

West Anchorage District Plan
Housing & Redevelopment Focus Group Minutes
Thursday, May 28, 2009, 4:30-6:30 pm
MOA Planning Department, Room 170

OBJECTIVES

- Create a community development authority with an endowment and a mission
- Tell us how many units we need to accommodate in West Anchorage; I disagreed at the time with how many units are slated for southwest Anchorage according to the 2020 Comprehensive Plan.
- Making Mixed-Use Work:
 - Density distribution is the heart of it- creating a product that this market will accept. Anchorage has resisted it for years. One of the impediments to achieving density is land values. Rents don't support the land values.
 - People won't redevelop or rip down rentals that are making money. You could rezone to a higher density to allow the affordability of the rebuild.
 - Mixed-use has to have a super-elevated availability of infrastructure; these are all of the public, economic, and cultural infrastructure that have a large, tangible draw to the area. Putting it out in West Anchorage without those features would not work.
 - Midtown, approaching downtown is where multi-family projects can work; Outlying areas are more suitable for rehabilitation of properties.
 - There are only a few small areas that you can target for high density because you have to stay away from runway noise areas.
 - Higher density construction in the future would be most receptive in the areas where it's already been introduced. Introducing a higher-density to the single family would be not well received. It's been well-received outside of the West Anchorage planning area.
 - Commercial values are roughly double residential values. When you add a residential component to commercial land, you devalue that land.
 - A challenge of this plan will be the appropriate location for the density you want.
- Industrial:
 - Don't just save the industrial lands without really determining whether they could best be used another way. There was no grand philosophy about the industrial lands around the railroad. Ask: What are the demands for land uses?
 - Recognize the competition for industrial lands. There are flaws in the industrial lands study. Industrial is low-value, low-jobs.
 - We don't need industrial lay-down areas within Anchorage.
 - The key is not the quantity, but where it is located.
 - There is a scarcity of industrial lands
- Site-Specific Opportunities:
 - Spenard is the most viable place to have a real mixed-use, pedestrian space.
 - The only thing that gets people West to Sand Lake is their home

- The Northern Lights/Benson couplet from Carrs to C Street is a space seeked-out by the right kind of people. This is the place to put money that would have any legs on it.
- AS&G may have plans for the corner of Dimond & Sand Lake Road.
- Dimond Boulevard will be unfriendly to pedestrians and money to create a pedestrian atmosphere would be better spent elsewhere.
- A Chester Creek corridor mixed-use development would work.

Redevelopment Opportunities

- The age of Anchorage- we should be planning for aged infrastructure. 50% of Anchorage is over 30 years old. Look at these areas for redevelopment.
- People don't redevelop unless the price is right. It doesn't happen often.
- What incentives are most important to a developer- save money and reduce risk. A huge initial benefit.
- The rental market only works in a higher density. The cost to build is too high unless you take advantage of the higher density.
- If housing values increase again, the market will move more towards a rental market.

ISSUES

- Jewel Lake does not have a “center”.
- The tax incremental financing (TIF) incentive schemes don't work in MOA.
- If you increase density, where will you put schools and the ability to walk to schools? The school sites in Sand Lake are substandard.
- Better Housing Stock
 - We need buildings with character. Builders will say- we just have to build “snout house” because it's the only thing that makes money.
 - Today builders are making money on affordable housing, but they could make better looking housing.
 - We need good housing for aging folks who may not have Social Security or good retirement savings.
- Independence Park is mixed-type development but it never recovered from the economic crash of the 1980s. It is degraded now because it was never finished. There was supposed to be a school, park and connectivity to O'Malley. Within the development, there's not enough open space, and the trails are too narrow. When the market changed, they weren't allowed to change the design within that construction season. So they were stuck with the original design that didn't make sense for the market.

SOLUTIONS

- Improve the multi-family units on Wisconsin by having a development authority assemble a few 2&4 plexs (small lots) into a bigger unit.
- 2020 Town Center could have happened if they made a development authority at the same time. Finish one town center site at a time; not spread ourselves thin across the entire city. We need to finish Downtown's first; it will work with a lot

of incentives. Then other centers will occur without incentives. Determine land uses that will not preclude a future town center.

- Redevelopment Formula – It's not just the land value to building value. It may depend on ??
- Short-term, directed incentives
 - Incentives don't need to long-standing. If you pick a town center, you create an improvement district to that area only.
 - Once a critical mass is met, then the city won't need to keep providing incentives.
 - If we want to shorten history, then we need to pay for it. Start in one place first.
 - Provide incentives to get to where you want to go. Don't do incentives without a plan.
- Expand our toolbox.
 - Texas knows a lot of incentives to improve development. An example is creating a public improvement district with a board where the new taxes related to the improvements go to the developer for 20 years. This guarantees them a good return rate when they've generated more taxes from the increased density of business.
 - Reward projects that are developed that we like; MOA could give them an award, do some publicity around the award and show the public that this type of housing is available.
 - Overlay a district in Spenard, similar to what they did in Mountain View (talk to Jeff Judd for his experience doing this).
 - Build-in incentives that give owners the ability to enhance their buildings.
- Keep What Works:
 - In LA, there are examples of mixed-value product/housing. This avoids a project bust when the market shifts. Anchorage still has the boom/bust mentality where they build for one market and bust when that market disappears.
 - Turnagain is desirable if you keep its access to the Coastal Trail. Don't let roads damage the character of the neighborhood; keep the Coastal Trail safe and maintained; keep parks are maintained.
 - You can teach the market what you want. You can even provide incentives for people to live there. Then all the advantages become realized. Lenders don't give you money if you say you're going to teach the market to desire your project.
 - A little bit of attention to good neighborhoods goes a long way. (Adage: It's easier to keep the clients you have than to get new ones.)

STRENGTHS

- West Anchorage isn't a single area. Sand Lake is so different than Spenard. Sand Lake has a very strong CC and their neighborhoods are important to them. They have a lot of little unique neighborhoods.
- Spenard is an area in transition. It used to be its own city, but now Anchorage moved in so it's now trying to find itself.

- The airport is a positive for Spenard as an employment base and housing for its employees.
- Ron Bateman's project on Northern Lights & Boniface is nice and would be well-suited for Spenard. (Bateman also did the Habitat for Humanity project.)

WEAKNESSES

- The airport is a detriment to the Sand Lake. Some people can look past the airport because of Kincaid.
- West Spenard does not have enough franchise type commercial businesses which create long-distance visits and attract more people to the area. For example, people have to get in their car to go to a hardware store if they live there.
- It would transform Spenard to have a real urban style shopping feel. It could use a nice high-end grocery store with some associated shops in the Gwennie's area.

TRENDS

- Trend: The future is more in rental housing when housing values keep going up.

Implication: When housing values go up in value, both rentals and ownership will increase. Consider what resources/land uses we want in Eagle River and Mat-Su, and what we want here. We need to make sure we have good housing, of all types, to the community. Cook Inlet Housing (CIH) bought some garbage properties that had been rented at embarrassingly high rates. CIH could only afford to do their redevelopment (tear-down and rebuild) through grants. This results in good quality rentals, but this process takes too long.

- Trend: Some communities in the Lower 48 have made popular little cottage communities with mixed-value units.
- Implication: If you created a little development down at Sand Lake Rd and W. Dimond, you would have to make sure it doesn't become so desirable that you've priced-out the lower-end units. Make sure there is another development elsewhere to keep pace with the demand.