



**Municipality of Anchorage**  
Community Development Department  
Planning Division



**MEMORANDUM**

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**Date:** October 4, 2012  
**To:** Assembly Title 21 Committee  
**From:** *JTW* Jerry T. Weaver, Jr., Director  
**Subject:** Issue 4.14 and 5.8 – Follow-up Recommendations Re: Uses in Industrial Zones

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Following are the Department's recommendations regarding allowed uses in the I-1 and I-2, given the information and discussion at the September 20 and 27 Committee meetings.

**Preferred Recommendation**

Based on a review of the public policy factors regarding industrial lands, starting at the bottom of page 2 of this memo, the Department recommends that there be as few changes as possible from the provisionally adopted Title 21 allowed uses and 2011 Administration amendments in the I-1 and I-2 Districts.

**Alternative Recommendation—Based on Assembly Committee Direction**

The Assembly Title 21 Committee's discussion on September 27 indicates a general direction to add many or most of the commercial uses to the I-2 District that are depicted in Assembly members' Johnston and Ossiander revised version of the table. Given such a direction, the Department urges the following three changes to the version labeled "Johnston-Ossiander", in keeping with the public policy factors noted on page 2 below:

1. As an interim provision, exempt the C Street corridor south of 100<sup>th</sup> from the Title 21 Rewrite use table:

"I-1 and I-2 zoned lots located within 1,000 feet of the C Street corridor ROW south of 100th Avenue shall remain under the current (pre-existing) Title 21 provisions for permitted uses, until the updated Anchorage Bowl Land Use Plan Map or an area-specific land use plan is adopted which reclassifies areas which are appropriate for rezoning to a commercial district."

2. Add a second interim provision that mitigates the use limitations in the I-2 generally:

"Notwithstanding the limitations to allowed uses in the I-2 district in the table of allowed uses, all commercial and public/institutional uses that are permitted in the I-1 District in the table of allowed uses shall also be permitted in the I-2 District, until the updated Anchorage Bowl Land Use Plan Map or an area-specific land use plan is adopted which reclassifies areas which are appropriate for rezoning from I-2 to another district."

3. Amend the 'Johnston-Ossiander' version of the Table of Allowed Uses in the I-1 and I-2 Districts (in addition to changes the Committee made on September 27), as follows:
  - a. Change these Public / Institutional uses to "C" in I-1, and to prohibited in I-2:
    - Correctional community residential center
    - Government administration and civic buildings
    - Religious assembly
    - Museum or cultural center
    - Correctional institution
  - b. Prohibit the following Commercial uses in the I-2 District:
    - Financial institution
    - Office, business or professional
    - General retail
    - Grocery or food store
    - Visitor accommodations uses (e.g., hotel)
  - c. Change the Commercial Uses shown as 'M' to 'C' in the I-2 District, and add a footnote stating that the conditionally allowed use will be revisited following the completion of the Anchorage Bowl Land Use Plan Map and/or a special area study.

### Public Policy Factors

- ⇒ Limitation on commercial and institutional uses in at least the I-2 heavy industrial district is consistent with the Comprehensive Plan. By contrast, reversing the Title 21 Rewrite to allow a wide range of commercial uses into the I-2 district would conflict with the specific direction set by the Comprehensive Plan in Policy #26 and the Land Use Policy Map, that key industrial lands shall be preserved for industrial purposes.
- ⇒ Allowing a wide range of commercial uses could also devalue Anchorage's existing commercial centers, such as Downtown and Midtown as well as in medium- and neighborhood-scale commercial centers near existing transit services. Comprehensive Plan Policy #21: "All new commercial development shall be located and designed to contribute to improving Anchorage's overall land use efficiency and compatibility, traffic flow, transit use, pedestrian access, and appearance..."
- ⇒ The municipal Administration agreed in 2011 to move forward with the provisionally adopted I-2 industrial district without additional non-industrial uses. This is to uphold the public policy responsibility to retain **at least one true industrial reserve zone**.

- ⇒ These policies are supported by the findings of the Anchorage Industrial Land Assessment (2009) and the Anchorage Commercial Land Study (2012). The Anchorage Commercial Land Study recommends some commercial land use allowance for the I-1 zoning district to help meet the projected commercial demand and to avoid commercial and industrial use designation conflicts in the future. It does not recommend the same for the I-2.

The Commercial Land Study discusses that allowing some commercial uses in the I-1 and prohibiting commercial development on I-2 properties would preserve an increased level of industrial land, while also providing for a considerable amount of commercial capacity.

However, the study also recommends that additional work be done to refine the industrial land study and to conduct a South Anchorage commercial node planning effort. These recommended actions will be incorporated, to the extent possible, in the update of the Anchorage Bowl Land Use Plan Map.

- ⇒ The **Anchorage Bowl Land Use Plan Map**, once completed and adopted, will update the Comprehensive Plan, and reclassify many areas currently zoned industrial to commercial and other non-industrial classifications. Those areas that are inappropriately zoned I-2 heavy industrial will be changed to a commercial or light industrial designation, enabling rezonings.

The Title 21 Rewrite Economic Impact Analysis (2008) found that the Land Use Plan Map and subsequent rezonings can provide a geographic solution to avoid property value impacts from commercial use limitations on lots that are well located for commercial development.