

**ANCHORAGE, ALASKA
AO No. 2024-75(S)**

1 **AN ORDINANCE OF THE ANCHORAGE ASSEMBLY AMENDING**
2 **ANCHORAGE MUNICIPAL CODE CHAPTER 12.60 TO INCLUDE THE**
3 **MULDOON SPECIAL STUDY AREA IN THE TAX INCENTIVES FOR HOUSING**
4 **PROGRAM AND TO INCREASE THE DURATION OF THE TAX ABATEMENT**
5 **FOR DOWNTOWN ANCHORAGE.**
6

7
8 **WHEREAS**, the current tax abatement program for eligible housing projects in
9 downtown Anchorage provides a 12-year tax abatement incentive; and

10
11 **WHEREAS**, developers have expressed interest in expanding this program to
12 other areas of Anchorage, including the Muldoon Corridor Special Study Area; and

13
14 **WHEREAS**, multi-family development in Anchorage faces financial challenges and
15 requires additional incentives to become viable; and

16
17 **WHEREAS**, downtown Anchorage represents a strategic area for higher-density
18 development with existing public infrastructure, generating significant property tax
19 revenues for the Municipality; and

20
21 **WHEREAS**, incentivizing development in downtown Anchorage should remain a
22 priority to ensure continued economic growth and urban density; and

23
24 **WHEREAS**, the Muldoon Corridor Special Study Area is envisioned as a
25 distinctive core transportation, commercial, and social hub for the Muldoon
26 neighborhood, enhancing community connectivity and economic vitality; and

27
28 **WHEREAS**, the development of the Muldoon Corridor Special Study Area will
29 provide essential housing, support local businesses, and create a vibrant mixed-
30 use area that benefits the broader Anchorage community; and

31
32 **WHEREAS**, expanding tax incentives to the Muldoon Corridor Special Study Area
33 aligns with the Municipality's goals for sustainable growth and balanced urban
34 development;

35
36 **NOW, THEREFORE, THE ANCHORAGE ASSEMBLY ORDAINS:**

37
38 **Section 1.** Anchorage Municipal Code section 12.60.010 is hereby amended to
39 read as follows:

40
41 **12.60.010 Property tax incentives for housing; location.**

42
43 This chapter authorizes property tax exemptions for construction of new
44 residential units, provided a minimum of four new residential units are

constructed and the construction increases the total number of residential units on property located entirely within:

- 1. The Central Business District.
- 2. Muldoon Corridor Special Study Area.

(AO No. 2019-12, § 1, 3-5-19)

Section 2. Anchorage Municipal Code section 12.60.040 is hereby amended to read as follows (*the remainder of the section is not affected and therefore not set out*):

12.60.040 Final approval upon completion of construction of new housing; magnitude; duration; recording.

*** **

C. *Duration of tax exemption.* Tax exemptions approved under this section shall be for a period specified below [OF 12 CONSECUTIVE YEARS] beginning on January 1 of the first full calendar year after final approval of the application.

- 1. Central business district. Tax exemptions approved for properties within Central Business District shall be for a period of 20 consecutive years.
- 2. Muldoon Corridor Special Study Area. Tax exemptions approved for properties within the Muldoon Corridor Special Study Area shall be for a period of 12 consecutive years.

D. *Recording of exemption.* The chief fiscal officer, or the chief fiscal officer's designee, shall memorialize the terms of an exemption granted under this chapter in a memorandum recorded in the Anchorage Recording District and kept on file in the Treasury Division of the Municipal Finance Department.

(AO No. 2019-12, § 1, 3-5-19)

Section 3. Anchorage Municipal Code section 12.60.080 is hereby amended to read as follows (*the remainder of the section is not affected and therefore not set out*):

12.60.080 Definitions.

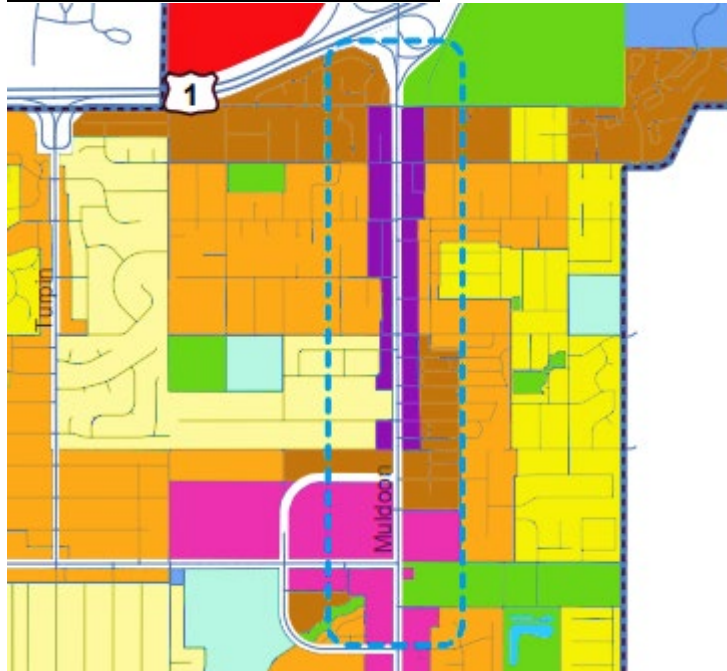
In this chapter:

*** **

"Construction" has the same meaning set forth in AMC 21.15.040.

"Muldoon Corridor Special Study Area" means properties located, either in whole or in part, within the boundaries designated by the East Anchorage

District Plan under section 21.01.080 substantially as depicted below. Specifically parcels located, in whole or in part, within a quarter mile of the centerline of the portion of Muldoon Road located south of Glenn Highway and north of East 16th Avenue.



"Residential unit" means a dwelling unit as defined in AMC 21.15.040 which is either owner-occupied or only leased for periods of at least one month.

(AO No. 2019-12, § 1, 3-5-19)

Section 4. Anchorage Municipal Code section 12.60.020 is hereby amended to read as follows:

[NOTE: current text of section 12.60.020, which was omitted from original AO, is inserted in the (S) version without markup and then amended as indicated]

12.60.020 Applications for property tax exemptions.

A. *Submission.* An application for an exemption under this chapter shall be made in writing to the chief fiscal officer, or the chief fiscal officer's designee, prior to construction of new residential units (applications made after construction on the residential units begins shall be rejected).

B. *Contents.* The application shall, at a minimum, contain:

1. *Name.* The name of the applicant;
2. *Address.* The legal description and street address of the property for which the application is made;
3. *New residential units.* Drawings of the residential units that the applicant will construct, including a floor plan that includes

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48

approximate square footages;

- 4. *Existing structures.* Drawings showing the square footage of all existing structures and structures to be constructed on the property;
- 5. *Increase in residential units.* Plans showing the construction will increase the total number of residential units on the property;
- 6. *Acknowledgement of liability.* Applicant acknowledges that the residential units will be taxable if and when the residential units are no longer eligible for tax exemption under this chapter; and
- 7. *Other information.* Other information as may be required by the chief fiscal officer.

C. *Deadline for applications.* Applications for an exemption under this chapter shall only be accepted before 5:00 p.m. **August 31, 2032[FEBRUARY 29, 2024]**.

(AO No. 2019-12, § 1, 3-5-19)

Section 5. Any applications previously approved under this chapter and granted an exemption for a 12 year duration are hereby extended for a total of 20 consecutive years, beginning at the same date as the originally granted exemption. The CFO shall implement this section.

Section 6. Pursuant to AS 29.45.050(m), notice is hereby provided that this ordinance, if adopted, may be repealed by the voters through referendum.

Section 7. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2024.

Chair

ATTEST:

Municipal Clerk



**MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM**

No. AM 649-2024

Meeting Date: August 13, 2024

1 **From: Assembly Member Maritnez**

2
3 **Subject: AO 2024-75(S) – AN ORDINANCE OF THE ANCHORAGE**
4 **ASSEMBLY AMENDING ANCHORAGE MUNICIPAL CODE**
5 **Chapter 12.60 TO INCLUDE THE MULDOON SPECIAL STUDY**
6 **AREA IN THE TAX INCENTIVES FOR HOUSING PROGRAM AND**
7 **TO INCREASE THE DURATION OF THE TAX ABATEMENT FOR**
8 **DOWNTOWN ANCHORAGE.**
9

10 The proposed substitute version of AO 2024-75 makes the following changes to the
11 original ordinance:
12

13 A new Section 4 amends AMC 12.60.020 to extend the deadline for applications
14 for the tax exemptions authorized under this chapter from February 29, 2024 to
15 August 31, 2032.
16

17 Section 5 clarifies that any previously granted tax exemptions within the Central
18 Business District under AMC 12.60.010 would automatically be extended to the
19 20 years authorized by this ordinance.
20

21 Section 6 adds language required by AS 29.45.050 which provides the public
22 written notice that this tax exemption may be repealed by voters through
23 referendum.
24

25 **I request your support for the ordinance.**

26
27 Prepared by: Assembly Counsel's Office

28
29 Respectfully submitted: George Martinez, Assembly Member
30 strict 5 – East Anchorage