# Municipal Clerk's Office Approved

Date: October 11, 2022

Submitted by: Chair of the Assembly at

Request of the Mayor

Prepared by: For reading:

Planning Department September 13, 2022

# ANCHORAGE, ALASKA AO NO. 2022-62(S)

AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE TITLE 21, LAND USE PLANNING, TO CREATE A NEW PROCEDURE FOR THE ASSEMBLY TO APPROVE REINVESTMENT FOCUS AREAS.

(Planning and Zoning Commission Case No. 2022-0010)

**WHEREAS**, Section 3 of the 2040 Land Use Plan directs the Assembly to create Reinvestment Focus Areas for the facilitation of financing and taxation policies that incentivize development in certain priority areas; and

**WHEREAS**, Reinvestment Focus Areas are intended to incentivize important developments that are difficult to finance, such as multifamily housing or industrial "traded sector" businesses; and

**WHEREAS,** Exhibit E (attached) depicts zones eligible for nomination; now therefore,

#### THE ANCHORAGE ASSEMBLY ORDAINS:

<u>Section 1.</u> Anchorage Municipal Code Title 21 is hereby amended by adding a new section 21.03.116 – Reinvestment Focus Area Designation:

#### 21.03.116 Reinvestment Focus Area Designation.

- A. Purpose. This section describes the administration and procedures for designating a Reinvestment Focus Area (RFA). This section also formalizes the criteria, boundaries, incentives and administrative procedures by which an RFA is implemented, including the actions of any responsible parties. The strategy to create RFAs and the approximate locations of RFAs are adopted in the Anchorage 2040 Land Use Plan and other strategic areas. Objectives for designating the RFA include:
  - Focus and coordinate municipal actions including development incentives and infrastructure investments to catalyze private sector reinvestment in support of new infill and redevelopment in strategic areas of Anchorage.
  - 2. Coordinate local investments with state or federal level programs and investments, if applicable.

- 3. Focus on areas of significant near-term growth potential which show a demonstrated need, opportunity, and local support.
- 4. Coordinate infrastructure investments such as streets, walkways, and utilities (as allowed by tariffs) to create a cohesive, integrated, and yet diverse urban place to offer a high quality of life.
- 5. Increase new housing development on vacant infill lots.
- 6. Promote rehabilitation, upgrade, and adaptive reuse of existing buildings for housing or mixed-use residential uses.
- 7. Meet the community's needs for additional housing and employment in areas best positioned to accommodate growth.
- B. Types of Incentives Available Through an RFA. Potential municipal incentives may include but are not limited to items 1-11 below. Incentives may be approved using administrative procedures or existing tools in municipal code to implement in the RFA:
  - 1. Sponsored or targeted area rezonings (Title 21)
  - 2. Tax abatement and tax exemptions (Title 12)
  - 3. Transportation Improvement Plan funds (TIP and/or Capital Improvement Budget (CIB))
  - 4. Alley improvement funding (CIB)
  - 5. Utility undergrounding funding (Utility CIB)
  - 6. Special assessment districts (Title 19)
  - 7. New zoning districts or overlay districts (assembly approval, Title 21)
  - 8. Revenue bonds (assembly approval, citywide election).
  - 9. Expedited permit reviews and inspections (building services, assembly)
  - 10. Off-site improvement phasing, partnering agreements, public funding for improvements (project management and engineering, assembly)

- 11. Fee waivers, as outlined below:
  - a. Fee waivers are subject to eligibility and qualification under this chapter. Partial waiver or total exemption from certain municipal fees listed in this section may be applied to housing and mixed-use residential developments in RFAs. An application for municipal fee relief shall be made on a form approved by the planning department and submitted to the director of the planning department for approval by the Assembly. The request shall be subject to the requirements of this section.
  - b. A partial waiver or total exemption from municipal fees listed in this section shall be approved by ordinance. Municipal fee relief does not authorize work to proceed without permits, inspections and land use authorizations required by code.
  - c. If partial waiver or total exemption of a fee is granted, the applicant may be required to pay the municipal fee, subject to refund only if a certificate of occupancy is issued. Municipal fee relief may be granted by the Building Official or Development Services Director for the following fees:
    - Building permit fees under AMC 23.10.104.13.2, set out in AMC 23.10 Table 3-A, 1-5 for new construction (Commercial); New Construction (Residential): Alterations and /or Addition (Residential or Commercial: Change of Use Only: Electrical, Mechanical, Plumbing (Residential or Commercial-No Structural Work).
    - ii. Demolition permit fees under AMC 23.10.104.13.2, set out in AMC 23.10 Table 3-A.6. C.
    - iii. Grading, excavation and fill permit fees under AMC 23.10.1044.12.2, set out in AMC 23.10 Table 3-G.
    - iv. Plan review fees under AMC 23.10.104.13.3, set out in AMC 23.10 Table 3-B, 1. Building Permits Plan Review Fees, except that fees for expedited plan review, commercial out-sourcing plan review, and express permitting shall not be

granted municipal fee relief by assembly resolution.

- v. Inspection fees for alteration, additions, remodels, and retrofits under AMC 23.10.106, set out in AMC 23.10 Table 3-C.1., Inspections or re-inspection hourly fee. Fees for inspections or re-inspections that are unscheduled or outside normal business hours, or for code compliance, or a fine, set out in AMC 23.10 Table 3-C, 2-6 shall not be granted by assembly resolution.
- vi. Electrical Permit fees under AMC 23.10.104.13.2, set out in AMC 23.10 Table 3-D.1. B.
- vii. Plumbing Permit fees under AMC 23.10.104.13.2, set out in AMC 23.10 Table 3-E.1. A.
- viii. Permit and inspection fees under AMC chapter 24.30 for temporary uses during construction.
- ix. Waivers for relevant or applicable items from the schedule of land use fees in AMCR 21.20.001, 21.20.002, 21.20.003, or 21.20.007.

#### C. Relationship to Other Title 21 Provisions

- 1. Except as provided specifically otherwise in this section, the designation of an RFA shall be subject to and reviewed pursuant to the generally applicable administrative and review procedures by the Planning and Zoning Commission and Assembly set forth in chapters 21.02, Boards and Commissions, and Municipal administration, and 21.03, Review and Approval Procedures.
- 2. All applicable underlying regulations, requirements, and provisions of Title 21 and municipal code apply to development within an RFA, except where specifically stated otherwise. This chapter, like all other Title 21 chapters, remains subject to Section 21.01.060, *Conflicting Provisions*.

- D. *Procedure:* The Assembly may designate one or more RFAs using the procedures and approval criteria that follow:
  - 1. *Initiation:* An RFA designation may be initiated by the municipality or by petition signed by property owner(s) desiring to be included in an RFA.
  - 2. Required Information Submittal: An RFA proposal shall include the following to support the designation of an RFA per the approval criteria of subsection E. These items shall serve as an existing conditions summary and may be waived or adjusted under the approval of a Small Area Implementation Plan requirements in section 21.03.115D.:
    - a. A completed application form provided by the Planning Department;
    - A map delineating the RFA boundary, along with a legal description, acreage of the proposed petition area, a boundary delineation rationale narrative, and a summary of the existing uses found both inside and directly adjacent to the petition area;
    - c. A summary of available utilities or deficiencies (if known), land use and site plan of any existing development, including but not limited to buildings, streets, sidewalks, alleys, public infrastructure, historic properties or local landmarks, natural hazards, drainage systems and existing site drainage, and trails in the proposed area;
    - d. A narrative summary of general conformance with <u>a[the]</u> comprehensive plan and its elements, utility or park master plans, public facility plans and relevant elements, or other applicable planning documents; and
    - e. A letter of sole or group property owner interest or support for inclusion in a proposed RFA.
  - Community Meeting and Public Notice: A community meeting is required in accordance with subsection 21.03.020C. Public notice shall be provided in accordance with subsection 21.03.020H.
  - 4. Departmental Review: The planning department shall review each proposed RFA with respect to the approval criteria set forth in subsection E. below and distribute the application to impacted departments or agencies. Based on the results of those reviews, the department shall provide a report in

accordance with subsection 21.03.020 with recommendations to the planning and zoning commission.

- 5. Planning and Zoning Commission Action: The commission will review and consider the recommendations of the department and other reviewers and, based upon the approval criteria of subsection E. below, shall recommend approval, approval with modifications, or denial. The commission shall include written findings based on each of the approval criteria.
- 6. Assembly Action: Upon receipt of the recommendations from the commission, the assembly may, based on the criteria of subsection E. below and at its discretion, hold a public hearing and take one of the following actions:
  - a. Approve the RFA as submitted to the planning and zoning commission;
  - b. Approve the RFA with modifications;
  - c. Deny the RFA; or
  - d. Remand the proposed RFA back to the planning and zoning commission or to a committee of the assembly to request additional information or for further review and consideration.
- 7. Form and Effect of Assembly Approval: The assembly approval shall be in form of an assembly ordinance. The ordinance shall include the name, a map, legal description of the RFA boundaries.
- E. Approval Criteria for Establishing RFAs: The RFA shall meet all the following criteria for a planning and zoning commission recommendation of approval and assembly approval:
  - General conformity with <u>a</u> comprehensive plan and its elements, utility or park master plans, public facility plans and relevant elements, or other applicable planning documents;
  - The subject area is located in proximity to a commercial, mixed-use, or employment center designated in <u>a[the]</u> comprehensive plan, and is accessible to nearby jobs, stores, restaurants, and other services, amenities, or attractions;
  - 3. The area provides potential to maximize development of additional housing units through infill, re-use, or redevelopment actions;

- 4. The area is mostly within a ½-mile walking distance of a transit-supportive development corridor or greenway-supported development corridor, as measured from the centerline designated in a[the] comprehensive plan;
- 5. The area is undergoing growth and change, where development and (re)investment are anticipated to continue;
- 6. The area has no significant prohibitive constraints to development, area-specific natural or man-made hazards, or sensitive natural features;
- 7. Existing zoning or future zoning called for in <u>a[the]</u> comprehensive plan would support greater intensity of development or use than occurs today;
- 8. The area has existing infrastructure, such as water, sewer, road capacity, etc., or where cost/feasibility of upgrading capacity is present to support growth, or where reinvestment in infrastructure is planned or anticipated, which will support growth; and
- 9. The targeted area is 5 acres or greater in size, unless the Planning director determines a smaller area meets the intent and criteria of this section.

## F. Amendments to Approved RFAs

- 1. Approval Procedure for Major Amendments: Amendment of an RFA approval shall follow the same process required for the standard approval of the RFA, unless the amendment is determined to be a minor amendment as described in subsection **F[G]**.2. below.
- 2. Approval Procedure for Minor Amendments: The director may, at any time on their own motion, request an evaluation and approval of a minor amendment to an approved RFA. Minor amendments address items in the original adopting ordinance, and include:
  - a. Adding new property to an RFA, not to exceed 15% of existing RFA acreage;
  - Insubstantial changes to the text for clarifications or corrections;

- c. Changes in a street alignment, if the change furthers the intent of the project and this code, and is acceptable to the municipal engineer; and
- d. Other incidental changes to an existing RFA.
- 3. Additional Considerations for Minor Amendments: Minor amendments cannot affect land use or density in ways that would adversely impact public facilities, utilities, traffic, or other infrastructure or adjacent neighborhoods. The procedure for a minor amendment shall be as follows:
  - a. The director shall review the proposed minor amendment and determine if the proposed amendment shall be processed as a minor amendment or major amendment. The applicant may appeal the director's decision in writing to the zoning board of examiners and appeals within 10 days of the decision.
  - b. Immediately following the Planning director's determination that a proposed amendment is minor, the director shall:
    - Issue a minor amendment affidavit, which shall be transmitted to the planning and zoning commission for their information; and
    - Attach a form stating the nature of the modification, date of approval, and bearing the signature of the director to the RFA on file in the department.
    - iii. Review the proposed amendment and shall provide a memo to the planning and zoning commission and the assembly.
- G. Designated RFAs: The formal boundaries of an adopted RFA are described in each adopting ordinance and depicted in the Designated RFA Map, having been approved through the procedures and criteria of this chapter. Properties adjacent to but outside of an RFA boundary are not included in an RFA, subject to its standards, and are not eligible for any of its incentives or other provisions. Except as subject to a minor amendment procedure, an RFA boundary can only be amended by assembly ordinance. Specific incentives are established in the ordinances adopted by the assembly approving an RFA.

#### H. RFA Implementation

- 1. Purpose: This section provides tools, terms and actions necessary to fulfill and implement terms, conditions, and the goals of the RFA and RFA development agreement. These include, but are not limited to existing Title 21 provisions, including the small area implementation plan, and the use of economic incentives, some of which are promulgated in other sections of the code, and public improvements. Once an RFA is formerly established, the assembly shall indicate which department or division will implement the area.
- 2. Administration: An RFA shall be administered, regulated, and maintained by the planning department with the concurrence of development services, and finance departments.
  - a. Process for administering an RFA:
    - i. Formal establishment and delineation of an RFA by assembly action.
    - RFA language identifies requested financial or regulatory incentives identified in 21.03.116B. above.
    - iii. Maintenance of an RFA Map by the Planning department or equivalent division.

<u>Section 2.</u> Anchorage Municipal Code chapter 21.02 – Table 21.02-1: Summary of major Title 21 decision-making and review responsibilities, is hereby amended to read as follows:

#### TABLE 21.02-1: SUMMARY OF MAJOR TITLE 21 DECISION-MAKING AND REVIEW RESPONSIBILITIES

NOTE: This table summarizes the major review and decision-making responsibilities for the procedures contained in Chapter 21.03.

Exceptions to general rules apply; see Chapter 21.03 for details on each procedure.

A = APPEAL = Authority to Hear and Decide Appeals
D = DECISION = Responsible for Review and Final Decision
H = HEARING = Public Hearing Required
R = REVIEW = Responsible for Review and/or Recommendation Only

	Section	<b>ASBLY</b>	PZC	UDC	PB	<b>ZBEA</b>	BOA	MS
Alcohol—Special Land Use Permit	21.03.040	D-H/A1						R/ D1
Certificates of Zoning Compliance	21.03.060					А		D
Comprehensive Plan Amendments	21.03.070 C.	D-H2	R-H2					R
Conditional Uses	21.03.080		D-H				Α	R
Flood Hazard Permits	21.03.090					А		D

#### TABLE 21.02-1: SUMMARY OF MAJOR TITLE 21 DECISION-MAKING AND REVIEW RESPONSIBILITIES

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	Section	ASBLY	PZC	UDC	РВ	ZBEA	BOA	MS
Land Use Permits	21.03.100				А3	А3		D
Marijuana—Special Land Use Permit and associated variances	21.03.105	D-H						R
Master Plan, Institutional	21.03.110 A.	D-H	R-H					R
Reinvestment Focus Areas	21.03.116	<u>D-H</u>	<u>R-H</u>					<u>R</u>
Minor Modifications	21.03.120		D4	D4		A5	A5	D4
Neighborhood or District Plans	21.03.130	D-H	R-H					R
Public Facility Site Selection	21.03.140	D-H/ A-H6	R-H/ D-H6					R
Rezonings (Map Amendments)	21.03.160	D-H	R-H					R
Sign Permits	21.03. 170					Α		D
Site Plan Review, Administrative	21.03.180 C.			А				D
Site Plan Review, Major	21.03.180 D.		D-H7	D-H7			Α	R
Street Review	21.03.190 B.		R8/D	R 8/D				R
Small Area Implementation Plans	21.03.115		D-H15	D-H				R
Trail Review	21.03.190 C.			R/D				R
Preliminary Plat	21.03.200 C.5.		D-H9	D-H9	D-H9		Α	R
Abbreviated Plat	21.03.200 D.				A-H			D
*** *** ***								

(AO 2012-124(\$), 2-26-13; AO 2013-117, 12-3-13; AO No. 2015-36, § 1, 5-14-15; AO No. 2016-3(\$), § 1, 2-23-16; AO No. 2017-55, § 2, 4-11-17; AO No. 2018-67(\$-1), § 1, 10-9-18; AO No. 2020-38, § 2, 5-28-20; AO No. 2021-46(\$), § 3, 6-8-21)

<u>Section 3.</u> Anchorage Municipal Code section 21.02.090 – Assembly is hereby amended to read as follows (the remainder of the section is not affected and therefore not set out):

## 21.02.090 Assembly.

A. Decision-Making Authority. The Assembly has the following decision-making authority under this title:

- 1. Special land use permit for alcohol—for beverage dispensary and package store liquor licenses (21.03.040);
- 2. Comprehensive Plan amendments (21.03.070);
- 3. Special land use permits for marijuana and associated variances from AMC section 21.05.055 (21.03.105);
- 4. Institutional master plans (21.03.110);
- 5. Reinvestment focus areas (21.03.116);
- 6[5]. Neighborhood or district plans (21.03.130);
- 7[6]. Public facility site selection for municipal facilities (21.03.140);
- 8[7]. Rezonings (zoning map amendments), to include overlay districts (21.03.160);
- 9[8]. Title 21 text amendments (21.03.210);
- 10[9]. Appeals on public facility site selections for non-municipal facilities (21.03.140); and
- 11[10]. Any other action not delegated to the planning and zoning commission, platting board, zoning board of examiners and appeals, board of adjustment, urban design commission, or municipal staff, as the assembly may deem desirable and necessary to implement the provisions of this title.

(AO 2012-124(S), 2-26-13; AO No. 2016-3(S), § 2, 2-23-16; AO No. 2017-55, § 4, 4-11-17)

**Section 4.** Anchorage Municipal Code section 21.03.020, Common procedures, is hereby amended to read as follows (the remainder of the section is not affected and therefore not set out):

21.03.020 Common Procedures.

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- C. Community Meetings.
  - 1. Purpose. The community meeting is an informal opportunity for the developer to inform the surrounding area residents and property owners of the details of a proposed development and application, how the developer intends to meet the standards

contained in this title, and to receive public comment and encourage dialogue at an early time in the review process.

- 2. Applicability.
  - a. Types of applications. The applicant shall hold a community meeting for any of the following types of applications.
    - i. Rezonings (zoning map amendments);
    - ii. Subdivisions, except for abbreviated plats;
    - iii. Conditional uses;
    - iv. Marijuana—special land use permit;
    - v. Institutional master plans;
    - vi. Major site plan review;
    - vii. Public facility site selection; [AND]
    - viii. Small area implementation plans; and
    - ix. Reinvestment focus areas.

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- H. Notice.
  - \*\*\* \*\*\* \*\*\*
  - 2. Summary of notice requirements. The following table 21.03-1 summarizes the notice requirements of the procedures set forth in this chapter. Unless otherwise specified in this title, procedures not listed in this table have no public notice requirements.

	Notice Required							
Type of Application or Procedure	Section	Written (Mailed)	Published	Posted	Community Council			
Alcohol—Special Land Use Permit	21.03.040	✓	✓	✓	✓			
Appeals to Board of Adjustment	21.03.050A.	✓	~	-	-			
Appeals to ZBEA	21.03.050B.	✓	✓	-	✓			
Comprehensive Plan Amendments, Substantive	21.03.070C.	-	✓	-	✓			
Conditional Uses	21.03.080	✓	✓	✓	✓			
Marijuana - Special Land Use Permit	21.03.105	✓	✓	✓	✓			
Marijuana – Modification of a Special Land Use Permit Requiring Public Hearing	21.03.105C.	✓	✓	✓	✓			
Marijuana - Variances	21.03.105C.	✓	✓	✓	✓			
Master Plan, Area	21.09.030E.	✓	✓	✓	✓			
Master Plan, Development	21.09.030F.	✓	✓	✓	✓			
Master Plan, Institutional	21.03.110	✓	✓	✓	✓			
Reinvestment Focus Area	21.03.116	<u>✓</u>	₹	<u> ✓</u>	✓			
Neighborhood or District Plans	21.03.130	-	✓	-	✓			
Nonconforming Uses of Land or Structures, Replication of	21.12.030C.	✓	✓	✓	1			
Nonconforming Structures, Replication	21.12.040D.	✓	✓	✓	✓			
Public Facility Site Selection	21.03.140	✓	✓	✓	✓			
Rezonings (Zoning Map Amendments)	21.03.160	✓	✓	✓	✓			
Site Plan Review, Administrative	21.03.180C.	<b>√</b> 1	✓	<b>√</b> 1	✓			
Site Plan Review, Major	21.03.180C.	✓	✓	✓	✓			
Small Area Implementation Plans	21.03.115	✓	✓	✓	✓			
Street Name Alterations	21.03.185	✓	✓	-	-			
Street and Trail Review	21.03.190	-	✓	-	✓			
Subdivisions (with existing physical access)	21.03.200	✓	✓	✓	✓			
Subdivisions (without existing physical access)	21.03.200	✓	✓	-	✓			
Abbreviated Plats	21.03.200D.	-	✓	-	✓			
Modification or Removal of Plat Notes	21.03.200G.	✓	✓	✓	<b>✓</b>			
Title 21, Text Amendments	21.03.210	-	✓	-	✓			
Vacation of Public and Private Interest in Land	21.03.230	✓	✓	✓	<b>✓</b>			

(AO 2012-124(S), 2-26-13; AO 2013-117, 12-3-13; AO No. 2015-131, § 1, 1-12-15; AO No. 2015-142(S-1), § 1(Exh. A), 6-21-16; AO No. 2016-3(S), § 3, 2-23-16; AO No. 2017-75, § 1, 5-9-17; AO No. 2017-175(S), § 1, 2-13-18; AO No. 2019-67, § 1, 6-18-19; AO No. 2021-46(S), § 5, 6-8-21; AO No. 2021-69, § 1, 8-10-21)

<u>Section 5.</u> This ordinance shall become effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 11th day of October, 2022.

ATTEST:

Jennifer Veneklasen

Municipal Clerk

(Planning and Zoning Commission Case No. 2022-0010)



# **MUNICIPALITY OF ANCHORAGE**

# ASSEMBLY INFORMATION MEMORANDUM

No. AIM 156-2022

Municipal Clerk's Office Accepted

Date: September 13, 2022

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Meeting Date: September 13, 2022

1 FROM: MAYOR 2 3 SUBJECT: TRANSMITTAL OF AO NO. 2022-62(S), A SUBSTITUTE 4 ORDINANCE FOR THE REINVESTMENT FOCUS 5 PROCEDURE. 6 7 8 This AIM transmits the recommended substitute ordinance with the changes that 9 the Assembly Community and Economic Development Committee voted on and 10 approved unanimously at its July 14, 2022, meeting. 11 12 The discussion focused on two primary items: 13 14 1. Whether Reinvestment Focus Areas (RFAs) apply to the Chugiak-15 Eagle River and Girdwood areas. 16 17 2. Whether an RFA is a type of entitlement that can be appealed in case 18 of denial. 19 20 To address item 1, the following changes were made (pages 5-7) to allow RFAs to 21 be used anywhere a comprehensive plan would allow them: 22 23 21.03.116D.2.d. A narrative summary of general conformance with 24 a[the] comprehensive plan and its elements,... 25 26 21.03.116E.1. General conformity with a comprehensive plan and its 27 elements,... 28 29 21.03.116E.2. The subject area is located in proximity to a 30 commercial, mixed-use. employment or center 31 designated in a[the] comprehensive plan,... 32 21.03.116E.7. 33 Existing zoning or future zoning called for in a[the]

comprehensive plan would support greater intensity of

development or use than occurs today;...

1 2 To address item 2, staff consulted with the Municipality's legal counsel, who 3 provided an explanation that a Reinvestment Focus Area does not confer 4 appealable rights. 5 Staff also proposes an additional change to correct a typo (page 7). 6 7 8 21.03.116F.1. ...unless the amendment is determined to be a minor 9 amendment as described in subsection **F[C]**.2. below. 10 11 12 Prepared by: Daniel Mckenna-Foster, Senior Planner 13 Planning Department 14 Craig H. Lyon, Planning Director Approved by: Adam Trombley, Community Development Director 15 Concur: 16 Concur Amy Demboski, Municipal Manager 17 Respectfully submitted: Dave Bronson, Mayor 18 19 20 Attachment: Substitute Ordinance AO No. 2022-62(S) 21