

Agency: Commerce, Community and Economic Development**Grants to Named Recipients (AS 37.05.316)****Grant Recipient: Cook Inlet Housing Authority****Federal Tax ID: 92-0068981****Project Title:****Project Type: New Construction and Land Acquisition**

Cook Inlet Housing Authority - Spenard Road Revitalization and Environmental Contamination Abatement

State Funding Requested: \$1,900,000**House District: Anchorage Areawide (16-32)**

One-Time Need

Brief Project Description:

Acquisition of former gas station and abatement of existing environmental contamination. Site will then be integrated into a \$26 million revitalization project on Spenard Road, which will include the development of new workforce housing and commercial/office space.

Funding Plan:

Total Project Cost:	\$26,000,000
Funding Already Secured:	(\$1,600,000)
FY2013 State Funding Request:	(\$1,900,000)
Project Deficit:	\$22,500,000

Funding Details:

In 2011, acquired nearby parcels for \$1.3 million (HUD and Cook Inlet Housing Authority funds). In 2013, will apply for and commit gap funding from various sources via Alaska Housing Finance Corporation (federal Low Income Housing Tax Credit equity, Supplemental Housing Development Grant funds, and debt financing).

Detailed Project Description and Justification:

\$1.9 million in State funding is requested to acquire properties located near 36th Avenue and Spenard Road in Anchorage. The primary target site is a 1.73-acre former gas station and the source of environmental contamination that has leached onto nearby sites via groundwater transmission. This request includes funding to abate environmental contamination at the source site and reduce or eliminate the transmission of pollutants to surrounding properties. Two other target sites are located immediately adjacent to primary target site and presently in use as a single used car lot.

After site acquisition and abatement of environmental contamination, the properties will be integrated into a \$26 million revitalization project on Spenard Road, which will include the development of new market-rate and workforce housing, as well as retail/office space with frontage on Spenard Road and/or 36th Avenue. To this end, Cook Inlet Housing Authority has already used non-State funds to acquire other key properties, including the former PJ's bar/strip club and several substandard residential structures.

The Spenard Road Revitalization and Environmental Contamination Abatement Project will transform a key intersection in Spenard. This area surrounding the intersection of 36th and Spenard is presently home to a contaminated industrial site

listed by ADEC as causing ongoing groundwater pollution, a dilapidated former strip club on an environmentally contaminated site, a used car lot, and derelict and substandard residential structures. Cook Inlet Housing Authority will leverage the State's investment to replace the foregoing uses with a master-planned, mixed-use development that includes quality, affordable homes for working families and new retail/office space. Project outcomes will include clean soils and groundwater, an improved business environment, stable families, and improved public perceptions of the Spenard neighborhood.

The project concept and vision are consistent with Anchorage's comprehensive plan and local Spenard planning documents. Cook Inlet Housing Authority is presently seeking, and anticipates receiving, support from the Municipality of Anchorage and the Spenard Community Council. Letters and/or resolutions will be forwarded to the Legislature upon receipt.

The intersection of 36th and Spenard is identified as the epicenter of Spenard Revitalization efforts both because of its strategic location and because the surrounding properties are exceptionally unattractive to private investors. Environmental contamination and zoning constraints severely limit the highest and best economical use of the properties by private sector parties for the foreseeable future. With a modest investment of Capital Budget funding to catalyze additional investment, Cook Inlet Housing Authority's Spenard Revitalization and Environmental Contamination Abatement Project will redevelop deteriorated and contaminated properties currently avoided by the private sector.

Since 1974, Cook Inlet Housing Authority has invested hundreds of millions of dollars in housing development and operations throughout Southcentral Alaska. In the process, it has become skilled at leveraging available funding. Through this request, Cook Inlet Housing Authority seeks \$1.9 million for acquisition and environmental contamination abatement -- roughly 7% of the total estimated project cost (\$26 million).

If funded, CIHA will not request additional funding from the Legislature for this project.

Project Timeline:

Acquisition of sites at SW corner of Spenard & 36th -- Complete
 Negotiate acquisition of remaining sites -- In progress
 Target sites under contract -- March 2012
 Site acquisition -- August 2012 (full expenditure of FY 2013 State funding)
 Conceptual project design -- December 2012
 AHFC GOAL funding application -- October 2013
 AHFC GOAL funding award -- December 2013
 Construction begins -- May 2014
 Construction complete -- April 2015

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

Cook Inlet Housing Authority

Grant Recipient Contact Information:

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Has this project been through a public review process at the local level and is it a community priority? Yes No

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