

OUR DOWNTOWN:

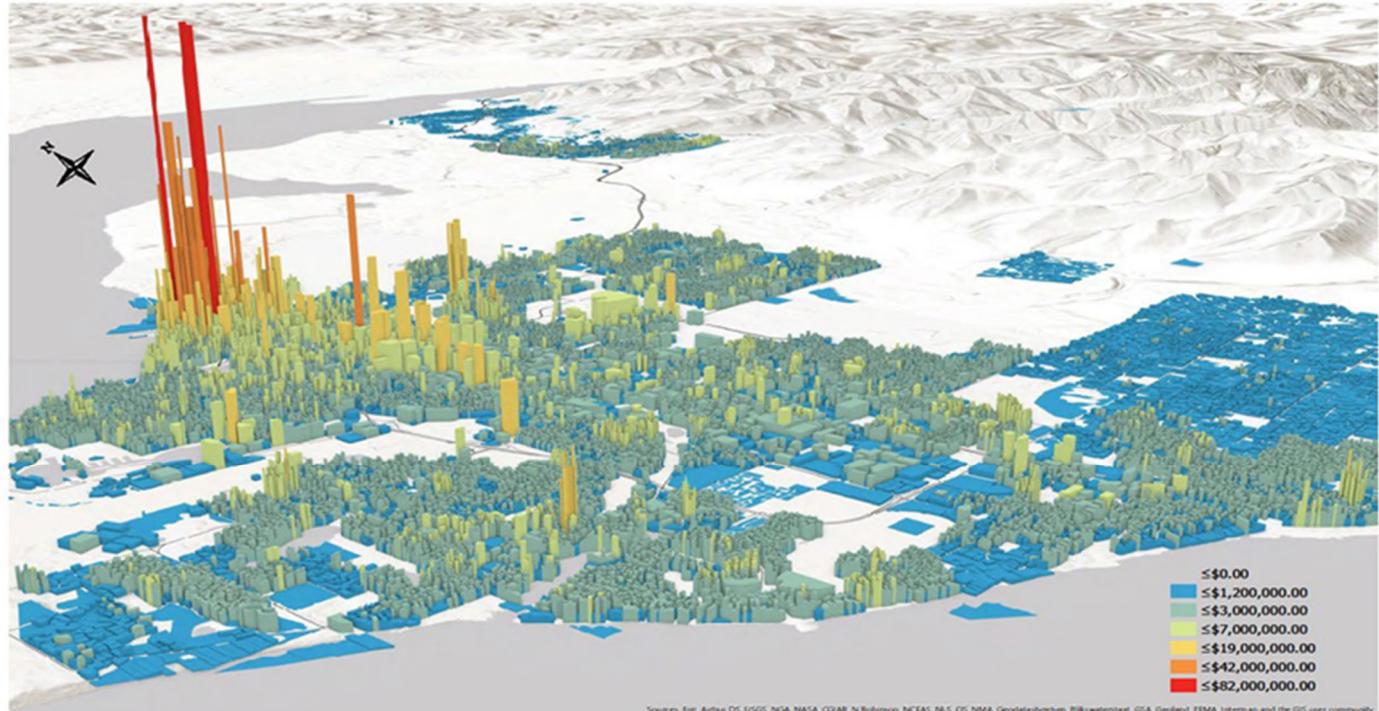
ANCHORAGE DOWNTOWN DISTRICT PLAN 2021 (A.O. 2022-27)

EARLY ACTION ITEM EA-5: Identify and Establish New Sources of Funding

GAP FUNDING WORKING GROUP TECHNICAL MEMORANDUM 10-18-22

Taxable Value per Acre by Parcel (2019) —————

Municipality of Anchorage
Planning Department



GAP Funding Working Group Purpose:

Discuss the financial gap in providing new rental housing and brainstorm new sources of revenue, tax incentives, or other incentives to fill the known funding gap for market rate rental housing in Downtown Anchorage.

 OUR DOWNTOWN
The Heart of Anchorage

A Project to Implement the Downtown Comprehensive Plan

Technical Memorandum Purpose

This technical memorandum intends to do the following:

1. Reaffirm the connection between Anchorage Downtown (Downtown) housing and Downtown revitalization.
2. Provide a realistic snapshot of the financial barriers to Downtown housing development today.
3. Provide a realistic snapshot of the administrative barriers to Downtown housing development.
4. Provide recommendations for how to close the financial gap and increase Downtown housing.
5. Share best practices and examples from other cities that have set Downtown housing development goals and removed barriers to increase their Downtown housing supply.

Acknowledgements

GAP Funding Working Group Members:

- Adam Trombley, Director – MOA Office of Economic and Community Development
- James Doughty – BDO Anchorage
- Craig Lyon, Director – MOA Planning
- Mark Romick, Bryan Butcher – AHFC
- Mark Begich, Schawna Thoma, Clare Boersma – Northern Compass Group
- Ryan Strong – First National Bank of Alaska
- David McDonald – AK Mental Health Trust Authority, Trust Land Office
- Michael Huston – Northrim Bank
- Shaun Debenham – Debenham Properties
- Allen Weitzner – AIDEA
- Dean Weidner, Greg Cerbana – Weidner Apartment Homes

Planning Team:

- Shanna Zuspan, and Katie Scovic – Agnew Beck
- Kristine Bunnell and Daniel Mckenna-Foster – MOA Planning
- Holly Spoth-Torres – Huddle AK
- Melisa Babb – Bettisworth North

"Housing is Economic Development" – Bill Popp, President and CEO, Anchorage Economic Development Authority - 2014

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I. Executive Summary

Introduction

Throughout the *Our Downtown: Anchorage Downtown District Plan 2021* (*Our Downtown Plan*) update process, the public expressed a strong desire for new housing in Downtown Anchorage. We also heard from developers who wished to build new housing but have been struggling to make projects pencil out given the high costs. Interest in providing Downtown housing is also high among the development community. However, barriers to making Downtown housing financially feasible are significant. Our community is then left with a challenge; and that is to determine whether and how we might close the gap to make Downtown housing financially feasible.

Downtown housing will create economic opportunity and will support Anchorage's recovery. Efforts to recover from the recession have been in process for a few years now. Anchorage Economic Development Corporation's Live.Work.Play initiative declared Anchorage would be the #1 Place to [Live. Work & Play](#) by 2030. Following that declaration, two important economic recovery groups visited Anchorage in 2016. The [Oklahoma City](#) and [Smart Growth America](#) delegations confirmed that recovery depends on new housing in "Our Downtown" and lots of it. Both groups advocated for Anchorage won't get there unless we "FOCUS THE EFFORT," which is exactly what the *Our Downtown Plan* does.

It should be noted the incentives and actions recommended in this memorandum will be useful throughout Anchorage. Focusing the Effort on Downtown first to bring revitalization and success through a set program of incentives will give the community a preview into what can be done in other areas of Anchorage. A set program of incentives can then be emulated in other areas of our city. Success breeds success. Cities across the country have shown this is true. Case studies in Chapter 4 share some positive results.

Best practices and examples from other cities show us that such gap funding sources are often critical to getting new Downtown housing developments off the ground, especially in early revitalization efforts. This plan presents a pathway to more Downtown housing and more economic revitalization in "Our Downtown."

During the *Our Downtown Plan* planning process the planning team initiated the Gap Funding Working Group, a team of local experts leaned on to help us determine how to mitigate one of the biggest roadblocks to new housing in Downtown: How to bring market rate housing to Downtown by establishing new incentives and financial tools. The *Our Downtown Plan* early action item EA-5 recommends establishing new sources of funding. Staff recommendations from this working group effort are intended to implement this action item.

This technical memorandum and its recommendations come from several frank conversations held with bankers, landowners, and developers who share in a commitment to bring more housing to Downtown.

The Funding GAP Is a Real Issue!

The premise for the GAP Funding Working Group discussions was based on a gap calculation of \$120,000 per market rate housing unit. This funding gap is calculated in the housing project pro forma developed and maintained by Agnew::Beck Consulting.

Why is there a \$120,000 per unit funding “GAP” for Housing in Downtown?

Results from Agnew::Beck’s housing project pro forma have been used to measure project feasibility for several rental housing projects throughout Anchorage, including Downtown.

Over the last few years, the pro forma consistently indicates there is somewhere between a \$90,000 and \$120,000 gap per market rate rental housing unit depending on where the development is built, the project’s density, and construction type. For Downtown, this gap is consistently at least \$120,000 per unit. The gap is driven by the full gamut of costs it takes to develop, including land, construction, and utility upgrades.

*“There is not one single line item that pushes the budgets over,” — Shanna Zuspan,
Agnew::Beck*

Tax Incentives and Tax Abatement Areas Are Sunsetting

The other issue set to impact new housing involves the sunsetting of several tax incentives adopted by the Assembly. Two tax incentives and a tax incentive area will sunset in 2024 (Attachment B). These include the: 4-unit housing 12-year tax abatement, Transit-supportive corridor development 12-year tax abatement with the 40% affordable housing requirement, and the Fairview/East Downtown 10-year Tax Abatement Area. These tax incentives are critical financing elements for projects such as the Block 96 Flats at 8th and K and the 6th Avenue/Downtown Transit Center project. This report bears out that tax incentives are needed to provide new housing in Anchorage.

It’s Time to Support ACDA in Its Role as Anchorage’s Redevelopment Authority

The Anchorage Community Development Authority (ACDA) is one of three quasi-governmental agencies associated with the Municipality of Anchorage and enabled through municipal code to bond for capital projects. Capital projects can include housing. ACDA has been working on several new housing and mixed-use projects over the years. Two are coming to fruition because ACDA currently has funding to support them.

How then can we as a community and the Municipality support further housing projects by ACDA? Does this agency need more funding and how can we as a community and the Municipality provide ACDA with more funding or a reliable funding stream? ACDA pays a Municipal Enterprise Service Assessment (MESA) fee annually to the Municipality. One way to provide more support and funding to ACDA would be to partially waive the MESA pursuant to those funds being redirected expressly for investments in economic development projects that support municipal goals in adopted plans.

Supporting ACDA implements *Our Downtown Plan Action Item LU-1: Fund and Establish the Downtown Redevelopment Program to oversee and champion the ongoing implementation of this plan.*

New Downtown Housing – What's Working?

Rental Housing

Positive news about new housing in Downtown since 2016 includes construction of Elizabeth Place and Qanchi Place by Cook Inlet Housing Authority, both assisted using federal and local grant funding along with other incentives available to non-profit developers.

Similar incentive packages are not normally available to the private multi-family rental developer. Public investment is included in the new Block 96 Flats made possible through a \$1.8 million patient capital investment and 50-year ground lease from ACDA. This development package also included a 12-year property tax abatement approved by the Anchorage Assembly, making this development a prime example of the public/private partnership currently needed to fill the \$120,000 funding gap per unit.

For Sale Housing

The Alaska Railroad Corporation with the Peterson Group continues to build housing in the Downtown Edge and Downtown Edge North. These two projects are bringing in a desirable “for sale” housing product to Downtown. They are also building new commercial offerings on 11 acres in Ship Creek planned as mixed-use development.

Downtown Housing Target



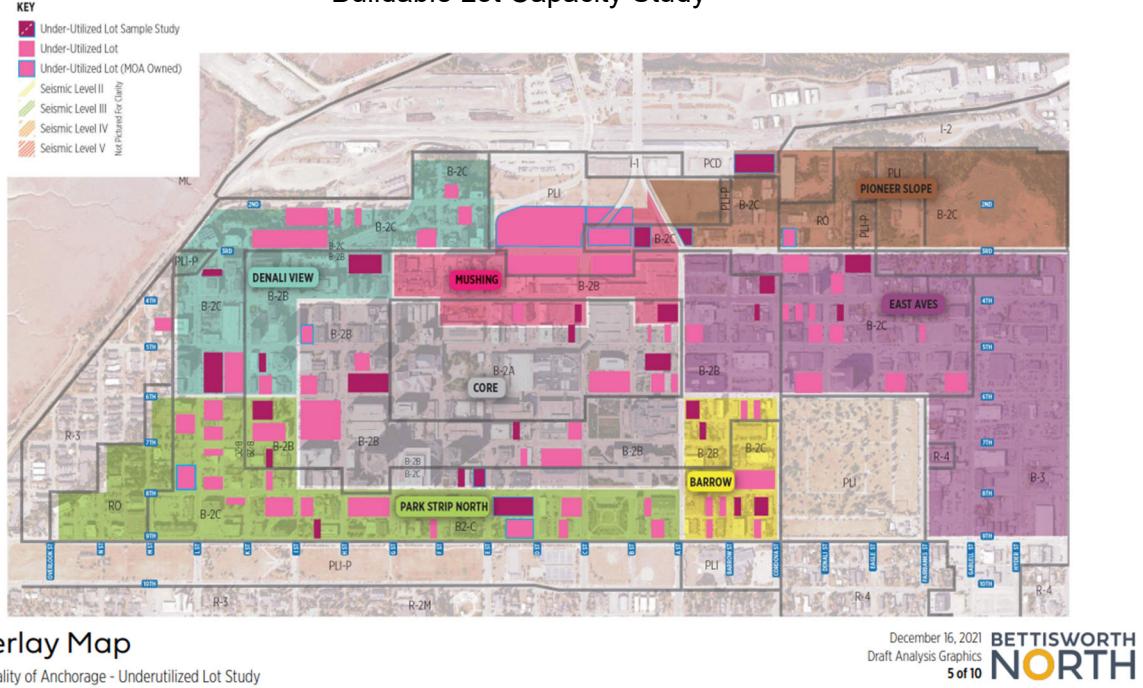
Examples from other cities show us that the most effective catalysts for Downtown housing combine real incentives with a strong vision as found in the *Our Downtown Plan*.

The buildable lands capacity study completed for this effort (map next page) estimated over 4,500 new housing units possible in Downtown. The planning team considered research and anecdotal information gathered during the planning process, including economic conditions, interest rates, lending strategies, public/private partnership strategies, buildable land capacity, Downtown Zoning Code update, tax incentives, green energy incentives, land write-downs, and land assembly options will help us meet the need for a possible 4,500 units.

- The Buildable Lot Capacity study estimated 4700 housing units are possible in Downtown.
- This GAP Housing Funding Study recommends 1400 new market-rate housing units in 5-8 years.
- Tax Incentive Amendments.
- \$5M GAP Trust Fund Established.
- ACDA leads redevelopment in DT.

Municipality of Anchorage

Buildable Lot Capacity Study



Planning Team Recommendations:

Let's keep working on what works and add new tools and funding to create certainty and support for market rate housing in Downtown Anchorage. Recommendations 1-5 are a result of working group discussions. Recommendations 6-10 are from the *Our Downtown Plan: Chapter 8 Action Items*.

1. **Extend the 4-unit housing tax incentive** (A.O. 2019-12 As Amended) currently adopted at 12 years to 15 years with a sunset date of July 1, 2030.
 2. **Adopt a 12+ unit market rate housing tax abatement of 25 years** for all of Anchorage to sunset on July 1, 2030, (action will amend A.O. 2020-13).
 3. **Extend the Fairview/East Downtown Tax Abatement Zone** sunset date from 2024 to July 1, 2030.
 4. **Establish a GAP Trust Fund of \$5 million** to provide patient capital funding to fill the financing gap on market-rate housing with an established set of guidelines and a competitive process to disperse those funds.
 5. **Direct 50% of ACDA's MESA payment to support economic development projects** to support Municipal goals and action items in adopted plans.
 6. **Consider the transfer of development and management rights of HLB properties in Downtown to ACDA.** ACDA and the Economic and Community Development Department will work together on new housing through quarterly meetings and joint communication and outreach efforts to the development community and residents.

- 7. Create a private land assembly program managed by ACDA as the Redevelopment Authority** with public outreach materials on how the land assembly program would work. This would include how the owner benefits to ensure private property owner buy-in and understanding.
- 8. Focus capital improvement projects to Downtown areas identified in the Our Downtown: Downtown Anchorage District Plan 2021 Revitalization Map Chapter 3 (See Map #2).** ACDA will also be responsible for this community outreach in partnership with MOA PM&E and Planning Departments, and the Office of Economic and Community Development.
- 9. Focus utility upgrades and capital improvement projects to Downtown areas also identified in the Our Downtown Plan Revitalization Map Chapter 3 (See Map #2).** ACDA will also be responsible for this community outreach in partnership with MOA PM&E and Planning Departments, and the Office of Economic and Community Development.
- 10. Provide quarterly reports online for the community and at the Assembly meetings on the progress of this report's recommendations.** Reports will be compiled collaboratively between ACDA, MOA PM&E and Planning Departments, and the Office of Economic and Community Development.
- 11. Establish one Point of Contact within either the Economic and Community Development Department or ACDA** to ensure developers and the community know who to contact for questions and progress.
- 12. ACDA will develop a 10-year Comprehensive Economic Development Plan (EDP)** to be approved by the Assembly, using goals, policies, and action items from Assembly adopted Comprehensive Plan(s). ACDA will adopt, manage, and implement priorities of the EDP using it as the agency's guidance document for economic development and revitalization projects throughout Anchorage.

Let's Keep the Positive Trajectory Going!

We know our community wants to stay on this positive trajectory. Public comment, news articles, recent investments, and proposed land trades foretell a positive future. To that end, the GAP Funding Working Group acknowledges the following needs:

- Renewal and expansion of the housing tax incentives.
- Public agency/private development long-term ground leases.
- Municipal support for utility upgrades, and/or fee waivers.
- Financial/Legislative support of the redevelopment authority.
- Establish the patient capital (Housing GAP Trust) fund to provide reduced (2-3% interest return) returns on housing loans.

Process Overview and What We Heard:

Establishing the GAP Funding Working Group

During several one-on-one interviews with the development community, the *Our Downtown Plan* planning team heard loud and clear that we need to work together to fill the funding gap. This resulted in two courses of action:

- 1). An action item to address the funding gap was included in the Downtown Plan Update.
- 2). The formation of a working group to discuss the issue needed to occur soon because three tax abatement opportunities are scheduled to sunset in 2024.

The GAP Funding Working Group was formed in December 2021. Working group invitees included local experts from the following partners:

- | | | |
|--|--|--------------------------------------|
| • First National Bank of Alaska | • Northrim Bank | • CPA firm BDO |
| • Alaska Mental Health Trust Authority's Trust Land Office | • Alaska Industrial Development and Export Authority | • Alaska Housing Finance Corporation |
| • Debenham Properties | • Weidner Apartment Homes | • Northern Compass Group |
| • MOA Community & Economic Development | • Anchorage Economic Development Corporation | • MOA Planning Department |

Consultant Team Members

Agnew::Beck provided the Downtown development proforma. Bettisworth North provided information on an estimated housing capacity and current code restrictions to meet that capacity. Huddle, AK facilitated the discussions.

Municipal Planning Department Members

The project manager for the Downtown District Plan and supporting senior planning staff provided background information on tax incentives, land assembly processes, property ownership, and potential funding sources.

Group and Subcommittee Meetings

This process included three working group meetings and two subcommittee meetings, with notes available for each. Recommendations from the planning team and consultants are provided from what we heard. The Anchorage Economic Development Corporation was an early convener of this group. Three meetings of the Housing Gap Working Group were held. As part of this process, we formed a Patient Capital subcommittee and a Land Assembly subcommittee, which each met one time. Key takeaways from these conversations are as follows.

- Stakeholders in the private sector and key financing agencies generally have a common understanding that there is gap in the ability to generate enough value from market rate rental housing pro formas to cover the cost of development in Downtown Anchorage and elsewhere in Alaska.

- From the private developer perspective, the pro forma model that was shared indicated that property tax incentives, land write downs and patient capital have the largest impact on improving the financial feasibility outcome with property tax incentives and patient capital having the biggest impact.
- There does not appear to be any readily available patient capital to support new projects, currently. AIDEA and AHFC shared that they are considering a partnership in Fairbanks and North Pole where AIDEA could develop the infrastructure and land to catalyze new housing in and near to North Pole, Alaska. This example was discussed generally as a possibility for other parts of Alaska.
- Other tools should be considered, such as land assembly and infrastructure support, federal tax incentives and federal funding, support from foundations. Some of these options may be viable; others still require local resources to support, such as land assembly and infrastructure support.

Key Findings:

- **Downtown housing is essential to Downtown Anchorage revitalization.** The literature tells us that a vibrant Downtown requires more people living in it. Recommendations in this technical memorandum support incentives for market-rate housing to ensure that Downtown is a place where median-income households can live.
- **We must shift our thinking and focus on supply** if we are to affect Anchorage's Downtown housing environment. The *Our Downtown Plan* focuses on affecting supply, thereby revealing, and growing the demand for Downtown housing.
- **Other cities show the importance of setting a Downtown housing goal.** A Housing Goal or Housing Target is about setting a vision and expressing confidence and commitment in Downtown Anchorage.
- **We can fit a lot of housing in Downtown.** The Buildable Land Capacity Study completed for the *Our Downtown Plan* estimated over 4500 new housing units are possible in Downtown.
- **We propose an initial goal of 1,400 Downtown housing units by 2030 in Anchorage.** This goal or target is based on housing goals in other similarly sized cities.
- **Other cities show us that public investment in Downtown housing as a Downtown revitalization tool is absolutely necessary** to spur initial investment, unleash demand, and unlock longer-term private investment and the economic benefits that come with it.
- **The housing finance gap is large but not insurmountable.** The housing pro forma example provided within this technical memorandum is based on an actual housing project in Downtown. This Downtown housing pro forma indicates the \$120,000 funding gap per unit.
- **Downtown housing has examples that are working!** The 8th and K a collaboration between ACDA and Debenham Homes will proceed with patient capital and the Downtown 4-unit with 12-year property tax incentive.
- **The current 4-unit / 12-year tax abatement makes up close to half of the current housing finance gap –** But this still leaves a gap of about \$70,000/unit per unit for development Downtown.

- **Patient capital is not readily available.** Based on information shared during three Housing Gap Working Group meetings and a Patient Capital Subcommittee meeting it was concluded that a readily available source of funding to capitalize a patient capital fund is not currently available.
- **Each housing project approach relies on deployment of other policies that make projects pencil** including incentives like parking support and land assembly write-downs.
- **We create both the vision for a vibrant Downtown Anchorage and the tools to make it a reality by championing a clear housing goal and approving the incentives to spur Downtown housing development!**

2. The Housing Gap: Why Market Rate Rental Housing Doesn't Pencil?

Cities across the country have taken their downtown redevelopment efforts to the next level by setting a downtown housing goal. These goals provide a tangible, shared goal for increasing housing, thereby increasing the residential population downtown and fueling downtown revitalization.

Across cities, a similar process for setting and meeting these goals emerge:

1. **Develop an initial understanding of downtown housing demand** via housing assessments or surveys. For Anchorage, this has been complete based on previous AEDC surveys of housing demand.
2. **Set a specific medium-term goal for downtown housing development** (X units over 5-10 years). This report completes this step.
3. **Quantify the existing housing finance gaps/barriers** to downtown housing development today. Anchorage has received numerous studies demonstrate the financial feasibility gap and this report summarizes this issue.
4. **Identify and implement local incentive programs** to address the gaps, encourage private development, and reach the housing goal.
5. **Identify and empower key local leaders to champion the downtown housing goal** and incentives and create buy-in in the community.

These steps don't have to happen exactly in chronological order, but the intent is to align stakeholders and leadership around what is needed to move forward collectively and achieve additional housing for Downtown.

Quantify Existing Housing Finance Gaps



We would not be setting a Downtown housing goal and contemplating incentives for Downtown housing today had the market already facilitated Downtown housing development in the recent past. While that might seem worrying at first reading, the reality is that examples from across the country show that Downtown housing development is rarely incentivized by the private market in the early stages of development. In fact, early public investment is essential to spurring private housing development and ultimately unlocking the high returns of private-sector Downtown investment, which benefit the public and private sectors alike.

To get to an understanding of incentives to meet the housing finance gap in Anchorage, we first had to quantify what the gap currently looks like. The following is based off an example Downtown housing project with 40 units on ½ acre.

The project assumes surface parking at 0.50 space per unit, and a density of 80 units/acre. The pro forma for the example project mirrors those for actual Downtown projects, and is meant to illustrate current costs, gaps, and possible incentives to close the gaps.

Housing Finance Gap (No Incentive)

In the 40-unit Downtown example, total development costs come out to around \$240,000 per unit, with project value at about \$122,000. This leaves a funding gap of \$120,000 with no incentives.



Housing Finance Gap (Current Incentive):

Adding in the current 12-year tax abatement closes the gap by 42 percent, leaving a remaining gap of \$70,000 per unit.



The current incentive structure in Anchorage starts to make up the difference but still leaves a substantial housing finance gap of \$70,000 per unit. The good news is that other cities provide examples for how to start affecting housing supply and filling gaps like these. The current Anchorage context presents opportunities to replicate some of these incentives and spur Downtown housing development.

Does Tax Abatement Impact the Municipal Tax Cap?

The answer from the Municipal assessor was “No.” It should be noted that in discussions with the Municipal assessor, the assessor conveyed that other Municipal property taxpayers would not be unduly impacted through the combination of the Municipal tax cap and the tax abatements. The planning team held multiple meetings with the assessor to discuss the current tax abatement program, and asked for clarification about what might result from extending the existing abatements. The assessor shared pursuant to AMC 12.25.040 B.I. new construction that is tax exempt in the previous year is excluded from the tax cap limitations and wouldn’t impact other taxpayers during the period of the exemption. The assessor shared an example of \$50MM of exempt new construction that was exempt for five years. In this case, the Municipality may not raise additional revenue from that exempted \$50MM until the property becomes taxable five years later.

3. Our Downtown Housing Goal: 1400 Units!

Setting a Downtown Housing Goal will catalyze development and give a performance measure the community can invest in:



The table shows that comparably sized cities have set goals in the range of 1,000-2,000 units over a 5-10-year period. When outliers are excluded from this list, the below housing goals average out to 4.5 Downtown housing units per 1,000 people. Applied to Anchorage this results in a proposed goal of 1400 new Downtown housing units.

Proposed Anchorage Goal: 1400 new Downtown housing units by 2030

Examples from Other Cities:

City	Population	Housing Goal/Context
Colorado Springs, CO	410,000	1,000 new residential units by 2020, and 2,000 total by 2025 (2016 plan)
Wichita, KS	397,532	1,500 housing units in a mix of types: loft, apartment, townhouse, live/work
Arlington, TX	394,266	The 'low' scenario is a target of approximately 1,300 new housing units and the 'high' scenario is a target of approximately 2,300 additional dwelling units...over the next 10 to 15 years
Cleveland, OH	372,624	Downtown Cleveland has a goal of reaching 30,000 residents by 2030—with over 1,900 apartments added in the last few years.
Stockton, CA	320,804	Approx. 1,300 units recently constructed or in development in Downtown area
Corpus Cristi, TX	317,863	1,850 market-rate units over next 5-7 years ("approximately 1,000 rental lofts or apartments, 500 for-sale lofts or apartments, and 400 for-sale townhouses")
Pittsburgh, PA	302,971	"Continued growth in Pittsburgh's urban core is certain as there are currently 3,980 units in the pipeline."
Durham, NC	382,506	1,700 new housing units coming to Durham Downtown area
Boise, ID	226,115	1,000 units by 2020 (goal set in 2014)

"There has been consistent demand for Downtown housing since more has become available."

-Wichita, Kansas Master Plan

4. Let's Build on Existing Incentives to Catalyze New Housing in Our Downtown!

Build on Local Incentives to Close the Gap + Meet the Housing Goal:



In many ways, setting a Downtown housing goal and identifying the challenges to meeting it is the easy part, the hard part is in facilitating the supply. This is especially true in cities like Anchorage where the market conditions do not independently support or enable Downtown housing development through private investment. The good news is examples from other cities indicate Anchorage is not alone in facing a housing finance gap in our Downtown and there are innovative ways to fill it.

Examples from Other Cities:

Boise, Idaho

In 2014, the city of Boise set a goal of 1,000 new residential units constructed in downtown by 2020... In 2015, Boise launched an incentive program to pay developers \$1,000 per unit and an additional \$1,000 for qualified affordable housing apartments.” – *Idaho Press*

Reno, Nevada

Investing in a large anchor project identified in Reno’s Downtown Action Plan and using land write-downs to encourage downtown development and bring 2,000 to 3,000 new housing units to downtown Reno. Incentives included fee credits, land write downs, and investing tax revenue within the district.

Corpus Cristi, Texas

Corpus Cristi’s 2018 Downtown Area Development Plan frames public investment as a necessary short-term action to unlock the returns that come from private investment. Specific incentives include reinvestment of tax revenue in specific projects, fee waivers, affordable housing trust funds, land write-downs, and shared parking.

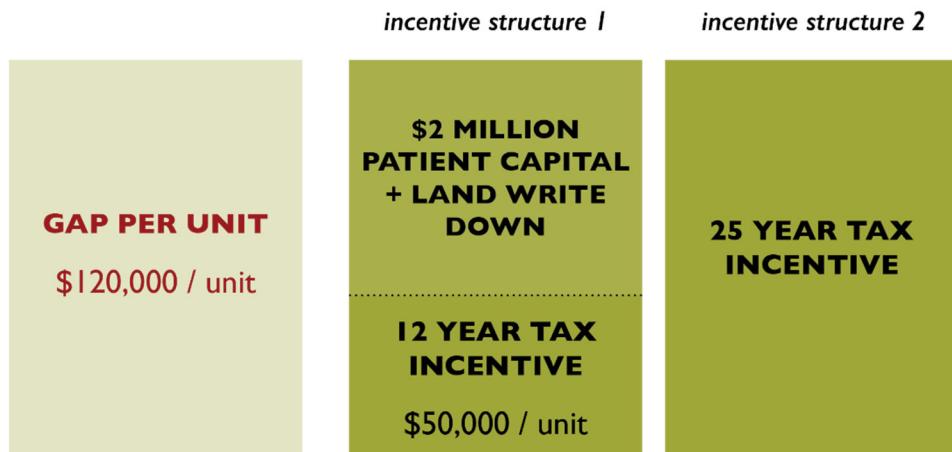
In summary, these examples all point to significant public investment early in their downtown revitalization efforts. Each also points to somewhat of a toolbox approach: Lining up multiple incentives and deploying them in unison, from direct financial incentives to flexible parking requirements, to land write downs.

Implement a Comprehensive Incentive Structure for Anchorage:

What is learned from these examples and how can Anchorage fill the gap? A revisit of the original 40-unit housing finance challenge presents the \$120,000/unit gap. When the current 4-unit, 12-year tax abatement is applied the \$120,000 per unit gap is reduced to \$70,000 per unit.



Examples from other cities suggest that filling such gaps requires a toolbox of resources, from direct financial incentives to land write downs to flexible parking requirements. In the Anchorage context, the following two incentive structures rise to the surface for filling the remaining financial gap:



Continue growing and deploying other tools, including:

- parking support
- land assembly / write-downs

5. Identify Leaders to Champion the Goal!



Ultimately, a Downtown housing goal is perhaps as much about vision and voicing confidence in a Downtown area as it is about building housing units. It is a signal that a city is open for business, and that there is commitment to revitalization. Visibility and buy-in to the goal are key. The most visible housing goals in other cities are those that have been championed by key local leaders or coalitions of key public- and private-sector individuals. And the most successful goals are those that are paired with the tools and incentives to spur development Downtown.

Setting a Vision for Downtown Anchorage

The image to the right is likely familiar: Alaska's largest city set against the backdrop of the Chugach. Viewed at this level, the benefits of Downtown Anchorage are on display: a compact urban area with plenty of office space, lodging for visitors, and a beautiful backdrop against the mountains. When we zoom in, we see what's missing: the number of people we might expect to see frequenting the Downtown area of our state's largest city. The good news is that Anchorage is not alone in contemplating the vibrancy of its Downtown, and examples from other cities provide blueprints for how to revitalize Downtown areas. One of the main lessons learned, which will be explored here, is that a vibrant Downtown Anchorage requires a consistent population of people living in it.



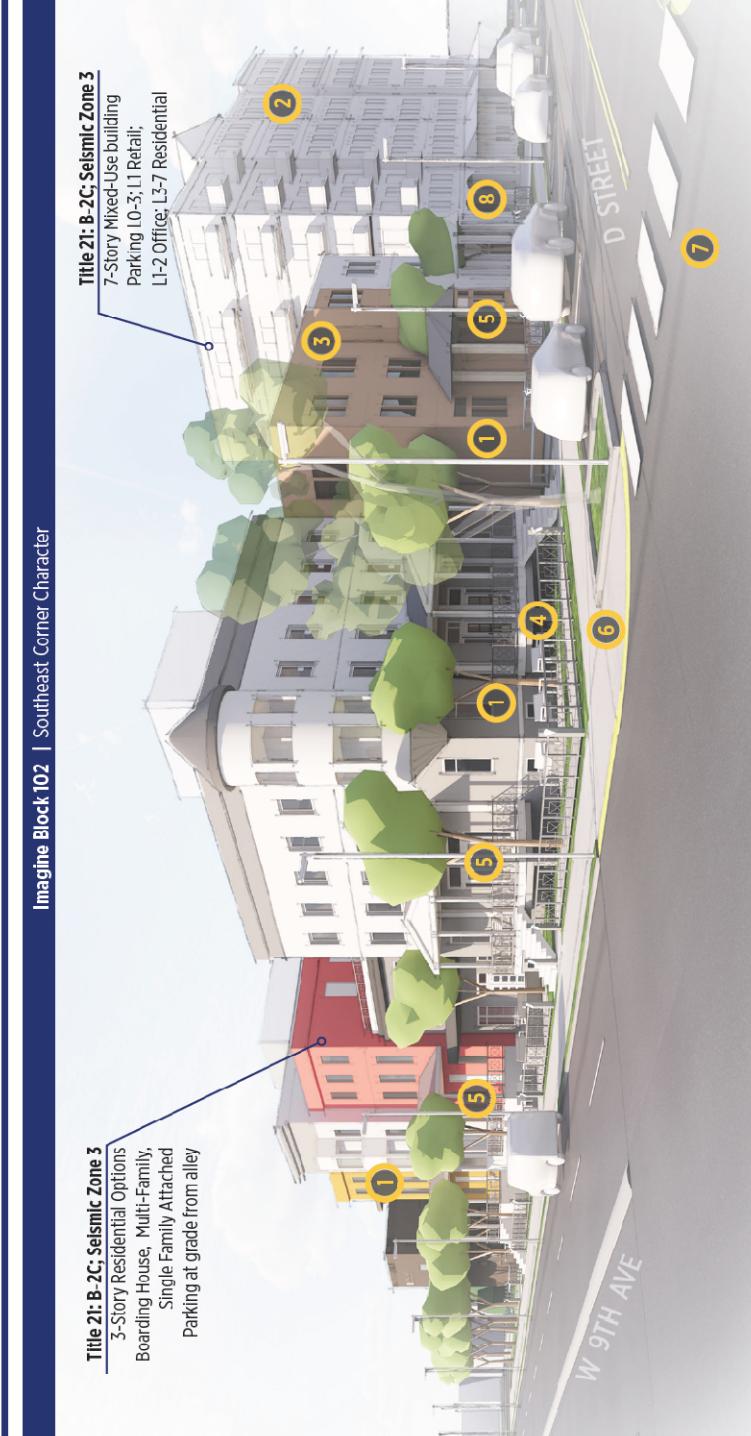
What Does This Vision Look Like?

Following are several visualizations developed for actual properties located in Downtown along L Street and 5th and 6th Avenues and at 9th Avenue and D Street.

"We won't have a vibrant Downtown Anchorage, and all the economic benefits that come with it, until we have a city center where people want to and can live. The Our Downtown Plan lays out a path to a vibrant Downtown anchored in Downtown housing," – from public comment.

6. Downtown Housing Visualizations:

Block 102 - 9th Avenue and D Street:



Title 21: B-2C; Seismic Zone 3
3-Story Residential Options
Boarding House, Multi-Family,
Single Family Attached
Parking at grade from alley

Title 21: B-2C; Seismic Zone 3
7-Story Mixed-Use building
Parking L1-3; L1 Retail;
L1-2 Office; L3-7 Residential

Imagine Block 102 | Southeast Corner Character

Development Specifications

Chapter 4 Land Use Districts; Park Strip North
- Medium Density Housing + Mixed-Use
- Protect viewsheds, step buildings down in height to preserve views/sunlight access
- South half: Housing, with layered public to private spaces
- North half: Retail, Housing, Restaurants/Cafes, Grocery, Laundry, small Public Spaces
L3-7 Residential

Chapter 6 Urban Design; Streets
- Residential streets focus on providing safe enjoyable experience for all users
- Activate alleys with art, feature lighting, secure bike parking

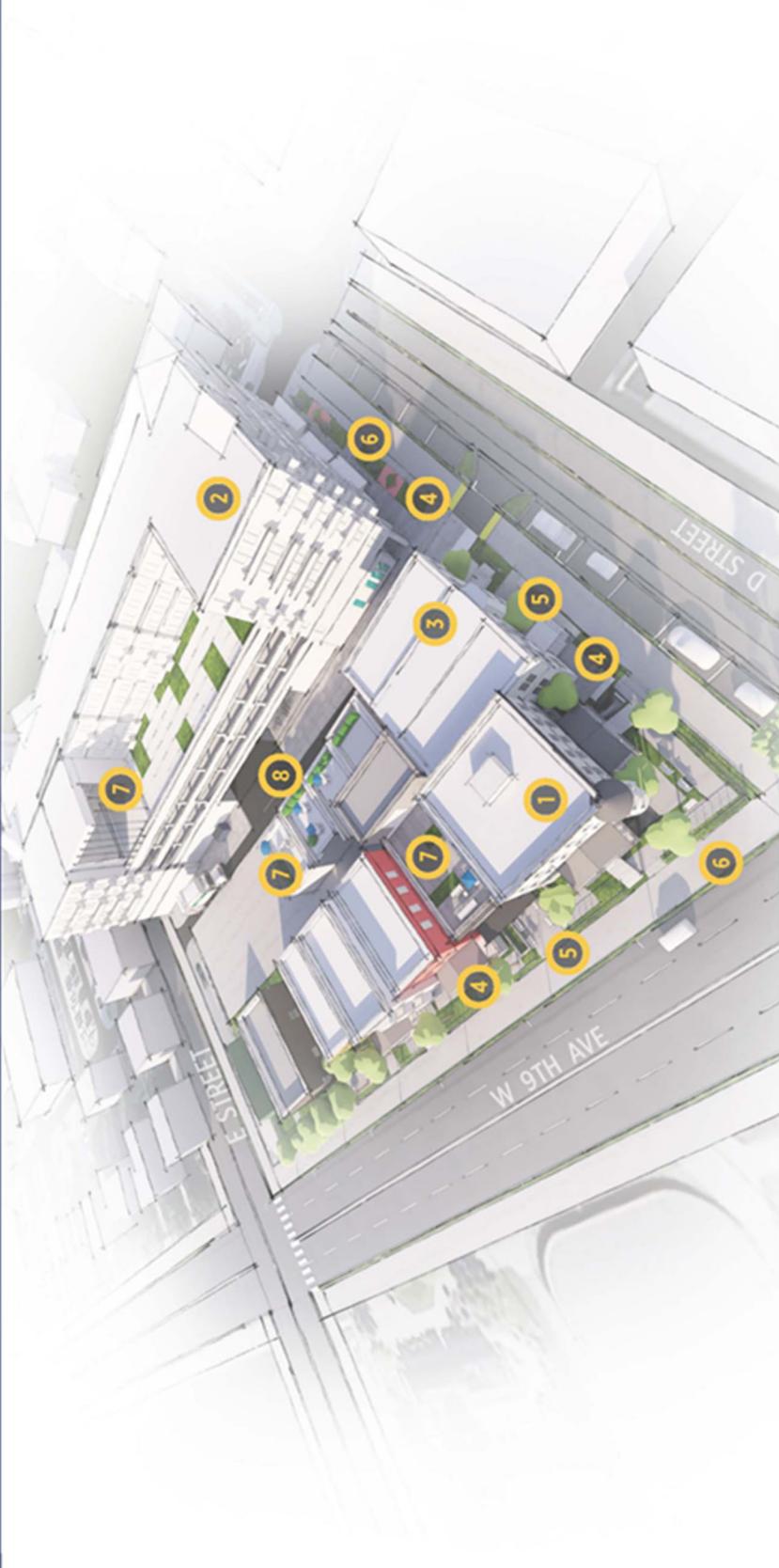
Title 21 Design Amenities

1. Multi-Unit Housing, Parking at grade L1-3
2. Residential + Terraces
3. Lower structure to maintain sunlight access for residential units on north block
4. Landscaping, seating, pedestrian lighting, small yards and porches encourage street level activity
5. Pedestrian access on all street edges
6. Sidewalks, widened and textured
7. Crossings for pedestrian safety
8. Parking/utility access from alley side

Site Amenities

1. Multi-Unit Housing, Parking at grade L1-3
2. Mixed-Use Retail, Office + Housing, Parking structure wrapped by L1-2 Retail/Office, L3-7 Residential
3. Lower structure to maintain sunlight access for residential units on north block

Imagine Block 102 | Block Overall Character



Development Specifications

Chapter 4 Land Use Districts; Park Strip North

- Medium Density Residential
- Protect viewsheds, step buildings down in height to preserve views/sunlight access
- South half: Housing, with layered public to private spaces
- North half: Retail, Housing, Restaurants/Cafes, Grocery, Laundry, small Public Spaces

Chapter 6 Urban Design; Streets

- Residential streets focus on providing safe enjoyable experience for all users
- Activate alleys with art, feature lighting, secure bike parking
- Lower structure to maintain sunlight access for residential units on north block

Title 21 Design Amenities

1. Multi-Unit Housing, Parking at grade L1-3 Residential + Terraces
2. Mixed-Use Retail, Office + Housing. Parking structure wrapped by L1-2 Retail/Office, L3-7 Residential
4. Landscaping, sealing, pedestrian lighting, small yards and porches encourage street level activity
5. Pedestrian access on all street edges
6. Sidewalks, widened and textured
7. Building/Parking rooftop activation
8. Parking/utility access from alley side, activated with bike parking, etc

Site Amenities

3. Lower structure to maintain sunlight access for residential units on north block

Block 56 – 6th Avenue and L Street:

CHAPTER 6: URBAN DESIGN

Imagine Block 56 Block Overall Character



Development Specifications

Chapter 4 Land Use Districts; Denial View

- Medium to High Density Housing - Mixed-Use
- Protect viewports and step buildings down in height to preserve view corridors
- Housing, Office, Retail, Restaurants/Cafes, Grocery, Laundry, small public spaces

Chapter 6 Urban Design: Streets

- Mixed-use streets focus on providing safe enjoyable experience for all users
- Bike Boulevard to connect to area/regional trail network

Title 21 Design Amenities

1. Mixed-use building, parking below grade; L1
Retail: L2-3 Office, L4-5 Residential
2. Mixed-use Tower; Parking below grade; L1
Retail: L2-5 Office, L6-9 Residential
3. Entry Plaza, Retail + Restaurant entries at street level
4. Extended seating + plaza for dining
5. Street trees, seating, pedestrian lighting, Arcades/covered walkways and landscaping
6. Sidewalks widened and textured
7. Crosswalks for pedestrian safety
8. Retail units/cafe, Grocery, Laundry, small public spaces

Figure #12: Builtable Lots Capacity Study visualization. (Bettisworth North)

7. Getting to 1400 by 2030!

Project Financing Gaps: Key Findings

3 Downtown Anchorage Examples

GAP PER UNIT				
Project	NO INCENTIVE	12-YEAR TAX INCENTIVE	12-YEAR + \$2M Patient Capital + Land Write Down	25-YEAR + Some Land Write Down
Current DT Project	\$120,000	\$70,000	No Gap	No Gap
40 units on 1/2 acre. Surface parked at .50 spaces per unit. Density: 80 DUA. All Stick Built.				
Block 102 – 8th & F	\$110,000	\$60,000	\$20,000	No Gap
150 Units on .96 acres: North Parcel Only. Parking = .05 per unit. 40% parking onsite surface and remaining in adjacent lots or garages. Density: 155 DUA. All Stick Built.				
Block 28 – 3rd & H	\$90,000	\$50,000	\$20,000	No Gap
200 Units on .80 acres: North parcel only. Parking = .05 per unit. 40% parking onsite surface and remaining in adjacent lots or garages. Density: 249 DUA. All Stick Built.				

UNIT SIZE - RENTS

Studio – 450sf	\$1,150
1 Bedroom – 550sf	\$1,380
2 Bedroom – 800sf	\$1,725
3 Bedroom – 1100sf	\$1,800

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