Today - First Steps Toward a Master Plan

- Examine Community Park’s physical opportunities and burdens.
- Highlight Community Park’s stakeholder interests and needs.
- Compare current zoning and Municipality of Anchorage proposed changes.
- Understand some current and future costs.
- Identify some potential revenue sources and development.
- Review Next steps.
What is a Master Plan... for Community Park?

- Analyze and record AMHTA, stakeholder and Community Input.
- Record opportunities burdens, assets and liabilities.
- Assess the feasibility of development opportunities.
- Prepare expectations for growth and development.
- Create an image or vision of the future for Community Park.
- Establish expectations for the Trust and Community Park stakeholders.
Community Park

Location

3,078,961 SF (70.68 acres) of Trust land in middle of Anchorage, immediately North of the UMED district.
Community Park History

1981 ARCA Park
Outdoor recreational opportunities for a community and Trust beneficiaries.

1981 “future” development sites
Community Park Today

Six Beneficiary Organizations + the Trust Authority

Trust Property
- ARC of Anchorage
- Salvation Army
- Catholic Social Services
- Assets Inc.
- Alaska Mental Health Trust Authority

Other’s
- Hope Community Resources
- Anchorage School District
- Whaley School
Community Park Opportunities

Natural Features
- Chester Creek

Recreational Access
- Trail System

Public Transportation
- Bus routes

Being close to public transportation is a must for all organizations on site. All spend money on vandalism, as most areas are vacant off hours.
Community Park Physical Burdens

Wetlands

Class A (formerly Preservation)

These have the highest wetland resource values. They perform at least two, and typically more, significant wetland functions. “A” wetlands are considered most valuable in an undisturbed state, as most uses or activities, especially those requiring fill, negatively impact known wetland functions. “A” wetlands are not to be altered or otherwise disturbed in any manner, except as outlined elsewhere in the Plan’s enforceable policies. Any activity that includes placement of fill in “A” wetlands requires an Individual Section 404 Permit from the Corps of Engineers prior to development.

Source: https://www.muni.org/Departments/OCPD/Planning/Physical/EnvPlanning/Pages/WetlandFAQs.aspx
Community Park Lease Expiration Dates

- In Perpetuity: Assets lease expires 6/30/2026
- Catholic Social Services: 4/30/2026
- Salvation Army: 10/1/2023
- Whaley School major capital improvement: 10/1/2023

All buildings will be 50+ years old:
- 2036
- 2035
- 2034
- 2033
- 2032
- 2031
- 2030
- 2029
- 2028
- 2027

5 year project development:
- Today
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
Community Park Building Age and Condition

<table>
<thead>
<tr>
<th>Building Age</th>
<th>Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>52 yrs</td>
<td>Poor</td>
</tr>
<tr>
<td>22 yrs</td>
<td>Good</td>
</tr>
<tr>
<td>50 yrs</td>
<td>Poor</td>
</tr>
<tr>
<td>30 yrs</td>
<td>Fair</td>
</tr>
<tr>
<td>47 yrs</td>
<td>Poor</td>
</tr>
<tr>
<td>52 Years</td>
<td>Good</td>
</tr>
<tr>
<td>34 Years</td>
<td>Good</td>
</tr>
<tr>
<td>51 Years</td>
<td>Poor</td>
</tr>
</tbody>
</table>

Total Area:
- Trust Property: 204,862 sf
- Other’s: 204,862 sf
- Total: 204,862 sf

Building Condition:
- Good: 63,018 sf
- Fair: 25,566 sf
- Poor: 50,432 sf
- Total: 139,016 sf
Community Park Vacant Land

<table>
<thead>
<tr>
<th>Land Area</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>307,501sf</td>
<td>Lot A</td>
</tr>
<tr>
<td>87,950sf</td>
<td>Lot B</td>
</tr>
<tr>
<td>131,151sf</td>
<td>Lot C</td>
</tr>
<tr>
<td>225,000sf</td>
<td>ARC Ball field</td>
</tr>
<tr>
<td>751,602sf</td>
<td>Total</td>
</tr>
</tbody>
</table>
Stakeholder Meeting Highlights

Hope Community Resources

What they have:
- (Good) two 4,079gsf 10-occupant homes
- (Poor) 4,000gsf office/meeting building
- (Poor) 1,500gsf 2-unit apartment building

How They Collaborate on-site:
- CITC leases 10 units for transitional housing
- Assets leases the apartments
- Provides emergency egress to ARC

What They Want:
- Affordable housing
- 50-unit housing complex for low-income and disabled
- Senior housing and services
- Sell land to cover the cost of leases elsewhere

ARC of Anchorage

What they have:
- (Very Good) 27,619gsf multipurpose building
- (Good) 4,000gsf office/residential home

How They Collaborate on-site:
- Share resources with HOPE, Assets
- Provides classrooms to ASD’s ACE and ACT programs.

What They Want:
- Stabilize their current services; revenue is falling.
- Interested in revenue generation through a multifamily housing mixed use building that provided market-rate units with assisted living.

Catholic Social Services

What they have:
- (Poor) 32,701gsf food pantry, office and Head Start

How They Collaborate on-site:
- ASD’s ACE ACT students volunteer at the food pantry

What They Want:
- A permanent location where they could invest
- Purchase the property

Salvation Army

What they have:
- (Poor) 14,731gsf outpatient facility
- (Poor) 3,000gsf outpatient facility
- (Good) 6,000gsf outpatient facility

How They Collaborate on-site:
- Often share clients with Catholic Social Services

What They Want:
- First-right of refusal in purchasing the property
- Transitional housing
- Senior housing facilities
- Long-term permanent housing
- A family services office

Whaleys School (ASD)

What they have:
- (Poor) 52,188gsf, 89 student capacity elementary

How They Collaborate on-site:
- They have good relationships with their neighbors, but it is not critical to their operations.

What They Want:
- In 6 to 12 years ASD will make a large capital investments or rebuild because the school does not meet their programming needs, though rebuilding is unlikely in today’s funding climate. ASD is open to rebuilding in another location.

Assets Inc.

What they have:
- (Fair) 25,566gsf office and print shop

How They Collaborate on-site:
- Although their focus is not on housing, they do run some residences and help people find housing.

What They Want:
- More office space with meeting room, more storage space for the print shop, and more garage space for vehicle maintenance.
- Additional revenue, currently operational costs increase while revenue remains flat.
- More housing for clients.
R-4A (amended): Multifamily Residential Mixed-Use District

63 possible use types

The R-4A district is a primarily residential district intended for high-density multifamily dwellings, with gross densities intended to be greater than 35 dwelling units per acre. Commercial retail, services, and office uses are also allowed in combination with housing to create a truly mixed-use neighborhood environment, although a majority of the gross floor area of the development shall be a residential use. This district is to be applied in areas near downtown and midtown, in order to provide housing densities which support these city centers, efficient use of residential land, and residential living opportunities near employment and services. By providing the flexibility for integrated mixed-use site development, the R-4A district facilitates reinvestment and revitalization within areas in transition. New mixed-use development should facilitate strong pedestrian and bicycle connections with nearby neighborhoods and city centers.

PLI: Public Lands and Institutions District

90 possible use types

The PLI district is intended to include major public and quasi-public civic, administrative, and institutional uses and activities.

The property could maintain and be developed under its current zoning. There are no requirements to accept the proposed zoning, however incentives could be available with the proposed zoning.
R-4A and PLI shared use types

Cemetery or mausoleum
Library
Natural resource extraction, organic and inorganic
Land reclamation
Utility substation
Antenna only, small

Unlikely use types

R-4A only (amended)

Manufactured home community
Rooming house

PLI only

Crematorium
Aquarium
Correctional institution
Airport or Airstrip, private or Heliport
Railroad passenger terminal
Transit center
Utility facility
Wind energy conversion system (WECS), utility
Antenna only, large
Type 1, 2 and 4 tower
Commercial horticulture
Animal shelter
Large domestic animal facility, principal use
General outdoor recreation, commercial
Golf course
Motorized sports facility
Shooting range, outdoor
Skiing facility, alpine
Data processing facility
Camper park or Recreational and vacation camp
Natural resource extraction, placer mining
Aquaculture
Impound yard
Outdoor storage and storage of vehicles associated with a community use
Warehouse or wholesale establishment, general
Warehouse or wholesale establishment, light
Composting facility
Incinerator or thermal desorption unit
Landfill and Recycling drop-off or Solid waste transfer
Snow disposal site
**Likely use types**

### R-4A and PLI shared use types

- **Residential**
  - Assisted living facility (9 or more residents)
  - Habilitative care facility, small, medium and large
  - Transitional living facility
- **Community**
  - Adult care facility (3-8 persons)
  - Child care center (9 or more children)
  - Community center
  - Neighborhood recreation center
  - Religious assembly
  - Social service facility
  - Boarding school
  - College or university
  - Elementary school or middle school
  - High school
  - Instructional services
- **Health services**
  - Community garden
  - Park, public or private
  - Community or police substation
  - Fire station
  - Tower, high voltage transmission
- **Commercial**
  - Club / lodge / meeting hall
  - Fitness and recreational sports center
  - Restaurant
  - Office, business or professional
  - Farmers market
  - Parking lot or structure (50+ spaces)
  - Parking lot or structure (less than 50 spaces)
- **Industrial**
  - Commercial food production

### R-4A only (amended)

- **Residential**
  - Dwelling, mixed-use
  - Dwelling, multifamily
  - Dwelling, single-family, attached
  - Dwelling, single-family, detached
  - Dwelling, townhouse
  - Dwelling, two-family
  - Assisted living facility (3-8 residents)
- **Community**
  - Adult care facility (9 or more persons)
  - Child care home (up to 8 children)
- **Commercial**
  - Retail and pet services
  - Veterinary clinic
  - Theater company or dinner theater
  - Bar
  - Food and beverage kiosk
  - Financial institution
  - Business service establishment
  - General personal services
  - Convenience store
  - General retail
  - Grocery or food store
  - Liquor store
  - Extended-stay lodgings
  - Hostel
  - Hotel/motel
  - Inn
- **Industrial**
  - Cottage crafts
  - Manufacturing, light

### PLI only

- **Residential**
  - Correctional community residential center
- **Community**
  - Government administration and civic facility
- **Commercial**
  - Civic / convention center
  - Entertainment facility, major
  - Broadcasting facility
  - Governmental service
  - Research laboratory

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**community Park Organizations are interested in housing**

**big decision**

- Benefits or beneficiaries social service program or supportive of beneficiary social services program
- Lease revenue possible

*(Amended per 11/19/2019 working draft)*
Community Park Contributions

Fiscal Year 2011-2020 Trust Grants

$362,970  Catholic Social Services
$30,000  Assets Inc
$178,060  ARC of Anchorage
$394,923  Hope Community Resources
$68,745  Anchorage School District
$32,667  Salvation Army

Total  $1.1 M

These grants are not specific to the organization’s Community Park sites.

Fiscal Year 2011-2020 Uncompensated Use

Estimated lease costs avoided for the Community Park beneficiary serving organizations on Trust Property because of current lease agreements:

Estimated cost/sf  Building Condition
$1.00/sf  poor
$1.25/sf  fair
$1.60/sf  good

NNN lease
2.0% escalation
139,016 sf of building area

Total  $15.1 M
Community Park Initial Development Costs - “clearing”

rezoning and replatting costs, utility and wetland accommodation costs and escalation will be identified in later stages

Demolish

A large portion of the buildings in Community Park old and in poor condition. They will require a major investment or replacement. To demolish Community Park buildings on Trust property considered to be in poor or fair condition assume:

$32 per gross sf
75,998sf of poor and fair condition buildings

$ 2.5 M

Relocate

To relocate Community Park organizations occupying buildings, on Trust Land, in poor or fair condition:

Costs (in 2020 dollars) include furniture, fixtures and equipment, move-in logistics and labor, financing, legal and professional services, construction administration, special inspections and fees, owner (10%) and builder (15%) construction contingencies, Title 36 wages and a builder’s general conditions (12%). Costs assume a new tenant renovation in an existing commercial building.

$243 - $272 per gross sf
75,998sf of poor and fair condition buildings

$18.5 M - $20.7 M
New Tenant Improvements Only
Community Park Development Potential Revenue

Land Lease
- 750,000 sf of vacant land area
- $21-24 per sf land value
- $15.8 M - $18 M land value
- 8% lease on land value
- $1.3 M - $1.5 M annual revenue
- **10 year income plus 2% escalation**
- **$ 14.1 M - $16.2 M**
  (actual land lease's terms are typically 30-60 years)

Lender
- 20 M Loan (20% of a hypothetical project)
- 5% Interest Rate
- **$ 7.5 M**
  (This is an option available to the Trust to encourage a development, but not to facilitate the highest return on investment which could be 6.5%, 1.5% higher)

Equity
- 20 M (20% of a hypothetical project)
- 12% Interest
- **$ 24.0 M**

ECI Alaska - January 29, 2020
Community Park Summary (10 year)
The estimated sums below are not complete or final development sums.

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Lease</td>
<td>$(2,500,000)</td>
</tr>
<tr>
<td>Equity</td>
<td>$(18,500,000)</td>
</tr>
<tr>
<td>Lender</td>
<td>$(15,100,000)</td>
</tr>
<tr>
<td>Demolish</td>
<td>$(36.0) M</td>
</tr>
<tr>
<td>Relocate</td>
<td>$(45.6) M</td>
</tr>
<tr>
<td>Uncompensated Use</td>
<td>$14,100,000</td>
</tr>
<tr>
<td></td>
<td>$24,000,000</td>
</tr>
<tr>
<td></td>
<td>$7,500,000</td>
</tr>
<tr>
<td></td>
<td>$(2,500,000)</td>
</tr>
<tr>
<td></td>
<td>$(18,500,000)</td>
</tr>
<tr>
<td></td>
<td>$(15,100,000)</td>
</tr>
</tbody>
</table>
Community Park Development Potential Futures (10 year)

The estimated sums below depict initial relationships, they are not complete or final development sums.

Revenue

- Land Lease: $14,100,000
- Equity: $24,000,000
- Lender: $7,500,000
- Demolish
- Relocate
- Uncompensated Use: $(15,100,000)

Total Revenue: $30.5 M

Expense

- Land Lease: $14,100,000
- Equity: $24,000,000
- Lender: $7,500,000
- Demolish: $(2,500,000)
- Relocate: $(18,500,000)
- Uncompensated Use: $(15,100,000)

Total Expense: $(22.0) M
Community Park Development Potential Futures (10 year)

The estimated sums below depict initial relationships, they are not complete or final development sums.

<table>
<thead>
<tr>
<th>More</th>
<th>Trust Participation</th>
<th>Less</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Land Lease</strong></td>
<td>$14,100,000</td>
<td><strong>Land Lease</strong></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td>$24,000,000</td>
<td><strong>Equity</strong></td>
</tr>
<tr>
<td><strong>Lender</strong></td>
<td>$7,500,000</td>
<td><strong>Lender</strong></td>
</tr>
<tr>
<td><strong>Demolish</strong></td>
<td>$(2,500,000)</td>
<td><strong>Demolish</strong></td>
</tr>
<tr>
<td><strong>Relocate</strong></td>
<td>$(18,500,000)</td>
<td><strong>Relocate</strong></td>
</tr>
<tr>
<td><strong>Uncompensated Use</strong></td>
<td>$(15,100,000)</td>
<td><strong>Uncompensated Use</strong></td>
</tr>
</tbody>
</table>

$9.5 M | $4.5 M | $(1.0) M
### Hypothetical R-4A (amended) Phasing, Size and Cost

<table>
<thead>
<tr>
<th>Phase</th>
<th>Hypothetical</th>
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<tbody>
<tr>
<td>Land Size</td>
<td>80,000 sf</td>
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<tr>
<td>Floor Area Ratio</td>
<td>1.5</td>
</tr>
<tr>
<td>Maximum Building Size</td>
<td>120,000 gross sf</td>
</tr>
<tr>
<td>Building Height</td>
<td>4 - 7 stories</td>
</tr>
<tr>
<td>Allowable Non-Residential</td>
<td>35% - 50%</td>
</tr>
<tr>
<td>Non-Residential Area</td>
<td>42,000 - 60,000 gross sf</td>
</tr>
<tr>
<td>(20 per acre) Housing Units</td>
<td>37</td>
</tr>
<tr>
<td>Parking Stalls</td>
<td>150 - 225</td>
</tr>
</tbody>
</table>

**Project Costs between $425 and $475 per sf**

Costs (in 2020 dollars) include shelled non-residential spaces, completed residential units ready for move-in, site improvements, landscaping, parking and site lighting, financing, legal and professional services, construction administration, special inspections and fees, owner and builder construction contingencies, Title 36 wages and a builder's general conditions.
Next Steps - Leading to a Master Plan

- Engage outside organizations to identify potential interest, investment and incentives.
  - Municipality (potential for a Reinvestment Focus Area agreement)
  - Surrounding Institutions
  - Private Interests

- Build and test preliminary financial models (proforma) for current and proposed uses.

- Test physical limits of lots and potential lots.

- Develop a plan for expiring lease agreements and impending deferred maintenance costs.