

**ANCHORAGE, ALASKA**  
**AO NO. 2006-139(S)**

1 AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY DESIGNATING  
2 CERTAIN REAL PROPERTY UNDER CHAPTER 12.35 AND AS 29.45.050 AS A  
3 DETERIORATED AREA LOCATED IN EAST ADDITION SUBDIVISION BLOCK 37, LOTS 1  
4 OF ACRE LT 2, 2 OF ACRE LT 2, 3, 4 S16', 4 N2, 5, 6 S2 OF ACRE LT 2, 7, 8, 9, 11, 12  
5 N33', 12 S16', 13 OF ACRE LT 2, 14 OF ACRE LT 2, 15 OF ACRE LT 2, 16 OF ACRE LT 2,  
6 17, 18 OF ACRE LT 2 AND 19 AND BLOCK 37B, LOTS TR A, 2A, 3A, 4A, 5A, 6B, 9, 10,  
7 11A, 13A, 13B, 15A, 15B AND 16.

8  
9  
10 WHEREAS, AMC 12.35.010 and AS 29.45.050(o) provide for an exemption from and  
11 deferral of property taxes for real property located in a deteriorated area whose boundaries  
12 shall be determined by the municipality; and

13  
14 WHEREAS, the deteriorated and unsightly properties and the surrounding area are  
15 overgrown and dilapidated, are not being used in an economically and socially desirable  
16 manner, and constitute a blight on the east side of the downtown area; and

17  
18 WHEREAS, a detailed proposal to replat the area for housing and mixed use in order to  
19 renovate the area for residential condominiums and appropriate office space will be presented  
20 to the assembly; and

21  
22 WHEREAS, redevelopment of the property, particularly for higher density residential  
23 and mixed commercial uses, fulfills goals of the 2020 ANCHORAGE BOWL COMPREHENSIVE PLAN  
24 and the proposed DOWNTOWN COMPREHENSIVE PLAN; and

25  
26 WHEREAS, abating and deferring taxes in the area appears to have the greatest  
27 chance of renewing the area at the least cost to municipal taxpayers; and

28  
29 WHEREAS, by designating the area as a deteriorated area, the Assembly will facilitate  
30 an application to the Chief Fiscal Officer for tax abatement and deferral;

31  
32 **WHEREAS, unsafe, unsanitary, and overcrowded buildings are located on Parcels**  
33 **3, 4, 5, 6, 14, and 15. For example, Parcel 3 contains an unoccupied six-plex that is**  
34 **under municipal orders to remain vacant until certain life-safety improvements are**  
35 **made. Vacant homes on Parcels 4, 5, and 6 are uninhabitable and should be**  
36 **demolished. The house on Parcel 14 is vacant and habitable only with necessary**  
37 **upgrades. The building on Parcel 8 was torched, and that Parcel is now vacant,**  
38 **overgrown with weeds and is unsightly. Occupied structures in the area, including**  
39 **those on Parcels 1, 4, 7, 10, and 16 result in excessive land coverage and economically**  
40 **undesirable uses because existing structures preclude consolidation of lots and**  
41 **construction of larger, more economically viable commercial structures; and**

**WHEREAS, the Assembly also determines that adjacent properties, including Parcels 1, 2, 7, 9, 10, 11, 12, 13, 15, 17, 18, and 19 may be included within the deteriorated area because new construction on these properties would encourage, enhance, and accelerate improvement on the deteriorated properties by allowing consolidation of existing lots and construction of larger, more economically viable commercial structures in the area;**

NOW, THEREFORE, THE ANCHORAGE ASSEMBLY ORDAINS:

**Section 1.** The area legally described below, as shown on the map attached to the Assembly Memorandum, is hereby designated as a deteriorated area.

**EAST ADDITION SUBDIVISION BLOCK 37, LOTS 1 OF ACRE LT 2, 2 OF ACRE LT 2, 3, 4 S16', 4 N2, 5, 6 S2 OF ACRE LT 2, 7, 8, 9, 11, 12 N33', 12 S16', 13 OF ACRE LT 2, 14 OF ACRE LT 2, 15 OF ACRE LT 2, 16 OF ACRE LT 2, 17, 18 OF ACRE LT 2 AND 19 AND BLOCK 37B, LOTS TR A, 2A, 3A, 4A, 5A, 6B, 9, 10, 11A, 13A, 13B, 15A, 15B AND 16.**

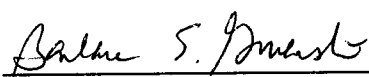
**Section 2.** **Provided that they are otherwise eligible under applicable law, properties within the areas described in Section 1 may be considered** ~~The property described in Section 1 is eligible~~ for an exemption from real property taxes levied by the Municipality of Anchorage under AMC 12.15 for a period of time not to exceed ten years, and payment of real property taxes may be deferred for an additional period of not to exceed five years, subject to a resolution approved by the Assembly setting forth the specific terms and conditions of such exemption and deferral, together with the effective dates thereof.

**Section 3.** This ordinance shall become effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 31<sup>st</sup> day of October, 2006.

  
Chair

ATTEST:

  
Municipal Clerk



**MUNICIPALITY OF ANCHORAGE**  
**ASSEMBLY MEMORANDUM**  
**NO. AM 793-2006**

**Meeting Date:** October 31, 2006

**From:** Assemblymember Tesche  
**Subject:** **AO 2006-139(S) – An Ordinance Designating Certain Real Property Under Chapter 12.35 and AS 29.45.050 as a Deteriorated Area Located In East Addition Subdivision, and Providing That Such Property Shall Be Partially Exempt From Real Property Taxes and Qualifies For Deferral Of Municipal Property Taxes.**

For introduction is AO 2006-139(S), designating certain real property as a “deteriorated area” under Anchorage Municipal Code Chapter 12.35 and state law under AS 29.45.050. The property is in East Addition Subdivision Block 37 and consists of approximately 170,000 square feet. The property is shown on a map attached and is located on Third Avenue between Cordova Street and the Pioneer School House.

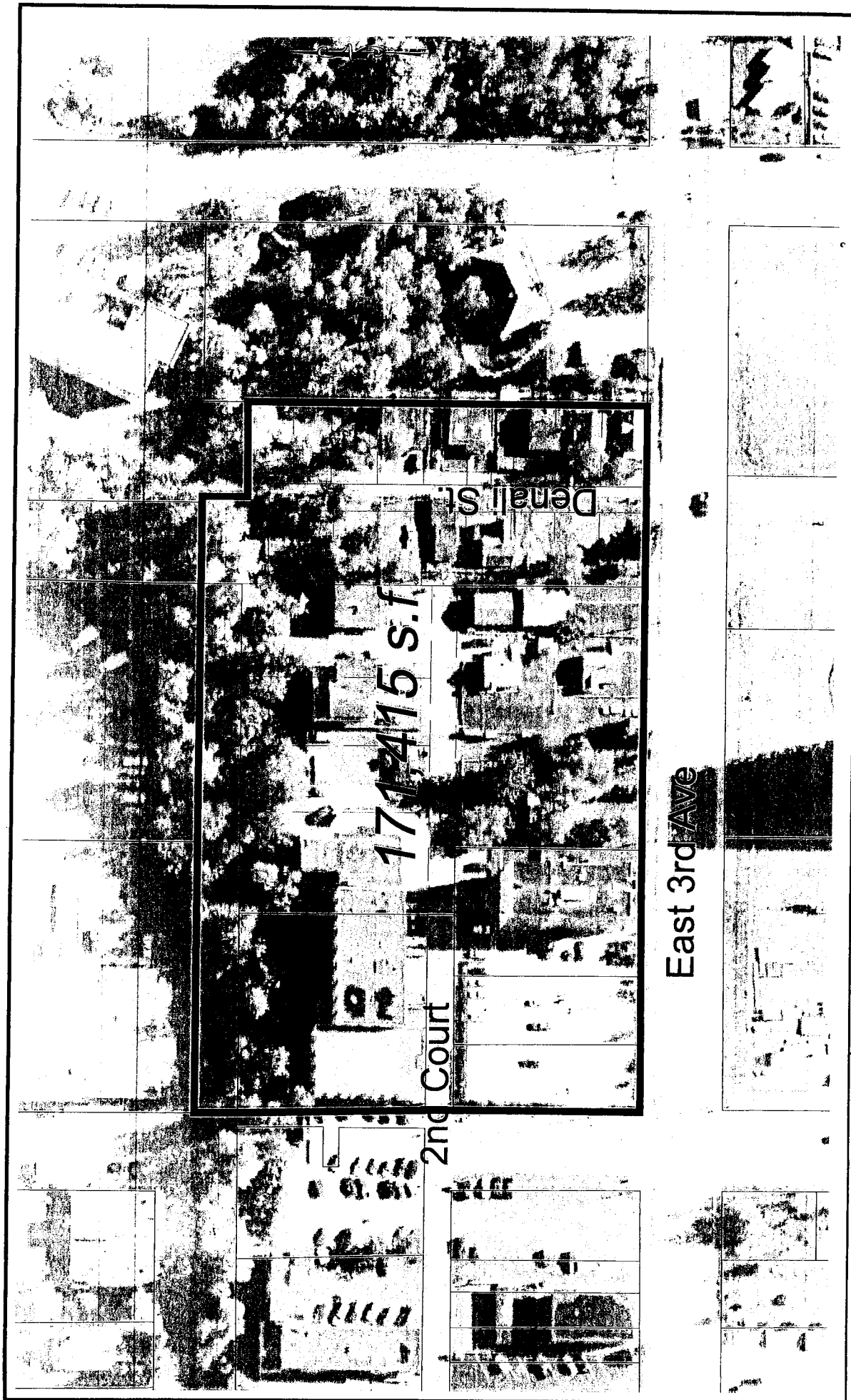
This ordinance will facilitate the redevelopment of a deteriorated area in the northeast area of downtown Anchorage by providing owners the opportunity to apply for property tax incentives that will help overcome the high cost of construction and redevelopment. Passage of the ordinance does not, however, create any immediate tax relief; it only enables owners to submit a detailed financial proposal for tax exemptions and deferrals to the Municipality's Chief Fiscal Officer. The specific terms and conditions of any tax deferral or exemption granted to the subject property must be approved by subsequent resolution of the Assembly.

Redevelopment of the property through utilization of existing real property tax incentives is consistent with the May 2006 DRAFT ANCHORAGE DOWNTOWN COMPREHENSIVE PLAN. The DRAFT PLAN recommends this type of incentive to create housing through redevelopment of deteriorated areas in older neighborhoods. Redevelopment of Block 37 will include three towers of 10 to 15 stories each, some 450 market-rate, affordable rental units, street-level retail space, and dining and entertainment venues.

Enactment of AO 2006-139(S) is recommended.

Respectfully submitted,

Allan Tesche  
Assemblymember, Section 1



Site Legal Description:

Hamilton Property

Date:  
10/15/2006

SCALE: NTS

Drawn by: H

**lantech**  
LAND & CONSTRUCTION SURVEYORS-PLANNERS-ENGINEERS  
440 WEST BENSON BLVD. # 103  
ANCHORAGE, ALASKA 99503 962-5291 (fx)361-6626

Site Legal Description:

