

# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 71-2022

Meeting Date: February 1, 2022

1 **FROM: MAYOR**

2  
3 **SUBJECT: AN ORDINANCE ADOPTING THE *OUR DOWNTOWN:***  
4 ***ANCHORAGE DOWNTOWN DISTRICT PLAN 2021 AS AN***  
5 ***ELEMENT OF THE COMPREHENSIVE PLAN AND AMENDING***  
6 ***ANCHORAGE MUNICIPAL CODE TITLE 21, LAND USE PLANNING,***  
7 ***SECTION 21.01.080B.1., ELEMENTS, TABLE 21.01-1,***  
8 ***ANCHORAGE BOWL, AND AS AN UPDATE TO THE 2007***  
9 ***DESTINATION DOWNTOWN: ANCHORAGE DOWNTOWN***  
10 ***COMPREHENSIVE PLAN.***

### 11 12 13 **INTRODUCTION AND PZC RECOMMENDATION**

14  
15 The Planning and Zoning Commission (PZC) held a public hearing on PZC Case  
16 No. 2021-0119 on December 6, 2021. The PZC closed the public hearing and  
17 conducted a deliberation on the merits of the public hearing draft *Our Downtown:*  
18 *Anchorage Downtown District Plan 2021* (Exhibit A). PZC discussion included such  
19 topics as the Fairview/East Downtown Tax Abatement Zone, certain action items, and  
20 the proposed Chapter 3 – Revitalization Map. The PZC voted unanimously to  
21 recommend approval to the Assembly with several findings included in PZC  
22 Resolution No. 2021-038 (Exhibit B). The next step in this plan update is to bring the  
23 public hearing draft plan before the Assembly for an Assembly public hearing and  
24 Assembly approval.

### 25 26 **CODE AND PLAN DIRECTION**

#### 27 28 ***Anchorage Municipal Code (AMC) - Requirements***

29 AMC 21.03.070 Comprehensive Plan Amendments directs procedures and review  
30 criteria for amendments to the comprehensive plan. All district, neighborhood, and  
31 comprehensive plans adopted by the Assembly are elements of the comprehensive  
32 plan. Updates and amendments are recommended at certain intervals. The Planning  
33 Director may initiate a “targeted review” of a comprehensive plan per 21.03.070B.2.  
34 at 10-year intervals. Thus, a targeted review of the *2007 Destination Downtown:*  
35 *Anchorage Downtown Comprehensive Plan* (2007 Downtown Plan) was initiated in  
36 early 2020 pursuant to code.

#### 37 38 ***2040 Land Use Plan - Action Items 3-2 and 3-9***

39 The plan update was also identified as Step 2 in a three-step process (Action items  
40 3-2 and 3-9) in the *Anchorage 2040 Land Use Plan*. The three steps will (1) reformat  
41 the Downtown Zoning Districts (completed in April 2020); (2) update the 2007

1 Downtown Plan, and (3) update Title 21, Chapter 11: DOWNTOWN, the Downtown  
2 Zoning Districts, with research, analysis, and recommendations compiled from Step 2.

## 3 4 **PURPOSE AND NEED**

### 5 6 ***Purpose***

7 The Planning Department initiated a targeted review of the 2007 Downtown  
8 Comprehensive Plan pursuant to code directives and procedures. The purpose of this  
9 planning process was to reformulate and update the 2007 Downtown Plan based on  
10 existing conditions. An overview of the current economic and demographic trends,  
11 recent or proposed land use decisions, and adopted plans and studies were reviewed  
12 in addition to a full summary of the action items from the 2007 plan, with a report out  
13 on whether the actions were completed or ongoing. This research and information  
14 were compiled into a Trends Report published online at the project website:  
15 [ourdowntownanchorage.com](http://ourdowntownanchorage.com). The Trends Report information was used to create  
16 public outreach materials including presentations and an online survey. Economic and  
17 demographic information came from reports published by the Anchorage Economic  
18 Development Corporation and a housing study completed for this project by  
19 Agnew::Beck.

### 20 21 ***Need***

22 An updated Downtown plan is needed now more than ever to assist our community in  
23 focusing our efforts and limited resources into the Central Business District, to enable  
24 our community to overcome impacts from the recession and the COVID-19 Pandemic.  
25 Downtown is the center of Anchorage's historic, cultural, and tourism opportunities.  
26 Downtown is also the center of operations for many of our largest employers, including  
27 federal, state, and local government; the oil and gas sector; native corporations; and  
28 many non-profits.

### 29 30 ***Economic Growth***

31 Forecasting in job growth, business retention, and new services for Downtown  
32 remains positive despite the pandemic shutdown according to Anchorage Economic  
33 Development Corporation forecasts used for the plan update. A gradual rebound of  
34 our economy is expected. Downtown specifically, and Anchorage as a whole, has  
35 hundreds of open employment positions that when filled will greatly contribute to  
36 growth in our economy.

### 37 38 ***Demographic Growth***

39 An existing housing study was completed for the plan update. The study included  
40 Downtown demographic information from a recent American Community Survey  
41 managed by the State of Alaska. The data review included the cost of housing and  
42 population statistics. The latest demographic information indicates we are losing  
43 residents due to many factors including job loss, retirements, and an aging population.  
44 However, the long-term projections show Anchorage's population will rebound and  
45 grow.

46

### *Land Use Decisions*

Several land use decisions were made by the Assembly including approval of the Fairview/East Downtown Tax Abatement Zone, updates to Chapter 12.35 Deteriorated and Economic Development tax abatement, and the 4-unit Downtown Housing Tax Incentive. The Step 1—Downtown zoning district code reformat and adoption of several plans were also accomplished. These include three different tax abatement ordinances to help stimulate new housing and businesses. Assembly-adopted plans include the *Ship Creek Framework Plan* (2014), *Anchorage Original Four Neighborhoods Historic Preservation Plan* (2013), and the *Fairview Neighborhood Plan* (2014).

### *Contributing Plans or Studies*

Contributing plans or studies are those efforts not adopted by the Assembly but were completed to provide direction to the use and development of an area. The *Former Native Hospital Site Master Plan*, the *Gambell Street Corridor Study*, and the *Anchor Home Homeless Plan* were completed and contributed to the Downtown plan update.

Since 2007, in addition to the several important tax incentive programs, a Federal Opportunity Zone was also declared for a portion of East Downtown, Fairview and Mountain View. Additionally, public/private partnerships have been pursued by municipal departments and the Anchorage Community Development Authority to bring new housing Downtown. These new tools and plans are available to assist our community and developers with revitalizing Downtown in ways that were envisioned in 2007 but are now just recently being used in projects such as the new Elizabeth Place and former Duke’s Hotel renovation.

The Downtown District Plan 2021 brings elements of each of these efforts together to support implementation of the community’s commitment and hard work in formulating programs and projects to revitalize our Downtown.

## **PUBLIC ENGAGEMENT**

Public engagement included a focused workshop and monthly presentations and discussions with the Downtown Community Council. One-on-one interviews were held with developers and Downtown agencies, including Anchorage Downtown Partnership, Anchorage Economic Development Corporation, Anchorage Community Development Authority, the municipal Parks and Recreation Department, and others.

### *Subcommittees*

Two subcommittees (Utility and Urban Design) were formed to discuss issues related to utility service capacity and urban design issues. Recommendations from the subcommittees are included in the plan and the appendix.

### *Online Survey*

An online public survey garnered over 1,200 comments from over 350 respondents. Many comments were directed toward pedestrian and bicycle connectivity and housing.

1 *GAP Funding Working Group*

2 The GAP funding working group was initiated and is still working on research and  
3 recommendations to assist in filling the financial gap for construction of market-rate  
4 housing. A housing capacity study will be completed and vetted with this group in the  
5 coming months. This is already a living plan due to the ongoing support and  
6 participation from Downtown agencies, property owners, State of Alaska, business  
7 partners, and residents.

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9 *Comments Received after the PZC Public Hearing*

10 A comment-response table (Exhibit C) is included to address the few comments  
11 received after the December 6, 2021, PZC public hearing. The Planning Department  
12 will make edits as noted in the table. The comments are mostly related to formatting  
13 and text edits and are consistent with the comments received prior to the PZC public  
14 hearing, which are included in the PZC staff packet information (Exhibit D).

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16 **APPENDIX**

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18 The appendix (Exhibit E) to the plan includes several recommendations for updates  
19 to the Title 21.11: DOWNTOWN, Downtown Zoning Districts Code. These  
20 recommendations were derived from the buildable lands capacity analysis,  
21 subcommittee input, and one-on-one interview comments.

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23 **SUMMARY OF PLAN ACTION ITEMS**

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25 The plan update carries forward several of the action items from the 2007 Downtown  
26 Plan that remain relevant today. Several new action items present projects or  
27 programs to be enacted immediately and over time in support of Downtown  
28 revitalization. The action items were vetted with the various municipal departments  
29 and Downtown agencies to ensure their commitment to the implementation of this  
30 plan.

31  
32 The action items address five different focused elements, including Revitalization,  
33 Land Use, Quality of Life, Urban Design, and Transportation and Circulation. The  
34 resources and funding to implement the actions will come from several municipal  
35 departments and downtown agencies. Some actions will require funding. Many actions  
36 may be accomplished through established programs, including local marketing,  
37 tourism, and recreational programming. Several of the Transportation and Circulation  
38 actions will be addressed with the completion of a Downtown Streets Engineering  
39 Study. Several of the Land Use and Urban Design action items can be addressed with  
40 the update to Title 21 Chapter 11: DOWNTOWN, the Downtown Zoning Districts  
41 update. Proposed actions to upgrade streets, including pedestrian and bicycle  
42 connectivity and safety, can be funded through AMATS. Utility and other infrastructure  
43 upgrades could be accomplished through capital improvement programs that are  
44 usually updated on an annual basis by the utility and infrastructure providers.

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46 **A VISION FOR NOW**

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48 *Our Downtown: Anchorage Downtown District Plan 2021* is focused on actions to be  
49 accomplished now. Our Downtown is in the throes of revitalization with several new

1 projects in planning. There are other large projects coming soon or already underway.  
2 Adoption and implementation of this plan will continue to bring economic recovery to  
3 our Downtown. This plan is intended to give the present and next generations a  
4 Downtown where residents and visitors will want to live, work, and play.

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6 **THE ADMINISTRATION RECOMMENDS APPROVAL.**  
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8 Prepared by: Kristine Bunnell, Long-Range Planning Manager  
9 Planning Department  
10 Approved by: Craig H. Lyon, Planning Director  
11 Concur: Adam Trombley, Community Development Director  
12 Concur: Cheryl Frasca, OMB Director  
13 Concur: Patrick Bergt, Municipal Attorney  
14 Concur: Amy Demboski, Municipal Manager  
15 Respectfully submitted: Dave Bronson, Mayor  
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17 Attachments: Exhibit A—*Our Downtown – Anchorage Downtown District Plan 2021*  
18 Exhibit B—Planning and Zoning Commission Resolution 2021-038  
19 Exhibit C—Planning Department Edits in Comment-Response Table  
20 Exhibit D—Planning and Zoning Commission Staff Packet  
21 Exhibit E—Appendix  
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24 (Planning and Zoning Commission Case No. 2021-0119)