

Housing in Dawson

Research, Strategy and Action

City of Dawson Committee of the Whole

November 19, 2012



A partnership of the City of Dawson, Dawson City Chamber of Commerce, Klondike Institution of Art & Culture, Klondike Visitors Association, and Chief Isaac Incorporated

KDO Vision and Mission

VISION

A resilient Klondike where highly engaged citizens, networks and organizations collaborate to build a sustainable economy

MISSION

KDO focuses multi-stakeholder collaboration on diversifying and strengthening the local economic base through:

- Pro-active strategies and services aimed at retaining and growing a healthy business base
- Increasing access to equity investment capital
- **Strengthening economic and social sectors critical to the future of the Klondike**
- Addressing strategic gaps in services

2011 Household Survey

Community Assets and Needs

- Top assets of community:
 - People 14%
 - Sense of community 11%
 - Wilderness location 10%
 - Art and Culture 7%
- Changes to improve the area:
 - **HOUSING 24%**
 - Recreation 18%
 - Transportation 7%
- Ability to attract more year-round residents:
 - **HOUSING 37%**
 - Recreation 26%

2011 Business Survey

Community Assets and Needs

- Top assets of community:
 - People 14%
 - Sense of community 13%
 - Small size 11%
- Strengthen economy and create jobs:
 - **AFFORDABLE HOUSING 15%**
 - **LAND DEVELOPMENT 9%**
- Improve the area:
 - **AFFORDABLE HOUSING 16%**
 - Recreation 13%

2011 Housing Demand Survey

Barriers to home ownership:

- Availability 40.3%
 - **LAND** **24.2%**
 - Houses 16.1%
- Affordability 40.3%
 - Income 12.9%
 - Houses 11.3%
 - **LAND** **8.1%**
- Regulatory 11.3%
- Quality 8.1%

2011 Housing Demand Survey

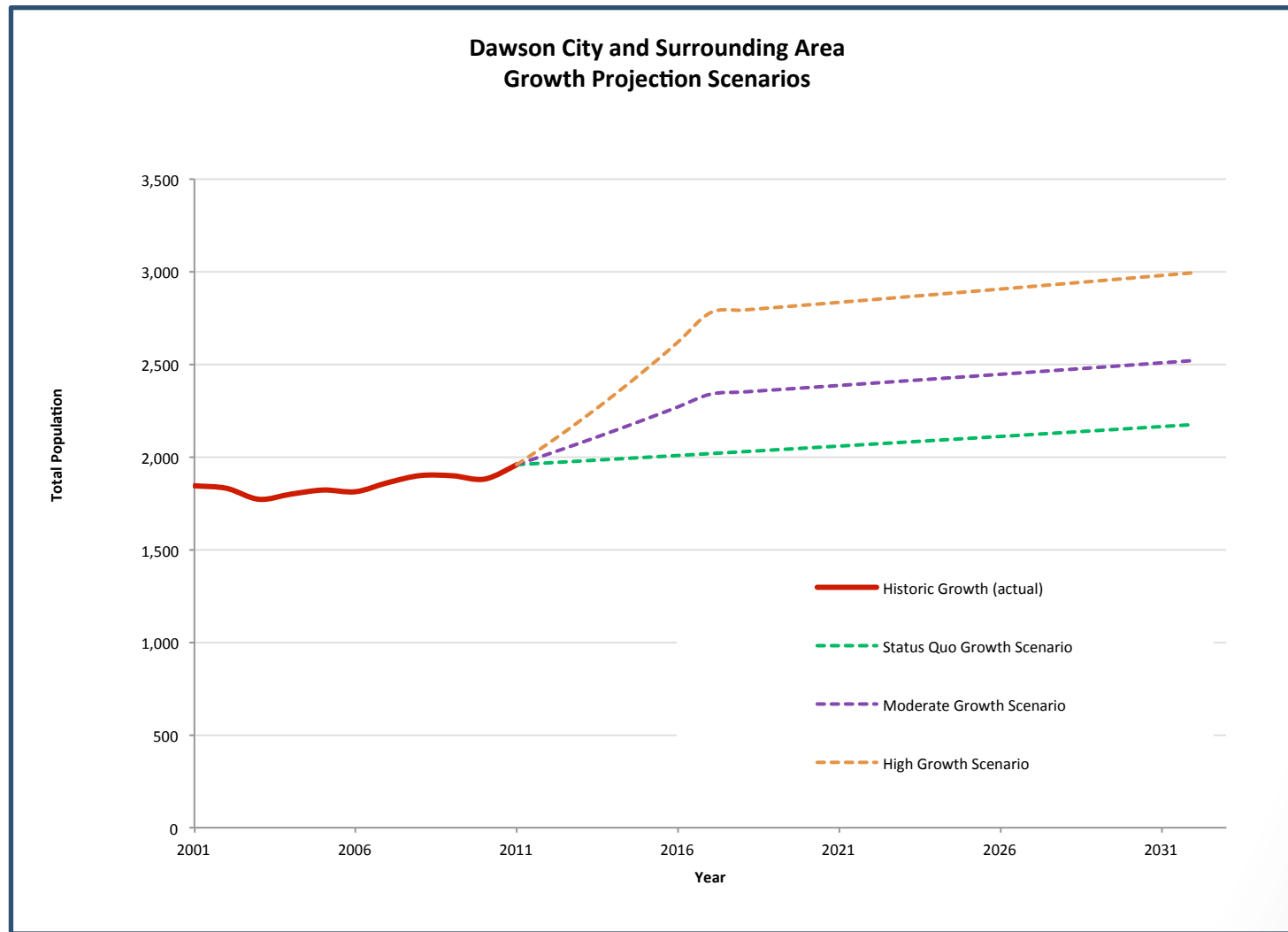
Demand profile:

- **50% new-build willing**
- 33% would consider a multi-unit building
- Average size 1172 ft² , half under 1000 ft²
- **66% full-service**, 25% well and septic
- Location order:
 - **Downtown**
 - **Klondike Valley (in City)**
 - Dome
 - Klondike valley (ex-City)
 - West Dawson/Sunnydale

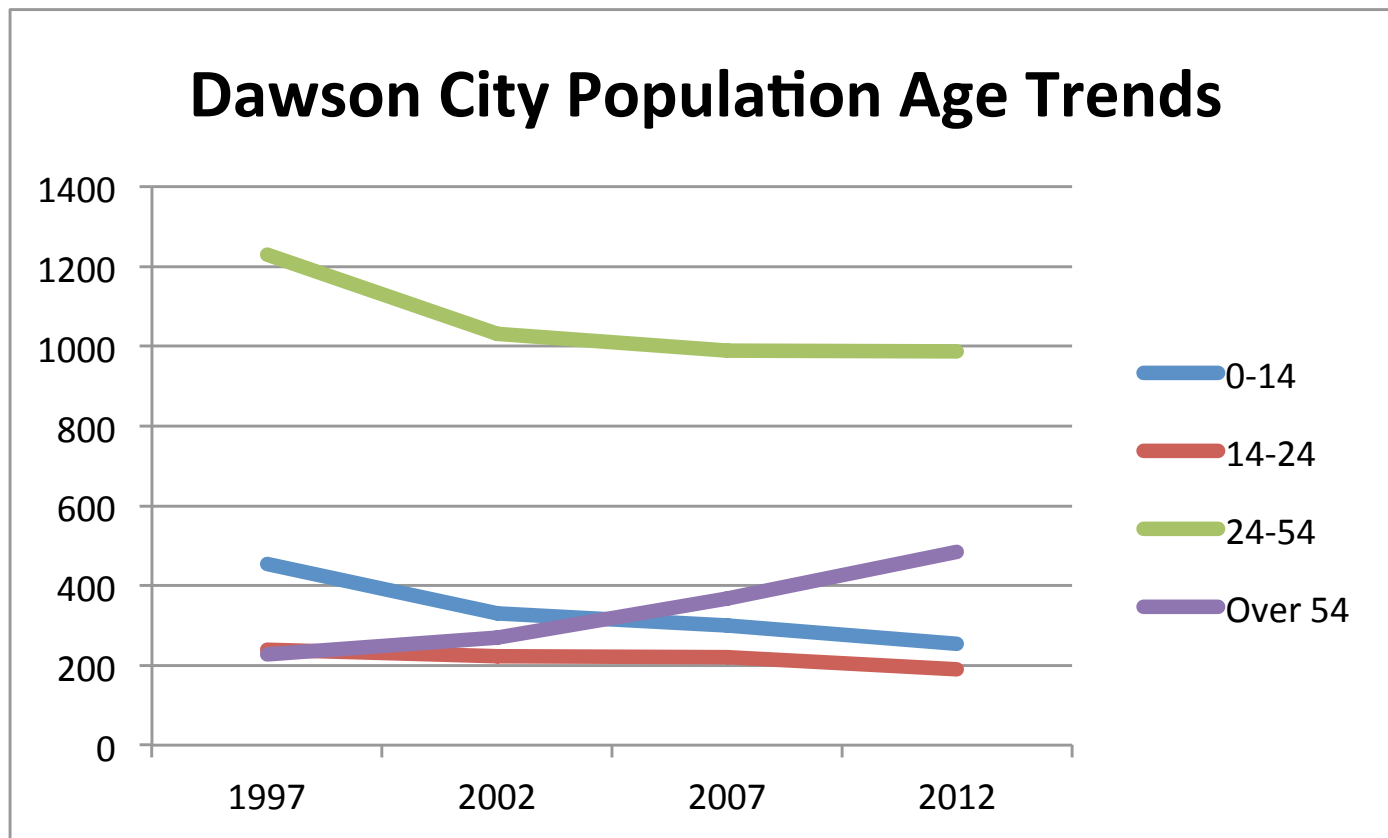
Housing Demand Survey

- \$199,574 average home price expectation
- \$36,827 average property price expectation
- Town lots \$26,389
- Country residential \$9,686 per acre
- Mean income \$58,633, price to income ratio 3.4
- Renters pay \$176,579 home price for 1126 ft²
- Owners pay \$231,522 for 1369 ft²

Population Projections



Demographic Trends



Land Demand Projections

- In 2011:
 - YG sold 11 North End serviced lots @ \$26-\$32,000
 - YHC sold 4 serviced lots @ \$32,000 by lottery (14 unsuccessful applicants)
- Average annual pop. growth last 10 years is 11 people or 5 households
- Demographic shift adds private households without population growth
- Average 10 new residential building permits per year since 1999
- From 2011 demand survey, 'normal' annual lot demand approximately:
 - 7 serviced townsite
 - 3 country residential
- Assume 1 year unmet demand, then minimum lot demand estimates are:

	Serviced Townsite	Country Residential
Immediate (2013)	14	6
Short Term (1-3 years)	14	6
Medium Term (3-10 years)	49	21
<u>Total</u>	<u>77</u>	<u>33</u>

Current Availability

- 14 houses
 - 6 in Historic Townsite (\$190-\$395,000)
 - 5 (1 in City) country residential (\$250-\$398,500)
 - 3 off-grid and unorthodox!
- 1 possible vacant residential lot
- 3 operating businesses that include property
- 11 vacant private commercial properties (\$37-\$50,000)
 - 5 will become vacant private residential if new OCP implemented
- 6 vacant commercial buildings (\$80-\$442,000)
- 5 private industrial lots (\$145-\$400,000)
- 20 vacant government industrial lots (\$72-\$147,000)

Community Housing Strategy

- Klondike Development Organization
 - Information and Education
 - Development Facilitation
- Recommendations to City of Dawson
 - Land Availability
 - Municipal Bylaws and Policies

www.klondikedevlopment.com/research

Housing Strategy – KDO to Date

INFORMATION AND EDUCATION

- Online housing information portal ✓ www.klondikedevelopment.com
- Annual spring Klondike Housing Information Fair ✓ (2011 & 2012)
- Facilitate housing-related skills courses ✓

DEVELOPMENT FACILITATION

- Advocate for owners of vacant serviced lots to make these available ✓
- Property search tool ✓ www.klondikedevelopment.com/propertysearch/
- Market housing opportunities to investors, developers, contractors etc. ✓
- Investigate feasibility of housing development projects:
 - Large-scale multi-unit rental development (March Partnership Forum) ✓
 - Imported modular housing ✓
 - Minimal service seasonal housing e.g. 'Tent City' ✓
 - 'Pocket' housing e.g. garden suite packages

Multi-Market Residential Rental Development in Dawson City

March 2012 Partnership Forum

To meet a range of housing needs in a mixed environment that reflects local values



Multi-Market Residential Rental Development in Dawson City

Key Principles

- Project must be financially sustainable and self-sufficient
- Net rental revenues must cover the cost of operations and maintenance

Proposed Target Markets

Total dimension in the region of 20,000 ft², providing for a minimum of 32 residents and up to 48 at full double-occupancy, with a potential market split of:

- Government/Crown corp. staff: 8 units @ 800 ft² (Up to 16 residents total)
- Community service organizations: 1 unit @ 1200 ft²
- Students and seasonal workers: 4 units @ 800 ft² (16 residents total in 4 pods)
- Open market: 8 units @ 800 ft² (Up to 16 residents total)
- Servicing and common space: Total 2800 ft²

Some units configured as live-work spaces to encourage home-based entrepreneurs.

Multi-Market Residential Rental Development in Dawson City

	Unit Type # of Units	Student 16 3200	Staff 8 6400	Market 9 7600	Common 2,800	Total 33 20000
Revenues						
Rental Income		95,040	87,696	86,508	0	269244
Total Revenues		95,040	87,696	86,508	-	269244
Expenses						
Maintenance		19,200	38,400	45,600	16,800	120000
Building Insurance		3,200	6,400	7,600	2,800	20000
Interest on Long-Term Debt		24,562	49,125	58,336	21,492	153515
Property Management		5,702	5,262	5,190	-	16155
Property Taxes		6,065	12,131	14,405	5,307	37908
Utilities		23,040	11,520	12,960	-	47520
Total Expenses		81,770	122,837	144,091	46,399	395098
Profit/Loss (before depreciation)		13,270	(35,141)	(57,583)	(46,399)	-125854
Depreciation		25,600	51,200	60,800	22,400	160000
P/L (after depreciation)		\$ (12,330)	\$ (86,341)	\$ (118,383)	\$ (68,799)	-285854

Numbers are one scenario from a feasibility workshop, are for high-level discussion purposes only and not intended to be relied upon for decision-making.

Housing Strategy – City to Date

LAND AVAILABILITY

- Expedite the review of the Official Community Plan ✓

Housing Strategy – Next Steps

KLONDIKE DEVELOPMENT ORGANIZATION

- Form contact group of stakeholder parties to implement strategy
- Maintain online housing information portal at www.klondikedevelopment.com
- Facilitate annual housing-related skills courses
- Market housing development opportunities
- Undertake feasibility studies on identified housing development projects:
 - Multi-market residential rental development (former Korbo?)
 - Imported modular housing
 - ‘Pocket’ housing e.g. garden suite packages

Housing Strategy – Next Steps

CITY OF DAWSON

PRIORITY LAND AVAILABILITY RECOMMENDATIONS

IMMEDIATE (0-12 MTHS)

- Complete and implement Zoning and Heritage Management Bylaw review – possible **5 lots**
- Advocate for government owners of vacant serviced lots to make these available:
 - Yukon Government – **1 lot**
 - Yukon Housing Corporation – possible **8 lots** including 4 at ‘former Korbo’
 - City of Dawson – **2 lots** at ‘Palace Grand’
- Incentive bylaws and policies to encourage sale or development of vacant lots (REDP)











Housing Strategy – Next Steps

CITY OF DAWSON

PRIORITY LAND AVAILABILITY RECOMMENDATIONS

SHORT TERM (1-3 YEARS)

- North End loop (30-40 lots)
- North-east gravel pit (5-10 lots)
- 7th Avenue extension (10 lots)

MEDIUM TERM (3-10 YEARS)

- Lot 1059 (11 acres)
- Dredge Pond Phase II (200 acres)

LONG TERM (10+ YEARS)

- Slinky Mine site
- West Dawson and Sunnysdale with infrastructure - grid hydro and/or bridge connection

	Serviced Townsite	Country Residential
0-12 months	14	6
1-3 years	14	6
3-10 years	49	21
<u>Total</u>	<u>77</u>	<u>33</u>

Avoiding Omnishambles

- Participate in KDO housing contact group
- Advocate for sale of YHC and YG vacant serviced lots
- Complete and pass new zoning bylaw
- Sell 'Palace Grand' lots
- Support multi-market residential rental development planning
 - Advocate for YHC/YG to develop or sell 'former Korbo' site
- Consider options for immediate development of north-east gravel pit
- Undertake business case assessment of North-End loop
- Evaluate development incentives program through REDP project
- Develop comprehensive 10-year land development strategy
- Commence site assessment and baseline studies for Dredge Pond Phase II
- Consider residential development alongside any Lot 1059 recreation centre