

APPENDIX B: FAIRVIEW ECONOMIC REVITALIZATION PLAN FAIRVIEW BUSINESS ASSOCIATION

ECONOMIC REVITALIZATION PLAN

Exhibit 17: Preferred Alternative Visualization



SEPTEMBER 2013

PRIMARY PLAN ELEMENTS

Gambell Street Redevelopment Project – converts Gambell Street from 4 lanes to 3, widens sidewalks, undergounds utilities, upgrades street lighting, accommodates snow removal, addresses ADA deficiencies, and improves safety and appearance.

Fairview/East Downtown Tax Abatement Economic Development Zone – as a development incentive allows a developer to write off the costs of required municipal infrastructure against property taxes until it is paid off, at which time full property taxes would be assessed.

Parking structure and entertainment amenities at 15th and Gambell – would reduce traffic congestion during events at Sullivan Arena, would promote restaurant and entertainment amenities, provide space for street level commercial development and support facilities for sports teams.

Housing Development – higher density housing with mixed commercial use in the Economic Development Zone, focus on lower density, owner occupied housing in the residential areas.

Reducing the harm caused by a concentration of public inebriates.

Encourage businesses to improve their own properties.



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HISTORY AND CURRENT CONDITIONS

The Fairview business community has a varied and colorful past. It once thrived as an extension of the downtown core, primarily based around a two way Gambell Street, which featured a mix of service and retail businesses. This included Wally Hickel's first Hotel, the Traveler's Inn on 8th and Gambell, Carr's grocery on 13th and Gambell which was Alaska's first supermarket, Anchorage's first major car dealerships and also included Anchorage's red light speak easy district, called Eastchester Flats in the area where Anchorage's Senior Center sits today.

As documented in the Community History section of the Community plan, a number of developments occurred which weakened the community and business sector and which continue to present challenges for businesses to this day. These include construction of Gambell and Ingra as freeways with little consideration for local businesses or residents, a concentration of low income and single lot multi family housing units (4 plexes and 6 plexes), and a concentration of homeless inebriate services which has come to characterize the perception of Fairview in the minds of many residents and visitors.

The main transportation corridors of 5th and 6th avenues and Gambell and Ingra Streets present both a challenge and an opportunity for the community and businesses that surround them. Most Fairview businesses are located on these streets. Although these roads present an industrial feel and are not pedestrian friendly, in a survey of 70 local businesses completed in 2012 by the Fairview Business Association (attached as appendix #1), businesses identified the presence of the traffic on those roads was a major factor in the success of their businesses. (Approximately 25,000 vehicles per day, Source: Alaska Department of Transportation, Appendix II)

37% of smaller companies (those with less than 20 employees) identified traffic bringing business as a business positive about Fairview. 69% cited "location". 60% of larger companies (those with more than 20 employees) cited traffic bringing business as a positive and "location" at 40%.

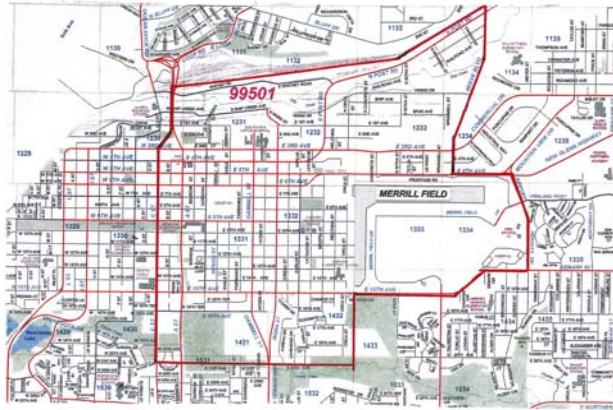
Due to this reliance on traffic generated business, the potential of the Highway to Highway (H2H) project created a concern for many businesses who feared that a trenched solution would take away many of their customers. The uncertainty around this project created a situation where many businesses were unwilling to take the risk of reinvesting in the business district. There is an additional disincentive to development between Hyder and Ingra streets in that the H2H trench is still on the books, even though it has been put off, some say forever, until 2035. It is unfair to the property owners in this area to keep them in limbo and it is a drag on the economic development goals of Fairview to have this dead zone imposed by a lack of decision making.

This dead zone is exacerbated by the Municipal Planning Department claiming an additional 45 foot buffer on either side of the trench which makes additional adjoining lots undevelopable. For this area to responsibly develop it will be necessary to remove the designation of this land as a trenched corridor. As a result of road construction, uncertainty over H2H, and a concentration of public inebriate services in Fairview, some businesses have abandoned Fairview, their empty lots and deteriorated buildings a testimony to the challenges they faced and could not overcome.

On the other hand, those businesses that decided to stay have been very committed to this area, some having been in business in Fairview for more than 50 years. Of the smaller businesses surveyed, their average length of time in Fairview was 17 years. For the larger businesses their average time in Fairview was 25 years. This is a remarkably stable base of business.

However, this longevity is also reflected in the age of business buildings which for smaller companies was 29 years and for larger companies 35 years. For smaller companies 77% of them owned their buildings and for larger companies, 80% of them owned their buildings.

FAIRVIEW BUSINESS DISTRICT



Selection criteria for Fairview Business District

Called "Fairview" because that is the heart of the district, but encompassing additional business areas based on the following criteria:

- Underdeveloped and gentrified properties.
- Location of the major highway transportation corridors in Anchorage: 5th Ave, 6th Ave, Gambell, Ingra, A and C streets, access to the Port and Kabata.
- Location of Merrill Field airstrip.
- Presence of major worker training facilities
- Mixed housing and light industrial, industrial, retail, manufacturing, transportation, hospitality, professional, sports and service businesses.
- Major potential for training, employment and economic development.
- Concentration of homeless and inebriate services and problems.
- A shared vision of success for businesses and workers and nearly unlimited potential for economic and community development.

This overall situation of a solid business base and undeveloped/underdeveloped land has created the conditions for a revitalized business sector and a solid contribution to the preferred scenario (Urban Transition) identified in the *Anchorage 2020* plan. The perception of Fairview as a poor investment location helped avoid the low value development of strip malls that permanently changed the character of other neighborhoods in Anchorage. Fairview is now an ideal location for infill development as part of an economic revitalization strategy.

Since the H2H project has been delayed until at least 2035, Fairview businesses and the Fairview Community council have proposed to make immediate improvements in the main transportation corridors in Fairview to make them more attractive, more pedestrian friendly and safe, and more business friendly. These improvements will endure regardless of which long-term solutions are implemented for H2H or other options.

Fairview businesses have recently organized the Fairview Business Association to promote this development. The following map shows the boundaries of the Fairview Business District. It extends beyond the boundaries of the Fairview Community Council and is based on the indicated common criteria. Since it is a voluntary organization, the FBA can designate its own boundaries and businesses can choose to join or not. Businesses outside these boundaries can join as Associate Members.

The benefits of this development extend far beyond Fairview. As noted in the *Anchorage 2020* plan, referring to development in the downtown/midtown area including Fairview, "There are significant opportunities for further development in these areas, including commercial and residential redevelopment. The continued success of Downtown/Midtown will affect Anchorage's long-term economic vitality and the quality of life for all its residents."

There is substantial strength in the existing, diverse base of businesses and economic activity in Fairview. This includes a mix of retail, banking, hotel, entertainment, restaurant, processing and manufacturing, light and heavy industrial, training, and service, medical, professional and sports businesses. Fairview is also the home to the Sullivan Arena and Merrill Field. Both are substantial economic engines for Anchorage.

Fairview is unlike almost any other community in Anchorage due to the co-location of a commercial center and a substantial residential area. Mixed-use housing and mixed income residential development (with an emphasis on home ownership) can provide further customer stability for Fairview businesses and realize the 2020 Comprehensive Plan ideal of people being able to walk to work. There is also a remarkably stable level of traffic on Gambell and Ingra, (about 25,000 vehicles per day) representing customers and potential customers if we can make the area attractive and safe.

SCOPE OF THE PLAN

This Economic Revitalization Plan addresses key elements necessary for the redevelopment to occur, including transportation, zoning, tax abatement, housing, homeless/inebriate policies, workforce development, signage and beautification, utilities, parking, snow removal, and pedestrian amenities.

The purpose of the plan is to identify specific policy and project alternatives that will be conducive to the economic revitalization of the Fairview business district. This will include recommendations to policy makers, planners, regulators and funding agencies for public or public/private infrastructure projects.

PLAN PROCESS

The Fairview Community Council commissioned the Fairview Business Association to conduct a survey of Fairview businesses to determine their assessment of Fairview as a business location and to identify their ideas for what will improve the business district. (See Appendix I for survey instrument, responses and observations)

The Fairview Business Association has worked closely with the FVCC to harmonize their development activities with the community's vision of a sustainable future for residents and businesses.

The FVCC and FBA held public meetings for businesses and residents to comment on the Gambell Street Redevelopment Plan and the Economic Revitalization Plan and they will be incorporated into the final draft of the Fairview Community Plan for further deliberation and finalization for submittal to the MOA.

The FBA has met with the relevant local and state planning, regulatory and development agencies in the development of this draft plan including Alaska Department of Transportation, Municipal Transportation Planning, Municipal Light and Power, Anchorage Community Development Authority, and the Alaska Mental Health Trust Authority, Anchorage Downtown Partnership, Anchorage Economic Development Corporation, Alaska Housing Finance Corporation, Alaska Trucking Association, and the Anchorage Chamber of Commerce. While we do not claim their concurrence in any aspect of the draft plan, they are aware of our vision and goals and have committed to work with FBA and FVCC to find practical strategies.

RELATIONSHIP TO OTHER PLANS

This draft Economic Revitalization Plan references the appropriate municipal and state plans and ongoing planning efforts that will affect this plan including the *Anchorage 2020* plan, Anchorage Pedestrian Plan, the AMATS Transportation Plan, AKDOT Long-Range Transportation Plan, and the Chester Creek Sports Complex Plan.

These plans are referenced in the Community Vision and Implementation sections. In many cases this Economic Revitalization strategy tracks with existing plans. In others we indicate where we believe these plans and policies need to change to facilitate the economic development and community stability that Fairview envisions.

VISION OF THE ECONOMIC FUTURE

The FVCC and FBA envision a Fairview community with a strong, job providing commercial sector, and a stable and diverse residential area which will lead to a community with strong self identification and portray an attractive image to customers, residents, investors and visitors.

This vision includes the redevelopment or rebuilding of dilapidated structures, infilling of vacant properties, designing and building transportation infrastructure that is more business and resident friendly, training of competent workers for relevant jobs and supporting social service programs which minimize the negative impact of homeless inebriates on the business and residential community.

This vision is consistent with the *Anchorage 2020* plan as stated below:

1. Redevelopment of unused and partially developed parcels and obsolete buildings becomes more economically feasible as Anchorage's vacant land base shrinks. Infill, rehabilitation and redevelopment will reshape and modernize older areas so they can better meet future needs for housing and other uses and activities.
2. Neighborhoods and subareas in and around Downtown/Midtown are targeted for public/private reinvestment.
3. Design standards mitigate impacts of higher densities and address architectural compatibility.
4. Provide incentives for lot consolidation in infill/redevelopment to improve design and compatibility of housing.
5. Avoid incompatible uses adjoining one another.
6. Northwest subareas (including Fairview) this area has the greatest growth potential for renewal and redevelopment. This area has the most multifamily housing, with high occupancy rates by seniors, non family households and single people. There are also some thriving older single-family neighborhoods. In general vacant and older or under-used residential and commercial properties are targeted for redevelopment.
7. Utilities shall be located and designed with balanced regard for the environment, energy conservation, reliability, visual impacts, natural hazard survivability and cost.

The Preferred Scenario in the *Anchorage 2020* Plan is consistent with this draft plan, and in fact, when this plan is implemented, it will help Anchorage reach many of its goals in the Comprehensive Plan.

The Preferred Scenario identifies the priorities for Downtown/Midtown (Including Fairview) in the following Fairview relevant passages:

Issue #1 Downtown/Midtown

These are areas where most of Anchorage's work-places, civic and cultural buildings, and the busiest transportation corridors are located. There are significant opportunities for further development in these areas, including commercial and residential redevelopment. The continued success of Downtown/Midtown will affect Anchorage's long-term economic vitality and the quality of life for all its residents. A dynamic and active set of policies will be required to realize these changes.

This Plan is consistent with provisions of the Draft Anchorage Historic Preservation Plan which includes:

5.16 FV Restore small business corridors, overcome past land use and transportation decisions, and improve walkability and easy access to Downtown.

5.16.1 to the greatest extent possible, redevelop Gambell and Ingra streets into a neighborhood commercial corridor that will unite the east and west sides of the neighborhood.

5.16.3 Identify economic development strategies for Fairview that allow for successful revitalization of a commercial corridor along Gambell and Ingra streets.

5.16.4 Create a program for Sullivan Arena to encourage targeted development, manage event parking, and improve walkability near the arena.

5.16.5 Continue to implement streetscape improvements that encourage walkability, such as crosswalks and pedestrian friendly sidewalks.

6.12 FV Use Sullivan Arena to encourage nearby economic development opportunities along 15th Avenue and Gambell Street.

IMPLEMENTATION

Transportation

- I. The primary transportation project to redefine Fairview is the redesign and redevelopment of Gambell Street. See Appendices III and IV for the Traffic Analysis and detailed description of the project.

The Fairview Business Association sought and received a state grant of \$200,000 for the engineering and public process for this effort. The vision for this project is for a road with widened sidewalks, improved turnouts to local businesses (which could be accomplished with shared rights of way), buried utilities, pedestrian/non-motorized travel amenities, and efficient snow removal. Redevelopment of Gambell Street was strongly supported by businesses in their responses to the business survey.

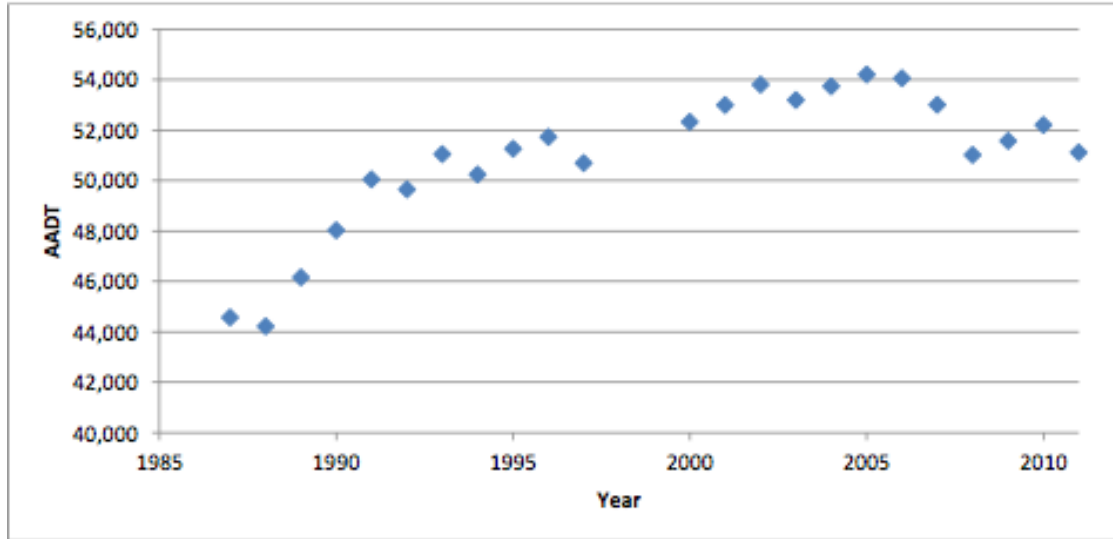
The existing configuration of Gambell Street is unsafe due to loss of lane definition in the winter (reducing to 3 lanes with no lane markings) and proximity of electric line poles to the road, lack of snow storage and removal, sidewalk ADA deficiencies and pedestrian hazards.

Exhibit 1: Existing Cross-Section



For the past 25 years traffic levels on Gambell and Ingra have been steady at around 25,000 per day. See graph below. Loss of this traffic would be a major blow to Fairview businesses. The state has cancelled all public hearings on H2H and the municipality has chosen to focus on the 36th Ave, Benson, Northern Lights and Fireweed Lane bottleneck which is appropriate. H2H has been moved out to 2035 in the Long-Range Transportation Plan with no funding for this massive project identified.

Exhibit 14: Historical AADT data at Gambell St/Ingra St/15th [16]



Still the identification of the corridor between Ingra and Gambell as an Official Streets and Highways right of way continues to depress investment in the area so we recommend that this designation be vacated to allow business and housing development in this corridor.

Likewise, there is substantial concern that no planning has been done for the KABATA project interface with C and A streets and eventually Gambell and Ingra. Where are these additional projected 20,000 to 30,000 vehicle trips a day supposed to go now that H2H is off the table? There may be solutions for this question, but additional of additional freeway lanes on Gambell and Ingra is opposed by Fairview businesses and residents.

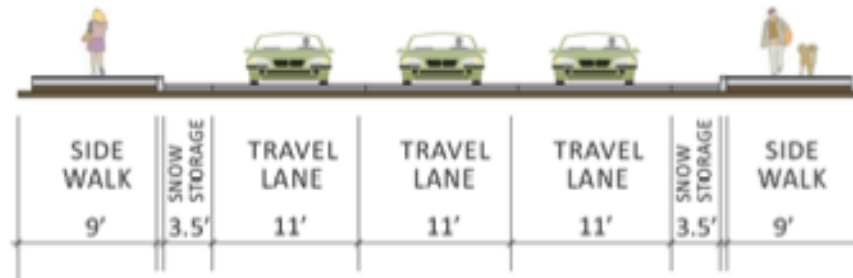
Implementation of options identified during the Gambell Street planning effort including wider sidewalks, buried utilities, light timing could take place during the repaving of Gambell Street scheduled for 2015. The sidewalk corners are out of compliance with ADA and so are several stretches of the sidewalks.

Federal funds are already allocated for the repaving and ADA sidewalk intersections. Federal funds may be used for the sidewalk widening if necessary to meet ADA requirements. State and local funds would be necessary for burying of the utilities and landscaping amenities.

The Fairview Business Association hired CH2MHill/Kittleson Associates to perform the traffic engineering analysis of the redevelopment plan for Gambell Street. Extensive public outreach and a 3 day planning charette were part of the public involvement strategy, which also included an interactive online ability to view and comment on the reconfiguration alternatives. In the end, a preferred alternative was identified and adopted by the FBA and FVCC.

Exhibit 2: Preferred Streetscape Cross-Section Alternative

Preferred Gambell Street Cross-Section



FVCC and FBA will work with DOT and Municipal Transportation Planning to achieve traffic and pedestrian efficiencies and safety within this vision and identify alternatives for rerouting traffic if necessary.

2. Work with Downtown Partnership Association (DPA) to promote a circulating bus to provide convenient visitor and resident travel between downtown and Fairview business main streets. Identify routes and funding sources.

Municipal Tax Abatement Policy

1. Establish tax abatement zone in Fairview/East Downtown to provide economic incentives for businesses to invest in building and redeveloping properties within the boundaries of the map attached as Appendix III. In the business survey, 40% of the businesses indicated that this tax abatement policy would help them in deciding to expand their business in Fairview. We also believe this will be a significant incentive for attracting new business to Fairview.



A developer who initiates a commercial or residential project which requires upgrades or extensions of public infrastructure within this Economic Development Zone may write off the cost of these public infrastructure improvements against their property taxes until that amount is paid off. At that point full property taxes will be paid.

Public infrastructure costs would include roads, water and sewer lines, drainage, electric lines and required landscaping amenities. Developers would institute separate accounting procedures for public infrastructure projects and be subject to inspection by MOA.

To qualify for this abatement, a project would have to be permitted before January 1, 2023

Developers who must upgrade public infrastructure such as water lines, electric lines and transformers, roads and other publicly identified amenities would be able to write those costs off against their property taxes until the cost of the public infrastructure is paid off.

Collaborate with Mayor's office and Municipal Chief Financial Officer to develop practical methods for implementing this policy. Join with Downtown Partnership Association in obtaining Assembly approval for this zone.

This will serve as a strong marketing tool for FBA, FVCC and DPA to attract new investment in this area.

Parking

1. Extend the waiver for onsite parking for businesses and promote public/private projects to build parking at 15th and Gambell and at 5th and Gambell when sufficient business and residential investment justifies it. Work with private investors to create street level and upper level commercial developments as part of the structure. Finance through Community Development Authority. In the business survey 40% of smaller businesses indicated parking structure would be important to their businesses. 33% of larger businesses indicated it would be important to them.
2. Explore shared parking agreements between businesses that have different maximum flows of customers throughout the day and night.

Housing

1. Support mixed development of commercial/high density residential properties in the tax abatement zone and low density owner occupied housing in the residential area. Utilize the provisions of HB50 which allows AHFC to finance development with mixed commercial and residential components.
2. Support development of mixed income housing with focus on home ownership, and workforce affordable housing.
3. Support development of condominium and high density apartments that cater to the growing market of seniors, empty nesters and single and young couples who wish to reduce their driving, be close to the urban center and walk to work.
4. Support development of affordable housing distributed throughout the Anchorage bowl.
5. Support Title 21 and zoning which would facilitate these developments.

Workforce Development

1. Interview businesses to identify their current and future needs for trained employees.
2. Coordinate with training centers, unions and other training facilities to harmonize training with employer needs.
3. Recruit trainees from schools, State Jobs Center, social service programs.
4. Establish a job listing and posting service of FBA website.
5. Promote affordable housing in Fairview where workers could live closer to their workplace.

Harm Reduction of Public Inebriates

Fairview has suffered a disproportionate concentration of social services catering to homeless inebriates which has created a serious public perception problem for customers, employers, investors, residents and visitors. This has also created an unhealthy climate for homeless inebriates in which so many services are offered that almost all of their income can be spent on alcohol. A coordinated program is needed to reduce the negative impact of homeless inebriates on the community.

In the business survey people identified this problem as one of the most pressing issues facing their businesses. Businesses reported frequent hassling of customers and employees (56%), creating a bad image for the business community (53%) and a stunning 60% reporting defecation on their property or misuse of bathrooms.

1. Implement a coordinated program to concentrate on the approximately 400 homeless inebriates who live on the streets of Anchorage and are concentrated in the Fairview/Downtown area.

For those people who are treatable and who want treatment provide a coordinated program of outreach, treatment, workforce development and transitional housing.

For those people who have repeatedly failed rehabilitation efforts, provide wet housing in suitable locations.

For those people who are treatable but just choose the street life, provide a Spirit Park where they can congregate.

Establish a Social Shepherd program to encourage people to congregate at the Spirit Park rather than on the streets in business and residential areas. Utilize these Shepherds in a sustained panhandling abatement program.

Enforce public drinking laws concentrating on business and residential areas.

Encourage Fairview Liquor stores to not sell the most popular, cheap alcohols favored by public inebriates and impose conditions on liquor licenses if necessary.

Signage and Beautification

1. Install attractive street signs consistent with landscaping amenities throughout the community.
2. Install historical recognition signs throughout the community where appropriate.
3. Encourage businesses to improve the appearance of their buildings and grounds. Discourage use of chain link fences and barbed wire. Modify existing fences with wood fascias to improve their appearance.

4. Provide certificates of appreciation to businesses who substantially improve their appearance.
5. Incorporate worker training programs into community and business beautification programs.

Events

1. Organize events to promote Fairview businesses and raise awareness of a redeveloped Fairview.
2. Organize joint marketing campaigns among Fairview businesses

Utilities

1. Underground utilities focusing first on the commercial main-streets and then out to the residential areas as called for in the ML&P utilities undergrounding plan.

Zoning and Title 21 issues

1. Extend waiver from on site parking requirements throughout the Economic Development Tax Abatement Zone.
2. Change zoning to allow for mixed commercial/residential development in the Economic Development Tax Abatement Zone.
3. Streamline the process and reduce the cost for re-platting and combining properties to facilitate construction of mixed income, multi family dwellings in the tax abatement zone that incorporate compatible design standards and open space.

Snow removal and non-motorized travel amenities

1. Promote pedestrian and non-motorized travel amenities to encourage local travel to local businesses.
2. Promote snow removal on sidewalks to promote pedestrian traffic from residential areas to business centers.

Promotion and marketing of investment opportunities

1. Develop marketing materials that illustrate the investment opportunities in Fairview and benefits of the tax abatement zone.
2. Coordinate with real estate developers and financial institutions.
3. Promote awareness of IRS section 1031 provisions that allow for capital gains exempt land transactions that could promote sales of undeveloped and underdeveloped properties to prospective investors.

Sullivan Arena and surrounding area as an Economic AMSA (area meriting special attention)

In nearly every city, the major sports arena is a center for associated commercial activity. In the current situation this is very limited for the Sullivan Arena. Parking is limited, traffic congestion is heavy during events, the arena needs upgrades to attract and service sports, sales, entertainment and other events.

1. Prepare an overall development plan for the Sullivan Arena and surrounding area in a public/private partnership.
2. Incorporate traffic congestion designs into the redevelopment of Gambell Street.
3. Plan and identify a financing strategy to construct a parking/commercial and entertainment facility on the East side of 15th and Gambell.
4. Identify and define the cost of upgrades to the Sullivan Arena and prepare a financing plan to achieve these upgrades.
5. Promote the area as a sports/entertainment venue.