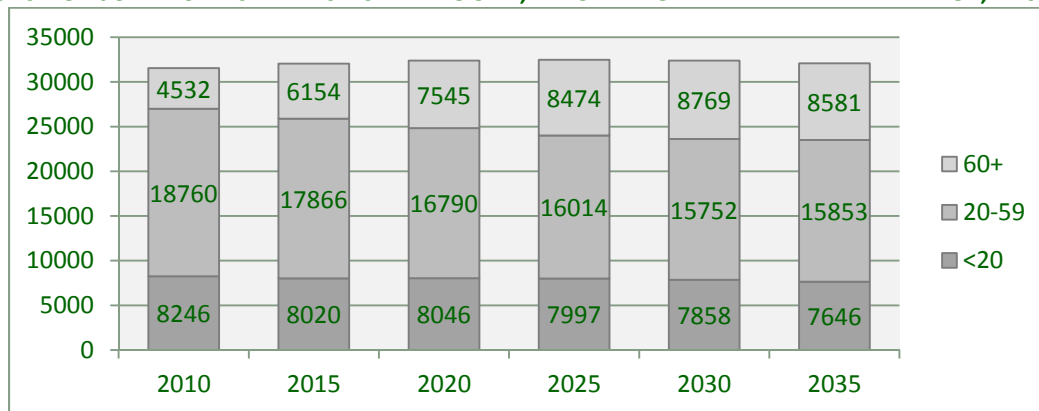
While Juneau's population is aging quickly, a look at recent projections of growth rates by age group reveals an interesting prediction. Below is ADOL's projection of the number of Juneau residents entering retirement age through 2035. These projections are based primarily on analysis of the past and present birth and death rates between 2000 and 2010, and the migration to and from Juneau by age group. As the graph shows, the number of Juneau residents aged 65 to 69 years will peak around 2020, but begin to decline after that. This trend is similar on the national level to what is expected for the large population group born following World War II.

The proportion of those 55 and older in Juneau increased from 10% in 1990 to over 23% in 2011. By 2025 those 55 and older are projected to make up almost one third (32%) of the local population.



Source: Alaska Department of Labor and Workforce Development, State Demographer's Office, and the U. S. Census Bureau

FORECAST OF JUNEAU RESIDENTS "CHILDHOOD", "WORKING" AND "RETIREMENT AGE," 2010-2035



Source: State Demographer's Office, Department of Labor and Workforce Development.

²³ The 2011 ACS survey, 3-year estimates for 2009-2011, shows 406 more households in Juneau, than were reported in the 2010 ACS 5-year survey, a 3.4% one-year increase.

According to ADOL's Alaska Economic Trends, August 2012 report, *"The Shift to an Older Alaska"*, the percentage of workers aged 65 and over remaining active in the workplace grew 22% between 2006 and 2010. In 1970, senior workforce participation was as much as 28%, though this dropped to 14% by 1990, likely due to "the large cohort of baby boomers competing for jobs, or that financially it was a good time to retire." According to this report, the Bureau of Labor Statistics projects an increase in the number of seniors in the workforce by 2020, which could bring Juneau's working seniors back up to 1970 levels.

As Southeast Alaska has the highest median age in the state, along with particularly low birth rates, according to the ADOL, "growth would require a sharp rise in net-migration." Migration depends on economic and social factors, making it less predictable. In-migration to the Southeast Alaska region was high between 2010 and 2011. If that trend were to continue, the prediction of decreasing population could change. According to ADOL, Juneau's total population is expected to grow slightly through 2025 and then decline slightly.

POPULATION PROJECTIONS FOR ALASKA AND SOUTHEAST, 2015-2035

Area	2015	2020	2025	2030	2035	Avg. Annual Change 2010-2035
Juneau	32,040	32,381	32,485	32,379	32,080	32
Avg. Annual Change	0.49%	0.21%	0.06%	-0.07%	-0.18%	0.10%
Southeast Alaska	72,283	72,052	71,356	70,222	68,824	(114)
Avg. Annual Change	0.17%	-0.06%	-0.19%	-0.32%	-0.40%	-0.17%
Alaska	759,244	802,762	842,899	879,823	915,211	8,199
Avg. Annual Change	1.38%	1.15%	1.00%	0.88%	0.80%	0.90%

Source: Alaska Department of Labor and Workforce Development.

Migration and Resident Transiency²⁴

Migration is a large component of Juneau's culture and demographic trends. On average between 2000 and 2011, 8.3% of our year end population moved to Juneau, and 8.8% of that population moved away from Juneau. Although some residents stay for long periods of time, and some move more frequently, this movement results in a net change in number of residents enough to equal Juneau's population every 11 to 12 years. It appears that the national rate of population "turnover" is far lower than that of Juneau - at least lately (2010 to 2011). The national population has around a 3.9% migration per year, for a population turnover about every 25.6 years. For Alaska as a whole, the migration rate is slightly higher than for Juneau (just over 9% between 2009 and 2010), for a turnover about every 11 years. According to the State Demographer, only Nevada and Wyoming come close to or surpass Alaska's statewide population turnover.

The majority of people who moved to or from Juneau between 2010 and 2011 came from or went to locations outside of Alaska. Within Alaska however, the single area showing most of the migration was the Anchorage and Matanuska-Susitna region.

The table below shows the migration to and from Juneau, which includes the number of people from each region that moved, and the net change between Juneau's population and that of the given region. Most migration in and out of Juneau is out-of-state.

²⁴ In and out migration data developed using the Alaska Permanent Fund Dividend database. There is a lag (up to a year) in capturing new residents from out of state.

MIGRATION TO AND FROM JUNEAU, 2010 THROUGH 2011

Alaska Boroughs and Census Areas	From Juneau to:	To Juneau from:	Net Migration (change to Juneau's population)
Outside Alaska (other states & countries)	1,715	2,052	337
Anchorage/Mat-Su Region	293	241	-52
Gulf Coast Region	37	55	18
Interior Region	79	63	-16
Northern Region	11	9	-2
Southwest Region	9	16	7
Southeast Region Outside Juneau	233	288	55
Total Migration	2,377	2,724	347

Source: Alaska Department of Labor and Workforce Development.

Components of Population Change

The same factors that affect the average age of a population also help dictate the population size. Natural change is the term used when the population changes because people are being born or passing on, and migration refers to people moving into and out of the community. The interaction of these two factors on the population from year to year can be seen in the following table.

COMPONENTS OF CHANGE IN JUNEAU'S POPULATION 2005 - 2011²⁵

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Beginning Population	31,340	30,943	30,350	30,554	30,946	31,536
Births	392	410	379	418	392	407
Deaths	139	154	178	138	140	148
Natural Increase	253	256	201	280	252	259
Net Migration -in/out migration	-650	-849	3	112	338	465
Total Population Change	-397	-593	204	392	590	754
Ending Population	30,943	30,350	30,554	30,946	31,536	32,290
Birth Rate	1.26%	1.34%	1.24%	1.36%	1.27%	1.28%
Death Rate	0.45%	0.50%	0.58%	0.45%	0.45%	0.46%
Net Migration Rate	-2.07%	-2.74%	0.01%	0.37%	1.09%	1.47%
Population Growth Rate	-1.27%	-1.92%	0.67%	1.28%	1.91%	2.39%

Source: Alaska Department of Labor and Workforce Development, State Demographer's Office, 2012.

Natural increase has consistently accounted for a little less than 1% increase in population per year. The most variable factor in Juneau's population change is net migration, which has been positive since 2007, despite a brief period when more people were moving away from Juneau than moving into the city.

Special Population Estimates

Juneau has seasonal industries that require temporary workers, which brings an influx of part time inhabitants into the city during certain times of the year. In 2010, non-residents of Juneau accounted for

²⁵ The State Demographer's Office estimates populations in July of each year. The U.S. Census Bureau estimates decennial populations in April every ten years. For this chart, we have used the State Demographer's 2010 population estimate for July (31,536) rather than the Census 2010 population from April (31,275) to estimate growth rates by component for that year. If the Census population chart had been used, it would have measured a July 2009 through April 2010 change, and an April 2010 through July 2011 change, distorting the actual 12 month change.

nearly a quarter of the Juneau non-federal workforce (federal employees are excluded from this count). Despite the large portion of jobs they provide, their earnings only account for about 17% of all earnings in Juneau. The difference between earnings and jobs is likely because many non-resident workers only earn wages for half the year or less. It should be noted here that non-residents include those from outside Alaska, as well as Alaskans from outside Juneau.

For the purpose of estimating population migration, the Alaska Department of Labor and Workforce Development equates Alaska residency as eligibility to receive an Alaska Permanent Fund Dividend (PFD), which requires a full year of residence. In reality, a new resident is eligible to vote after one month of residence. Some of the non-resident workers counted in the table below could be new residents who intend to stay in Juneau permanently, but are not yet eligible for the PFD.

RESIDENT AND NON-RESIDENT WORKERS IN JUNEAU, 2010

	Local Residents	All Non- Residents	% Non- Residents	Local Resident	All Non- Residents	% Non- Resident
	Workers			Earnings (\$Millions)		
State Government	4,110	514	11.1%	\$186.1	\$17.0	8.4%
Local Government	2,397	286	10.7%	\$104.0	\$6.4	5.8%
Private Sector	9,151	4,308	32.0%	\$298.8	\$94.7	24.1%
All Sectors	15,658	5,108	24.6%	\$588.9	\$118.1	16.7%

Source: Alaska Department of Labor and Workforce Development.

Juneau's private sector has significantly higher levels of non-resident participation than the public sector. Non-residents account for nearly a third (32 percent) of all private sector employees and earn a quarter (24 percent) of all private sector wages. According to the Alaska Department of Labor, non-residents typically do not work all four quarters in a year, but instead work mainly during summer months or in other short-term seasonal positions (including legislative staffers from other parts of the state).

The industries with the greatest seasonal components tend to be those with the highest proportion of non-resident workforce, such as the State Legislature, the visitor industry, the seafood processing industry, and the construction industry.

Legislative Session Workers

Between January and April, Juneau hosts lawmakers, staff, and lobbyists who come for the 90-day Alaska State Legislative session. This temporary population group creates demand for short-term low-cost housing. Many of these legislative session workers are also paying for a primary household in another Alaska community. According to the Alaska Legislative Affairs Agency, in 2012 there were 57 legislators and 141 staff members who moved to Juneau on a short-term basis for legislative session, for a total of 198 legislative employees. (Legislators are provided per diem to assist with housing costs, while generally the staffers are not). An unknown number of lobbyists and top-level State workers also relocate to Juneau during this time. Throughout this period, many hotels offer rooms to rent at monthly rates. In 2010, for example, the Juneau Baranof Hotel rented out 30 long-term rooms for legislative session workers, and the Juneau Hotel rented 21. Other temporary housing arrangements include three multi-family complexes, reserved specially for legislators, housing for seasonal tourism workers that is typically vacant during session time and residents who rent spare rooms in their homes during this period.

Summer Season Workers

The visitor industry and the fish processing industry employ a large number of non-resident, seasonal workers. The visitor industry hires experienced customer-service and outdoor skilled workers, including many college students. The fish processing industry hires skilled and unskilled workers. Typically seasonal workers do not have private transportation. Most of these employees do not stay here year round, but rather elect to live here when the work is available, and relocate during the off-season.

JEDC surveyed Juneau-based fish processors and hatchery operators regarding seasonal workers hired for the 2012 summer season. This year, local fish processing plants and hatcheries hired about 200 seasonal workers to work in the Borough, including about 130 international students with J-1 worker visas to work the season between about mid-March to mid-October. The peak of the season is from mid-June through mid-September. Historically, the percentage of nonresident seasonal seafood processing workers statewide has been about 75%, or about 150 seasonal workers in Juneau.

Between May and August, the visitor industry brings both visitors and workers to Juneau. It is difficult to pinpoint the exact number of workers who come to Juneau just for summer tourism employment. The McDowell Group estimated that in 2008, a monthly average of 2,230 people (both full and part time), worked in the visitor industry in Juneau, with a peak season employment of about 3,000.²⁶ On a statewide basis, about 28.5% of workers in the visitor industry are nonresidents. Assuming the nonresident visitor industry workers come to Juneau to work only in the peak summer season, it is fair to estimate that about 850 of those visitor industry workers do not live in Juneau year around.

In addition, 20% of construction workers are nonresidents statewide. Applying this percentage to Juneau's construction workforce equates to about 130 non-resident workers in Juneau. While construction can occur year-round, the prime season for this work is summer.

Industry Forecasts

According to a September 2010, 10-year industry forecast for Alaska produced by the Alaska Department of Labor and Workforce Development, job increases are expected to be highest in the mining and health care industries through 2018. Both of these industries have a strong presence in Juneau, combining to provide around 2,200 Juneau jobs in 2010. Health care businesses are expected to see the average number of jobs grow about 2.6% per year, and mining jobs are predicted to see an average increase of about 1.7% per year. While employment in most other industries will also experience growth through 2018, the overall average employment in Alaska is expected to only increase by about 1% per year.

Juneau's logistical role as a regional center will continue to bring strength to the local industries that provide goods and services to the neighboring communities.

Government Sector

Juneau's role as Alaska's Capital City supports a strong government sector. While funding for the Federal government may be on the decline, State government budgets continue to operate with a surplus. Uncertainty about State government revenues result from the fact that oil production is declining in Alaska (oil revenues fund the vast majority of the State budget). However, as long as Juneau remains Alaska's capital, Juneau's economy will continue to benefit from the strength of the state's vast supply of natural resources, including oil.

Visitor Industry

Between 2008 and 2011, the number of cruise passengers visiting Juneau and the region decreased by 155,000, a decline of 18%. However, in 2012 Juneau cruise ship passenger numbers increased and are expected to approach 2008 pre-recession levels in 2013.

Household Types

According to the U.S. Census, Juneau's households remain relatively "traditional" with family households making up 63.5% of the total, and non-family households, including singles living alone, comprising 36.5%. Individuals living alone make up 26.9% of Juneau's households, and almost three quarters of all Juneau's non-family households. The number of seniors living alone is still less than 6% of the total households, but the percentage grew 39% in the last decade. Over 16% of all households include a member who is 65 or older

²⁶ McDowell Group, The Economic Impacts of the Visitors Industry in Juneau, 2007-2008

and that number grew 42.4% between 2000 and 2010, and is expected to continue growing through 2020, which will likely also increase the number of seniors living alone.

The percentage of non-family and single-person households grew 13.8% and 16.4% respectively since the 2000 census. The percentage of the population living with children dropped 7% from 2000 to 2010, and the drop was twice as large for the number of people living with children under 18. Husband and wife families made up 48% of Juneau households, dropping only slightly (-1.6%) in ten years of the total, and families with children under 18 were 20%.

Other notable changes include 78% increase in the number of people living in group quarters. Some of this is due to increases in the steadily increasing average daily numbers of inmates in the Lemon Creek Correctional Center (159 in 2002 and 215 in 2011). The facility's maximum capacity is 228.²⁷

WHO LIVES WITH WHOM IN JUNEAU, 2010 & 2000

U.S. Census Counts	2010		2000		Change	
Total Population	31,275		30,711		564	1.8%
Total Population Living in Relationship	30,388	97.2%	30,033	97.8%	355	1.2%
In households – as Householder	12,187	39.0%	11,543	37.6%	644	5.6%
with Spouse	5,816	18.6%	5,910	19.2%	(94)	(1.6%)
with Child	8,430	27.0%	9,060	29.5%	(630)	(7.0%)
with Own child under 18 years	6,544	20.9%	7,656	24.9%	(1,112)	(14.5%)
In households – with Other relatives	1,466	4.7%	1,060	3.5%	406	38.3%
with other relatives under 18 years	552	1.8%	407	1.3%	145	35.6%
with other relatives 65 years and over	192	0.6%		0.0%	192	
In households - with nonrelatives	2,489	8.0%	2,460	8.0%	29	1.2%
with nonrelatives under 18 years	157	0.5%		0.0%	157	
In households - and over	77	0.2%		0.0%	77	
with unmarried partner	1,182	3.8%	935	3.0%	247	26.4%
In group quarters	887	2.8%	678	2.2%	209	30.8%
Institutionalized population	408	1.3%	229	0.7%	179	78.2%
Non-institutionalized population	479	1.5%	449	1.5%	30	6.7%
Households by Type						
Total Households	12,187	100.0%	11,543	100.0%	644	5.6%
Family households (families) ²⁸	7,742	63.5%	7,638	66.2%	104	1.4%
with own children under 18 years	3,656	30.0%	4,237	36.7%	(581)	(13.7%)
Husband-wife family ²⁹	5,816	47.7%	5,910	51.2%	(94)	(1.6%)
with own children under 18 years	2,451	20.1%	3,038	26.3%	(587)	(19.3%)
Male householder, no wife present	661	5.4%	515	4.5%	146	28.3%
Male householder, no wife present with own children under 18 years	391	3.2%	359	3.1%	32	8.9%
Female householder, no husband present	1,265	10.4%	1,213	10.5%	52	4.3%
Female householder, no husband present with own children under 18 years	814	6.7%	840	7.3%	(26)	(3.1%)
Nonfamily households	4,445	36.5%	3,905	33.8%	540	13.8%
Householder living alone	3,280	26.9%	2,819	24.4%	461	16.4%
Male	1,702	14.0%		0.0%	1,702	

²⁷ Source: Michael Mathews Research Analyst, Alaska Department of Corrections

²⁸ Families can be related by birth, marriage or adoption.

²⁹ In the 2000 Census, this category was titled "Married-Couple" family.

U.S. Census Counts	2010		2000		Change	
Male 65 years and over (<i>2000 figure includes Female</i>)	238	2.0%	497	4.3%	194	39.0%
Female	1,578	12.9%		0.0%	1,578	
Female 65 years and over	453	3.7%	<i>Net change from 2000 included with Male 65 years and older above</i>			
Households with individuals under 18 years	3,985	32.7%	4,570	39.6%	(585)	(12.8%)
Households with individuals 65 years and over	1,981	16.3%	1,391	12.1%	590	42.4%
Average household size	2.50		2.60		0	(3.8%)
Average family size	3.00		3.10		0	(3.2%)

Sources: U.S. Census 2000 and 2010 (2010 Interactive Population Search)

Annex 2 – Household Income, Employment and Earnings

Household Income

Personal income includes wages and salaries, investment income (dividends and interest), net rental income and government transfer payments such as unemployment insurance, Medicare, welfare payments, Permanent Fund Dividends and retirement. Juneau's per capita personal income was estimated to be \$49,458 in 2010, nearly 13% more than in 2000 after adjusting for inflation. This 2010 estimate has Juneau's average resident earning about 12% more than the state's average per capita income of \$44,233.

PER CAPITA PERSONAL INCOME 2000 AND 2010

Area	2000	2010	Change 2000-2010	Average Annual Change 2000-2010
Juneau	\$43,850	\$49,458	12.79%	1.28%
Alaska	\$37,882	\$44,233	16.77%	1.68%

Source: U.S. Bureau of Economic Analysis, Alaska Department of Labor and Workforce Development

The 2010 median income of Juneau's households, based on ACS 5-year inflation adjusted averages, shows that homeowners earn roughly twice what renters do.

2010 HOUSEHOLD INCOME IN THE PAST 12 MONTHS

Household Income Range	Owner Occupied	% Households	Renter Occupied	% Households	All Units	% Households
Less than \$5,000	9	0%	113	3%	122	1%
\$5,000 - \$9,999	29	0%	230	5%	259	2%
\$10,000 - \$14,999	41	1%	240	6%	281	2%
\$15,000 - \$19,999	90	1%	316	7%	406	3%
\$20,000 - \$24,999	197	3%	104	2%	301	3%
\$25,000 - \$34,999	234	3%	375	9%	609	5%
\$35,000 - \$49,999	834	11%	929	22%	1,763	15%
\$50,000 - \$74,999	1,304	17%	919	21%	2,223	19%
\$75,000 - \$99,999	1,574	20%	587	14%	2,161	18%
\$100,000 - \$149,999	2,159	28%	442	10%	2,601	22%
\$150,000 or more	1,216	16%	63	1%	1,279	11%
Total	7,687		4,318		12,005	
Median Household Income	\$92,608		\$48,159		\$75,517	

Source: U.S. Census Bureau, 2010 ACS estimate (5-Yr average 2006-2010)

The following table shows how much of their income Juneau residents spend on housing and shows the number of households with unaffordable housing that costs over 30% of gross household income. In 2010, 27.3% of home owners and 44.3% of all renters in Juneau lived in unaffordable housing. Housing costs include rent or monthly mortgage payments (including taxes and insurance), heat and electricity and other costs of property upkeep, such as snow removal.

2010 JUNEAU HOUSING COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS

Household Income	Owner Households	Percent of Income Group	Renter Households	Percent of Income Group	Total Households	Percent of Income Group
Less than \$20,000	169	100.0%	1,059 ³⁰	100.0%	1,228	100.0%
Less than 20%	3	1.8%	244	23.0%	247	20.1%
20 - 29%	12	7.1%	92	8.7%	104	8.5%
30% or more	154	91.1%	758	71.6%	912	74.3%
\$25,000 - \$34,999	431	100.0%	438	100.0%	869	100.0%
Less than 20%	61	1.8%	43	9.8%	104	12.0%
20 - 29%	101	7.1%	40	9.1%	141	16.2%
30% or more	269	91.1%	355	81.1%	624	71.8%
\$35,000 - \$49,999	834	100.0%	896	100.0%	1,730	100.0%
Less than 20%	297	14.2%	91	10.2%	388	22.4%
20 - 29%	125	23.4%	298	33.3%	423	24.5%
30% or more	412	62.4%	507	56.6%	919	53.1%
\$50,000 - \$74,999	1,304	100.0%	860	100.0%	2,164	100.0%
Less than 20%	416	35.6%	292	34.0%	708	32.7%
20 - 29%	341	15.0%	435	50.6%	776	35.9%
30% or more	547	49.4%	133	15.5%	680	31.4%
\$75,000 or more	4,949	100.0%	1,065	100.0%	6,014	100.0%
Less than 20%	2,515	31.9%	594	55.8%	3,109	51.7%
20 - 29%	1,716	26.2%	399	37.5%	2,115	35.2%
30% or more	718	41.9%	72	6.8%	790	13.1%
Total Households	7,687		4,318		12,005	
30% or more - ALL	2,100	27.32%	1,825	42.26%	3,925	32.7%

Source: U.S. Census Bureau, 2010 ACS estimate (5-Yr average 2006-2010)

Below are the median household income and per capita income for Juneau, the state of Alaska, and the nation. Juneau households and individuals have higher incomes on average than those in Alaska.

2010 COMPARATIVE ANNUAL AVERAGE HOUSEHOLD INCOME

	Median Household Income ³¹	Per Capita Income
Juneau	\$75,517	\$49,458
Alaska	\$66,521	\$44,233
United States	\$51,914	\$27,334

Source: U.S. Census Bureau, 2010 ACS estimate (5-Yr average 2006-2010)

According to the American Community Survey Data, 6.5% of Juneau residents were living below the poverty threshold in 2010. Statewide, 9.5% of the population was living below the poverty threshold in the same year. While poverty thresholds are the same across the nation, the U.S. Department of Health and Human Services calculates a separate measure for Alaska under its Poverty Guidelines which determine eligibility for certain assistance programs. Under that measure, poverty levels in Alaska are higher than other states in the country because our higher cost of living is taken into account. Under 2012 Poverty Guidelines, a single

³⁰ Renter Households with less than \$20,000 household income and those that pay less than 20% of their household income towards housing include 203 households that do not pay any cash and 35 households with zero or negative income. It is possible that the non-rent paying households have higher income.

³¹ The Median Household Income reflects Juneau's actual average household size of 2.49. The HUD AMI of \$94,200 is for a family of four and, therefore not a true Area Median Income.

person in Juneau was considered to be in poverty if their income level was below \$13,970. A similar poverty measure for a family of 4 during this time was \$28,820, nearly 25% higher than the national average.

Employment

Juneau's average monthly employment of 18,057 jobs in 2011 was up 125 jobs from the previous year. The average monthly wage for these workers was \$3,768. The table below lists the number of firms, average annual employment, and averages monthly earnings in each industry in Juneau during 2011. The industries with the most employees included State and Local Government, Transportation, Trade and Utilities, and Education and Health Services. The industries with the highest wages were Natural Resources and Mining, Information, and Federal, State, and Local Governments.

EMPLOYMENT BY INDUSTRY IN THE JUNEAU BOROUGH, 2011

Industry	Number of Firms	Average Monthly Employment	% of Total Employment	Average Monthly Earnings
Total Private Sector	1,035	10,676	59.12%	\$3,212
Natural Resources & Mining	9	670	3.71%	\$7,389
Construction	126	655	3.63%	\$5,165
Manufacturing	26	294	1.63%	\$3,026
Trade, Transportation, & Utilities	223	3,288	18.21%	\$2,659
Wholesale Trade	23	NA	NA	NA
Retail Trade	143	1,994	11.04%	\$2,659
Transportation & Warehousing	56	1,052	5.83%	\$3,233
Information	16	234	1.30%	\$4,095
Financial Activities	87	622	3.44%	\$3,950
Professional & Business Services	146	1,003	5.55%	\$3,597
Education & Health Services	125	1,826	10.11%	\$2,994
Leisure & Hospitality	124	1,459	8.08%	\$1,514
Arts, Entertainment, & Recreation	33	322	1.78%	\$1,344
Accommodations & Food Services	91	1,137	6.30%	\$1,563
Other Services	130	614	3.40%	\$2,618
Unclassified	23	11	0.06%	\$1,438
Total Government Sector	95	7,381	40.88%	\$4,573
Federal Government	30	838	4.64%	\$7,101
State Government	57	4,272	23.66%	\$4,359
Local Government	8	2,272	12.58%	\$4,042
Total Public & Private	1,130	18,057	100%	\$3,768

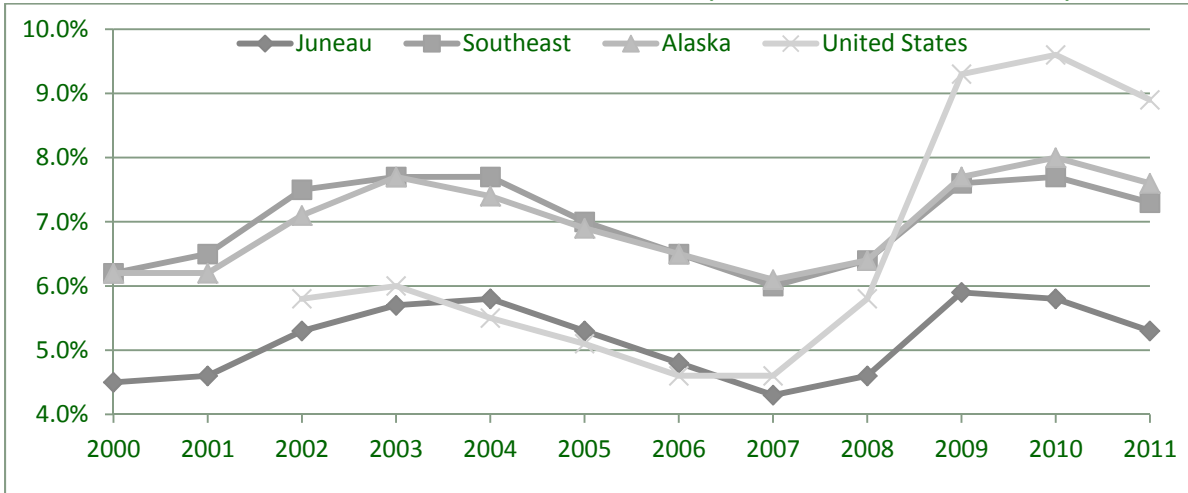
Source: Alaska Department of Labor and Workforce Development Quarterly Census of Employment and Wages.

As Alaska's Capital, Juneau hosts many State and Federal agencies. Local government includes City and Borough of Juneau agencies, as well as the Juneau school district and Juneau-based tribal governments. Together, these government sectors employ nearly 41% of Juneau's workers.

Unemployment

Juneau's unemployment rate tends to be significantly lower than the state or region and in recent years it has been much lower than the national rate as well. Juneau's average unemployment rate in 2011 was 5.3%, compared to 7.6% average for Alaska and 8.9% average for the nation.

ANNUAL UNEMPLOYMENT RATES, 2000 – 2011 (NOT SEASONALLY ADJUSTED)



Source: Alaska Department of Labor and Workforce Development.

Unemployment rates peaked in 2009 and 2010, and are now starting to fall slightly as the national economy begins to stabilize. Lower unemployment rates are generally held to indicate a more stable economy. Through the recent economic recession starting in 2007, Alaska and, to an even greater extent – Juneau, seems to have remained relatively unaffected by the economic stagnation, losing fewer jobs than most other places in the nation. The relatively strong economy and availability of jobs may have led to the recent trend of increased migration to Alaska and Juneau in the past 5 years.

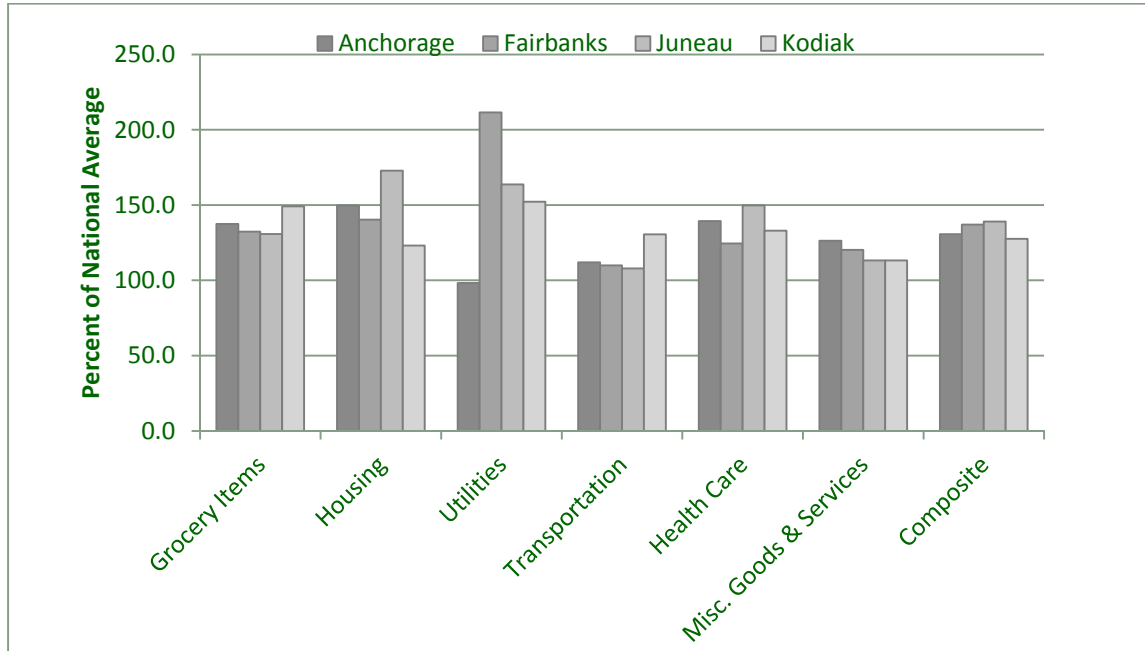
Juneau’s Cost of Living

Several studies are conducted periodically to determine the comparative living costs of Juneau to other communities around the United States. Juneau’s isolation, smaller economy, and challenging terrain and climate all contribute to raise transportation and livings costs, generally making Juneau a more expensive place in which to live than in the rest of the nation and some of the larger communities in Alaska

In 2011, Juneau had the highest cost of living overall of selected Alaska communities (Anchorage, Fairbanks, Kodiak, and Juneau) according to the Council for Community and Economic Research’s ACCRA quarterly cost of living survey. This survey produces a cost of living index by comparing the prices of about 120 goods and services in 318 communities across the country. The average of those costs across the nation is set as the baseline at 100, and each community index is calculated relative to the national average. Goods and services are priced in the spending categories of Grocery, Housing, Utilities, Transportation, Health Care, and Miscellaneous Goods and Services. A weighted average, or composite index of all spending categories, is also calculated. The following graph and table show the relative costs of the four Alaska communities in regard to the rest of the nation in 2011.



ACCRA COST OF LIVING INDEX FOR 2011, SELECTED ALASKA CITIES



Source: ACCRA national cost of living index, Council for Community and Economic Research, 2012.

In general, Alaska communities have a much higher cost of living than the national average, ranging from 27.6% to 39% higher in the 2011 survey. Juneau had the highest composite index of the four Alaska communities surveyed using the ACCRA methodology. Although Juneau's costs were lower than some communities in several of the spending categories measured, it had far higher housing costs (which accounts for 28.7% of the composite market basket), bringing Juneau's cost of living to the top in Alaska. Juneau's health care costs were also highest in the state according to this comparison.

ACCRA COST OF LIVING INDEX³² FOR 2011, ALASKA CITIES

Index Category	Percent of				
	Composite	Anchorage	Fairbanks	Juneau	Kodiak
Grocery Items	13.36%	137.4	132.4	130.8	149.1
Housing	28.64%	149.8	140.3	172.8	123.1
Utilities	10.46%	98.2	211.5	163.7	152.2
Transportation	10.66%	112.0	109.9	107.9	130.5
Health Care	4.44%	139.4	124.5	149.8	133.0
Misc. Goods & Services	32.44%	126.3	120.2	113.2	113.2
Composite	100.00%	130.6	137.0	139.0	127.6

Source: ACCRA national cost of living index, Council for Community and Economic Research, 2012.

³²The ACCRA Cost of Living Index measures relative price levels for consumer goods and services in participating areas. The average for all participating places, both metropolitan and nonmetropolitan, equals 100, and each participant's index is read as a percentage of the average for all places.