Brownfield Redevelopment Along Kodiak's Mill Bay Road

Creating and Implementing Successful Economic Development Strategies

Stantec

2020 Alaska Planning Conference

February 10, 2020 10:45 to 12:00

Engage Plan Implement AGNEW::BECK

Presenters

Erin Welty, Director

Community Development Department
Kodiak Island Borough

Ryan Givens, AICP

Senior Planner
Stantec

Shanna Zuspan, AICP

Principal::Owner

Agnew::Beck Consulting

Agenda

1. Project Objective & Corridor Description | Erin
2. Community Engagement | Erin
3. Planning Approach & Importance of Redevelopment | Ryan
4. Market Assessment & Development Forecast| Shanna
5. Community Priorities & Plan Recommendations | Ryan
6. Questions & Discussion | All

Presented by Erin Welty, Kodiak Island Borough

Project Objective & Corridor Description

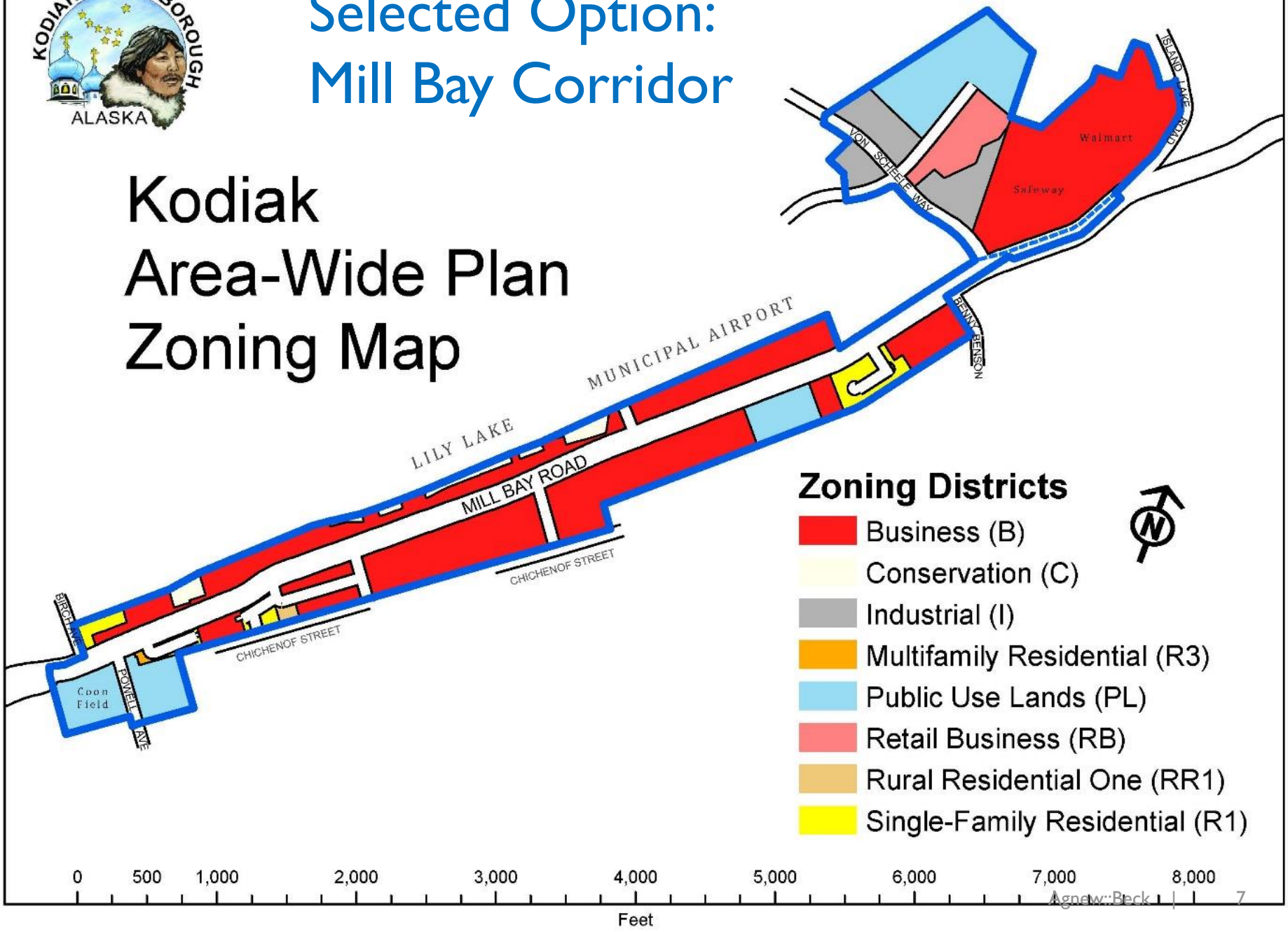
Project Objective & Area Selection

- Identify an area with Brownfields that was also prime for redevelopment.
  - Options
    - Swampy Acres
      - Small area available for redevelopment.
      - Natives of Kodiak (owner) preference.
    - Kodiak Downtown
      - Fully within the tsunami inundation zone.
      - Very outdated buildings with unwilling owner cooperation.

Area Selection Continued

- Options cont..
  - Mill Bay Road Corridor – Powell Ave to Island Lake Rd.
    - Multiple landowners of target parcels
    - Mixed use
    - Highest concentration of underutilized/brownfield parcels
    - Connection between two major business areas

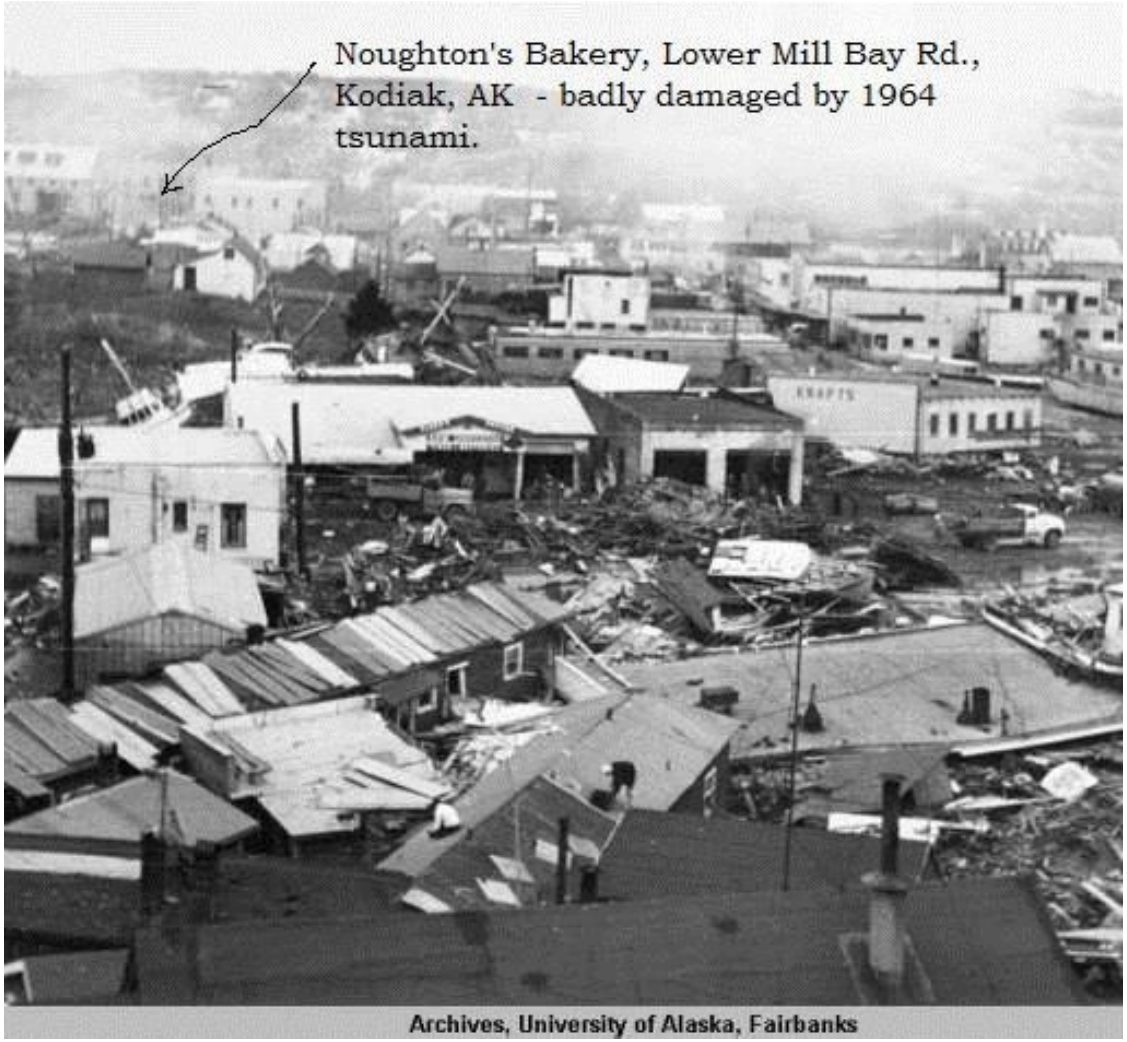
Selected Option: Mill Bay Corridor



History of Mill Bay

Kodiak Historical Society

1964 Tsunami Changed Downtown



Archives, University of Alaska, Fairbanks

Kodiak is a community rooted in history

Things don't change quickly

Development Challenges

Redevelopment costs:
landfill fees, clean-up

Current parking code:
limiting redevelopment

Development Challenges Continued

Limited landscaping
Poor aesthetics

Traffic
Walkability
Bike design

Opportunities & Assets Along Mill Bay Road

- Existing vacant lots (some brownfield) with development potential
- Current new construction
- Out of the tsunami zone
- Developers moving into this area at a greater rate
- Desirable mixed use developing

Presented by Erin Welty, Kodiak Island Borough

Community Engagement

Getting people involved

- Round Table Discussions
  - Small groups
  - Effective dialog
  - Specific examples of issues and opportunities

Government Partners

Elected Officials

Alaska Native Groups

Educators

Developers, Real Estate Brokers

Property Owners

Community Groups

Life and Safety/Coast Guard

Town Hall Meeting

Small group with powerful ideas.

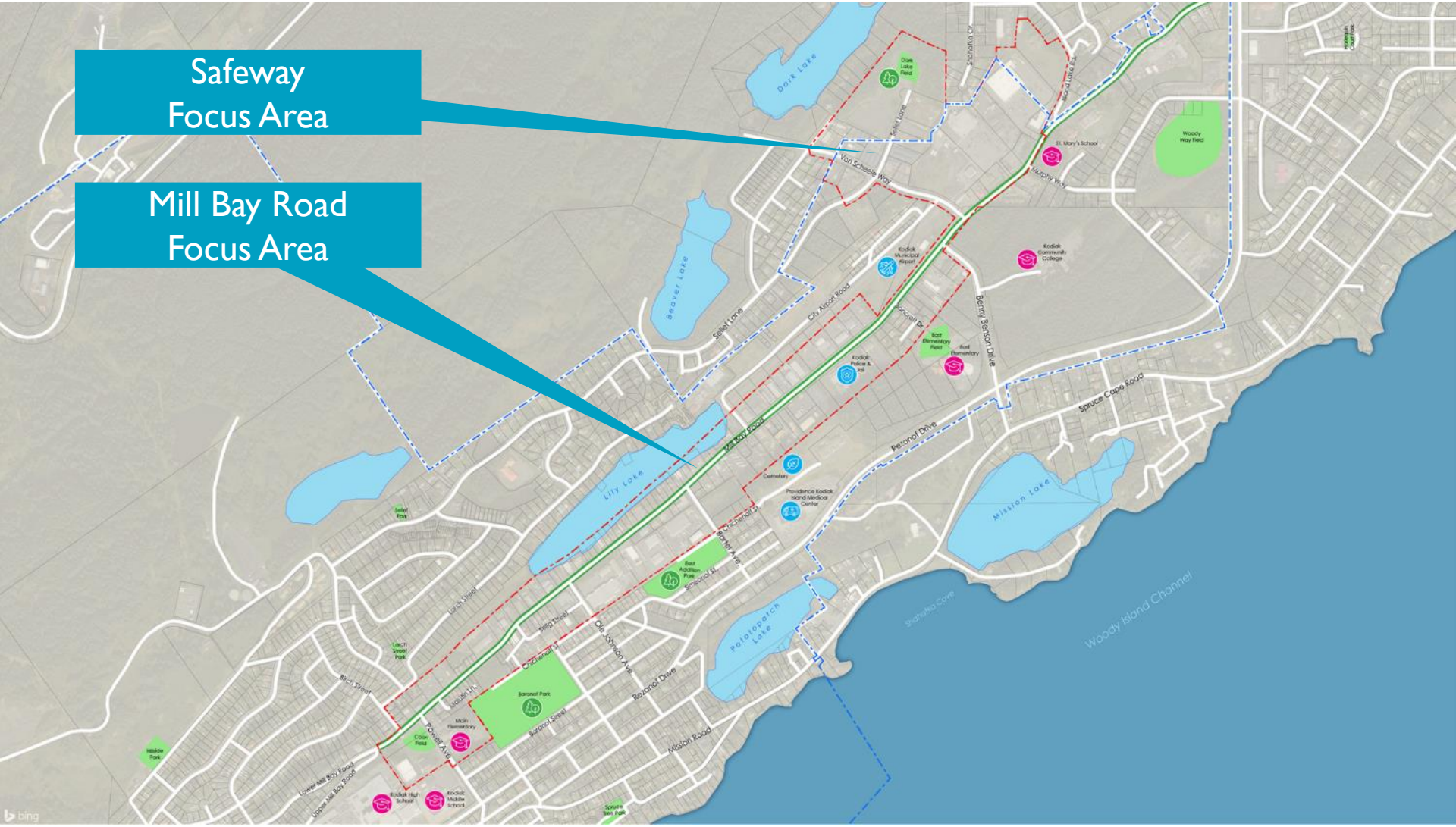
Presentation to city and borough leaders

- Need elected official buy in
- Make them aware of what you've heard
- Give them a taste of possible recommendations

Presented by Ryan Givens, Stantec

Planning Approach & Importance of Redevelopment

Study Area


Safeway
Focus Area
Mill Bay Road
Focus Area
Dark Lake
Beaver Lake
Lily Lake
Mission Lake
Potatopatch Lake
Woody Island Channel
Von Scheele Way
Mill Bay Road
Rezanof Drive
Spruce Cape Road
Berry Benson Drive
Selief Lane
City Airport Road
Marvin Ln.
Chichenof St.
Birch Street
Larch Street
Field Street
Old Johnson Ave.
Benard Street
Mission Road
Lower Mill Bay Road
Upper Mill Bay School
Kodiak High School
Kodiak Middle School
Main Elementary
East Elementary
Kodiak Municipal Airport
Kodiak Police & Jail
Providence Kodiak Island Medical Center
Kodiak Community College
St. Mary's School
Woody Way Field
Cemetery
Benard Park
Larch Street Park
Selief Park
Spruce Tree Park
bing

Scope of Work

Task I.
Community Engagement

Task II.
Data Gathering

Task III.
Demographic Conditions & Market Opportunities

Task V.
Redevelopment Strategies

Task VI.
Planning Document

Planning Components (Primary Deliverables)

Community Vision and Priorities

Framework Plan and Planning Initiatives

Strategies and Action Plan

"one of the most sustainable things we can do is focus growth in existing cities, neighborhoods, and corridors"

Existing urban areas can help solve some of today's biggest challenges & public needs

Population Growth

Infrastructure & Services

Business Start-up

Culture & Gathering

Limits Our Urban Footprint

Redevelopment Is Challenging

Development Costs

Infrastructure Demands

Brownfields

Regulations

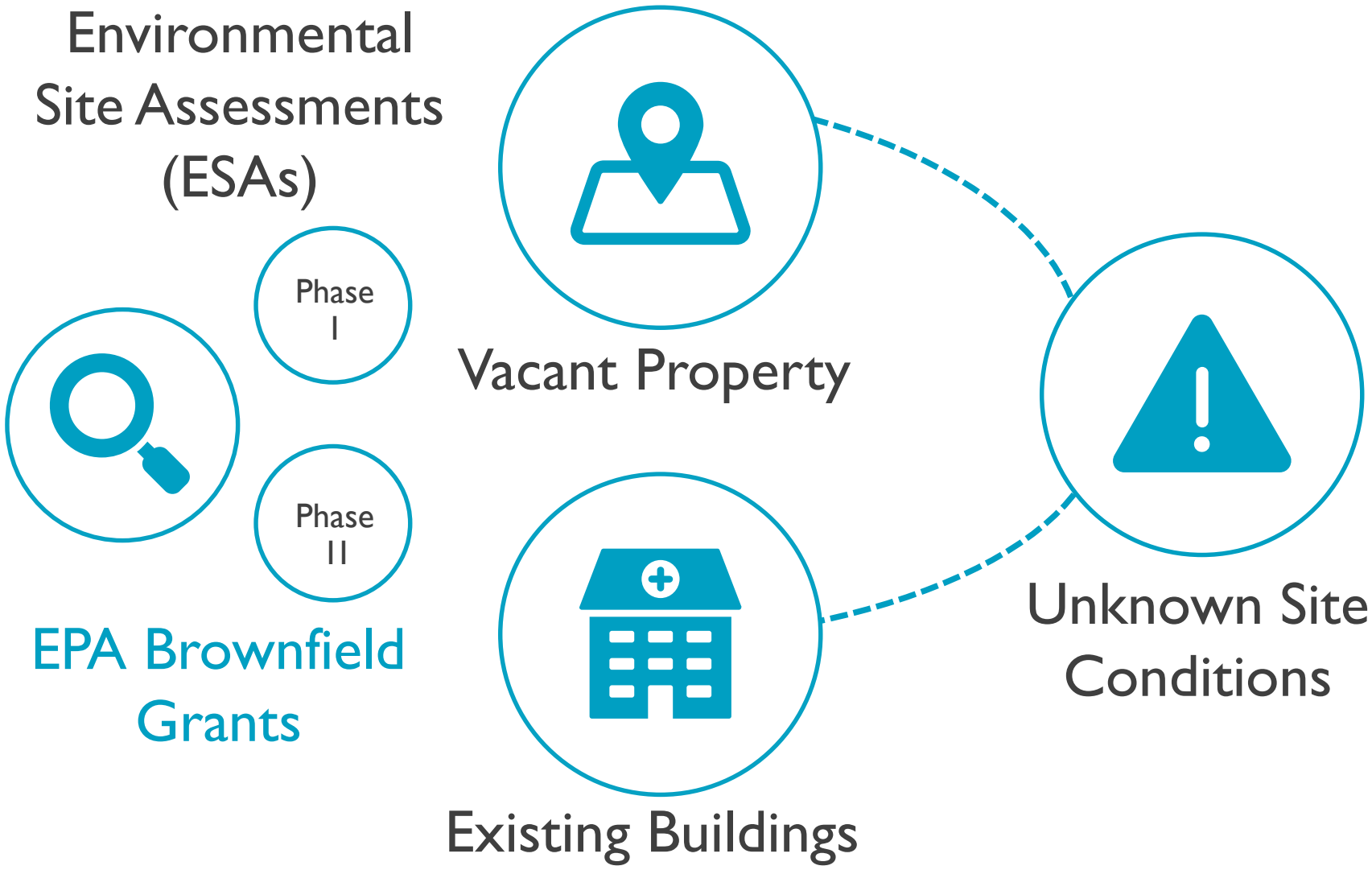
Perceptions

Brownfield Considerations

EPA brownfield definition:

"a property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant"

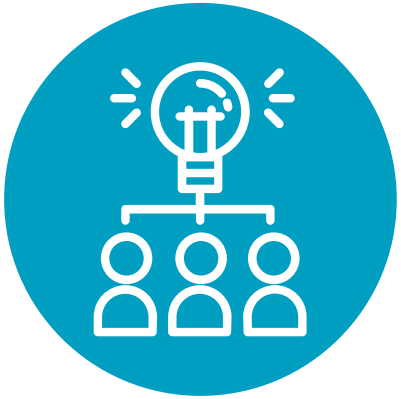
Redevelopment Is Challenging



Area-Wide Planning

Create Your Redevelopment Roadmap

Area-Wide Planning



Define the Community's Priorities

Understand Demographic & Market Conditions

Explore Opportunities

- Capital Projects
- Opportunity Sites

Address Brownfields

Define an Action Strategy

Presented by Shanna Zuspan, Agnew::Beck

Market Analysis & Development Forecast

Market Questions & Method

Questions

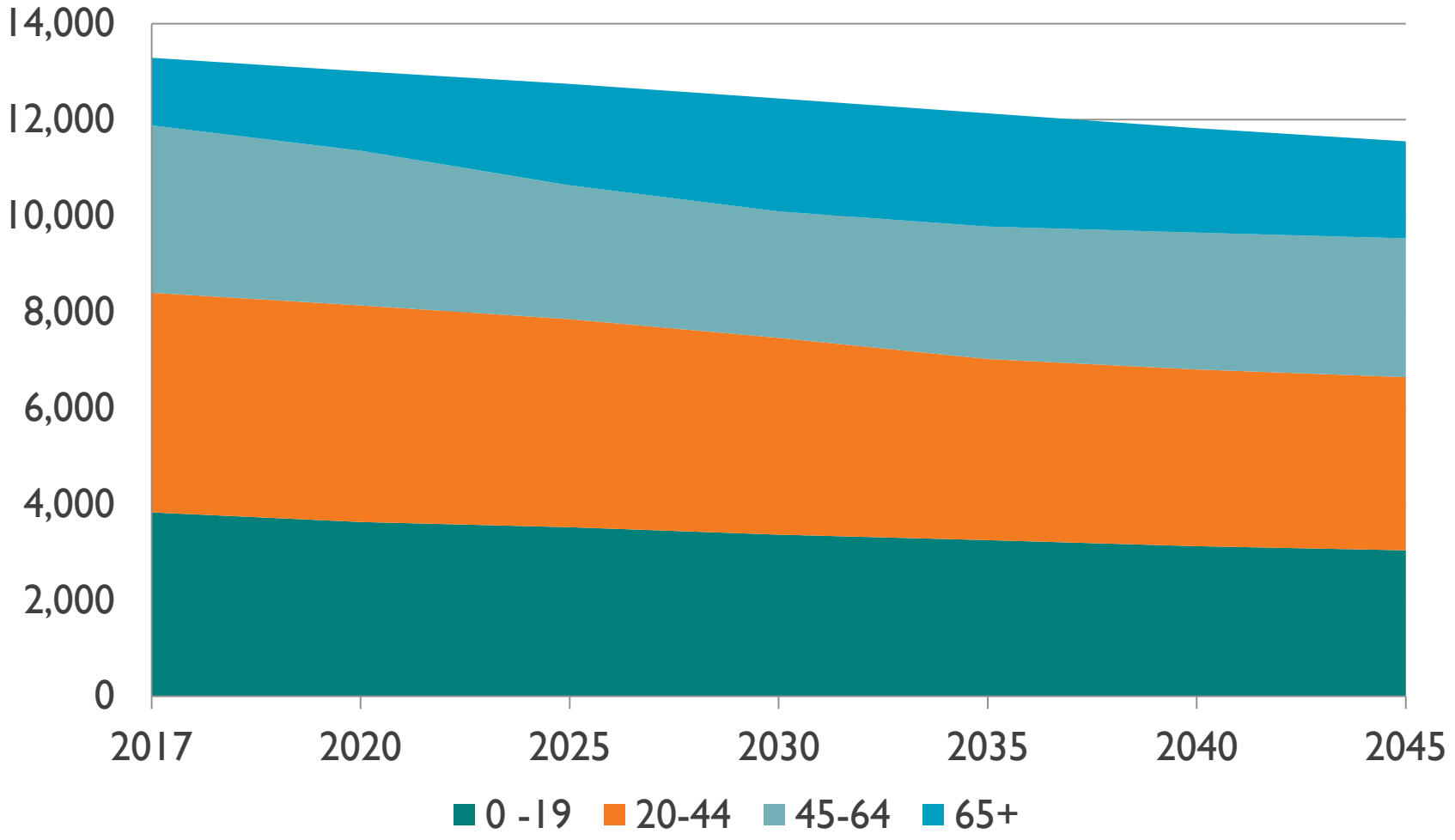
1. How much growth can we expect?
2. How much will Mill Bay Road capture?
3. How does that translate into expected development?

Method

1. Analyze economic & demographics
2. Community input & private sector observations
3. Develop a capture rate by land use
4. Use assumptions to translate demand into housing units and building square feet.

Boroughwide Population Declines Expected:

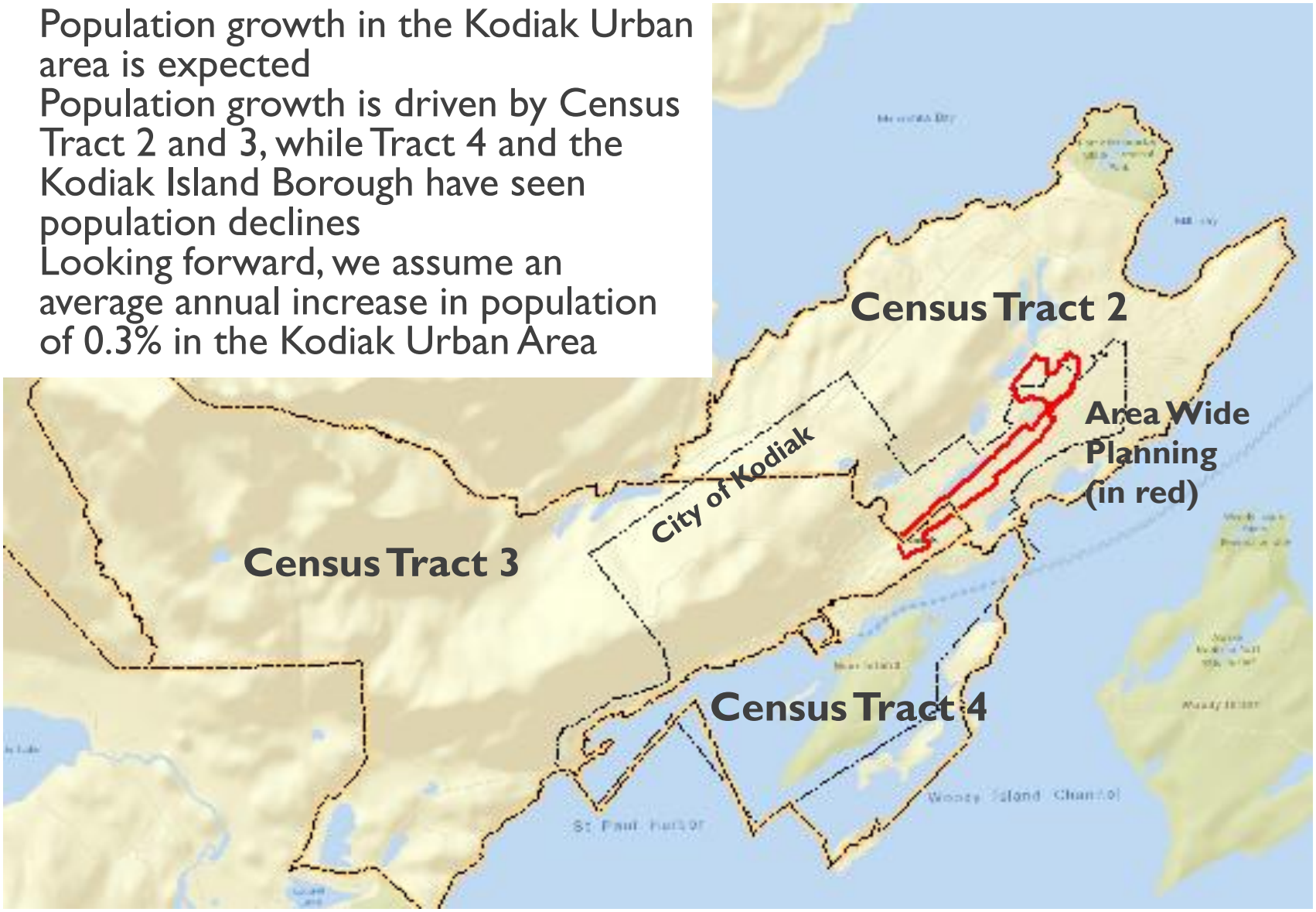
Kodiak Island Borough Population Projections



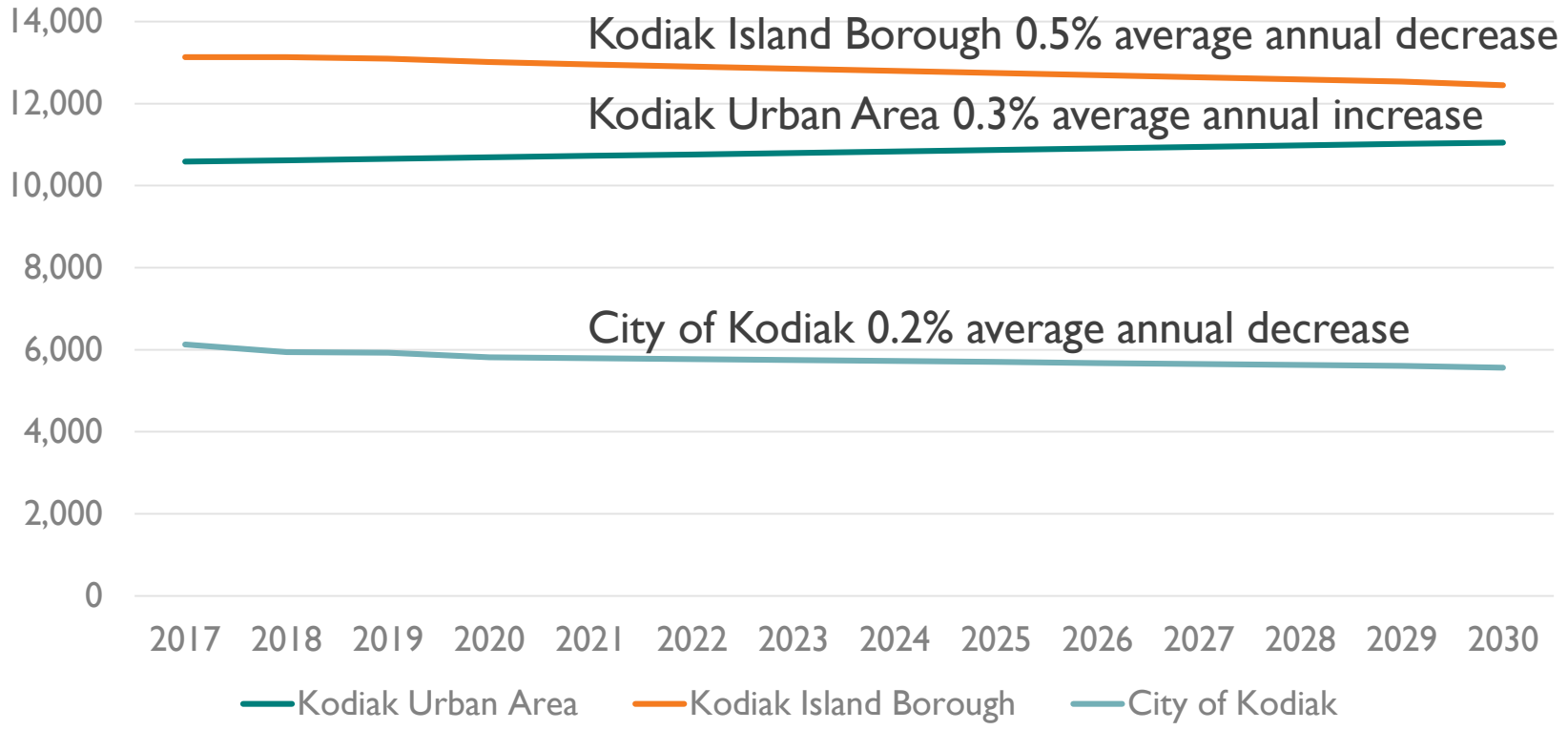
Source: State of Alaska Department of Labor and Workforce Development Population Projections

An Expected Population Increase in the Urban Area

- Population growth in the Kodiak Urban area is expected
- Population growth is driven by Census Tract 2 and 3, while Tract 4 and the Kodiak Island Borough have seen population declines
- Looking forward, we assume an average annual increase in population of 0.3% in the Kodiak Urban Area



Slight Variations in Growth Trends by Geography



Given historic trends, it is possible that there could be some population growth in the urban area in the next ten years to come, while the Borough as a whole and City lose population.

Source: Alaska Department of Labor and Workforce Development Population Projections 2017 – 2030 for KIB and City of Kodiak, published in 2018. KUA forecast based in 2000 – 2017 annual average from U.S. Census Bureau, American Community Survey

Kodiak Urban Area

10 to 20 Year Housing Needs Estimate

Item	Units	Notes
Current estimate of Housing Units	3,816	2017 American Community Survey (ACS) 2013-2017 5-Year Estimate.
New Units Needed Due to Population Change 2019-2029	124	American Community Survey 5-Year Estimates and Decennial Census: .3% average annual increase from 2000-2017. Net population change is then divided by the average household size to calculate units needed.
New Units Needed Due to Housing Condition	169	Estimated as the average of three indicators applied as a percent to the sum of occupied units and units on the market: occupied units lacking kitchen and plumbing facilities (.9%), all units built before 1950 (5.8%) and all units that are mobile homes (6.8%). 2017 ACS 5-Year Estimate.
New Units Needed Due to Severe Overcrowding	87	Overcrowding is defined by Census and HUD as homes with more than one occupant per room. Severe overcrowding is defined as more than 1.5 occupants per room. Rooms are defined as the total number of rooms, not just the bedrooms. Three percent of occupied Kodiak Urban Area housing is severely overcrowded. Another 8% are overcrowded. 2017 ACS 5-Year Estimate
Less New Residential Construction in 2017, 2018 and 2019	(87)	City of Kodiak and Kodiak Island Borough
Total New Units Needed	**293**	**Over 10 to 20 years**
Percent of total housing stock	8%	
Forecasted annual absorption	27	Calculated over a 10-year period

Employment Trends

Key Findings:

- Modest job growth is expected
  - *Average annual job growth of 3% between in Kodiak Urban Area*
  - *Average annual growth of 0.8% in the Kodiak Island Borough*
- Looking forward we assumed an average annual overall job growth rate of 2%
- Job growth distributed proportionally across sectors based on historic employment

10-Year Job Projections by Industry

Sector	2018 KIB Jobs	2018 KUA Jobs	Percent of Total KUA Jobs	KUA 2029 Projected Jobs	Net Change
Government	1,455	1,212	19%	1,463	251
Manufacturing	1,312	1,093	17%	1,319	226
Trade, Trans, Utilities	915	762	12%	920	158
Self-employed	798	665	10%	803	138
Educational + Health Services	786	655	10%	790	135
Seafood Harvesters	757	631	10%	761	131
Leisure + Hospitality	461	384	6%	463	79
Coast Guard	927	264	4%	319	55
Professional + Business Services	288	240	4%	290	50
Financial Activities	196	163	2%	197	34
Other services	185	154	2%	186	32
Construction	173	144	2%	174	30
Natural Resources + Mining	153	127	2%	154	26
Information	46	38	1%	46	8
Total	**8,452**	**6,533**	**100%**	**7,885**	**1,352**

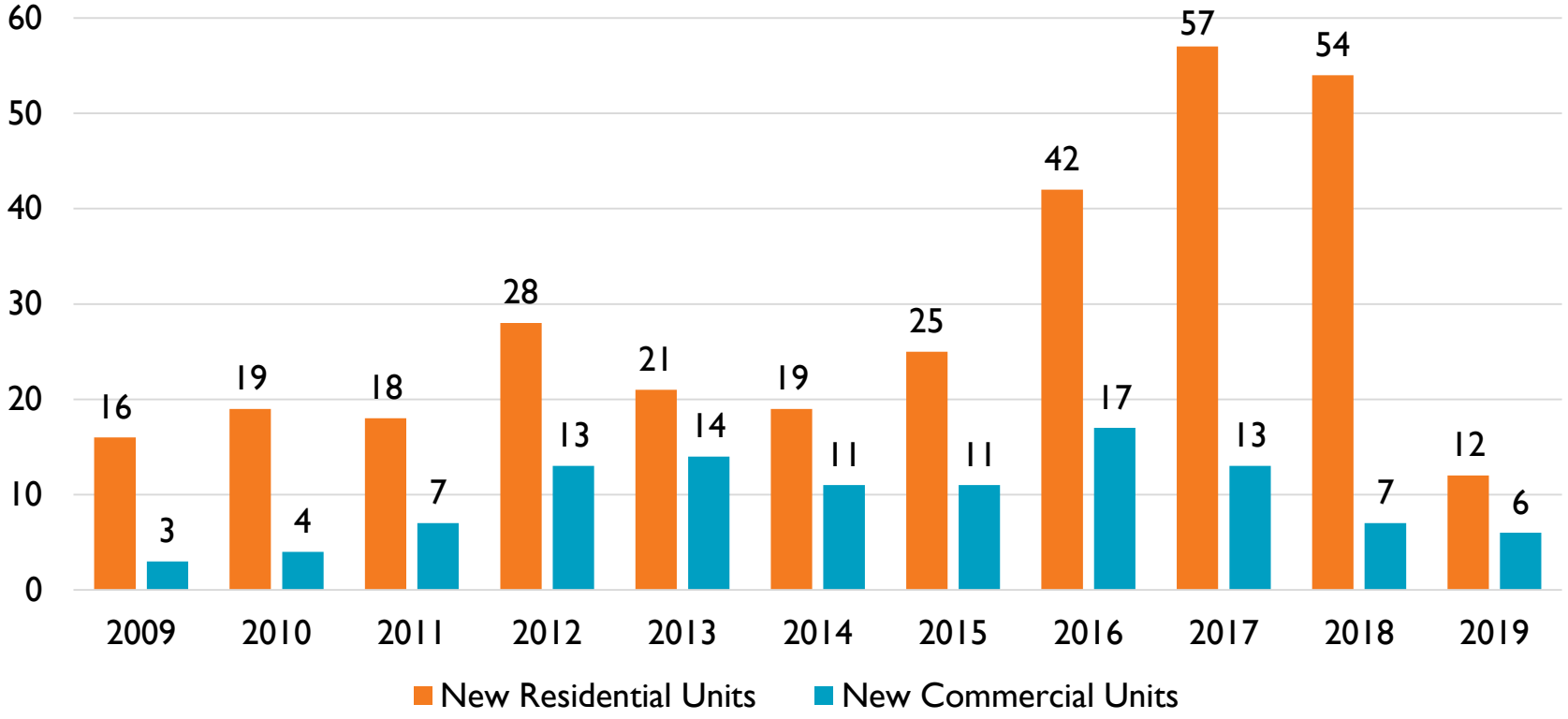
Key Findings:

- Historical
  - Average annual growth of 0.8% in the Kodiak Island Borough
  - Average annual job growth of 3% in Kodiak Urban Area
- Looking forward
  - Assumed an average annual overall job growth rate of 2%
- Job growth distributed proportionally across sectors based on historic employment

Source: Alaska Department of Labor and Workforce Development, Quarterly Census of Employment and Wages (QCEW); American Community Survey 5-Year Estimates Note: 2% used to forecast growth in the Kodiak Urban Area. State job growth forecasts show Alaska fishing, hunting, agricultural, forestry growing at 2% per year and seafood processing with no growth over the next 10 years.

Kodiak Urban Area:

Growth in New Residential Development Recently

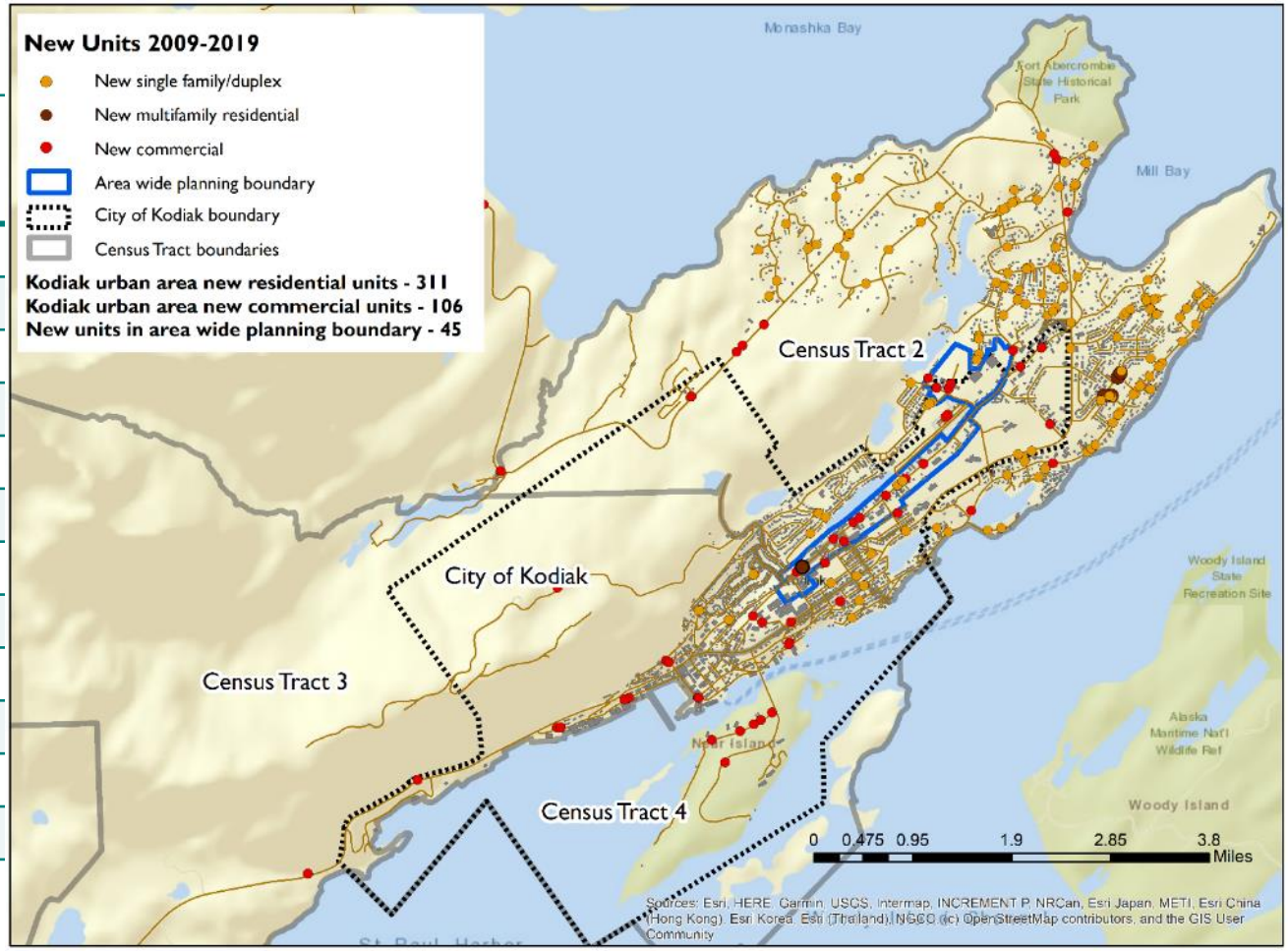


Source: Kodiak Island Borough + City of Kodiak. New residential units include: Single family dwellings, Single family dwellings with garage, Mobile home, Conversion to Duplex/two family dwelling, Duplex, Apartment building, Tri-plex, Four-plex, Manufactured home, Accessory buildings, Eight-plex, Six-plex. New Commercial units include: New commercial; Warehouse and mini-warehouse and Restaurant

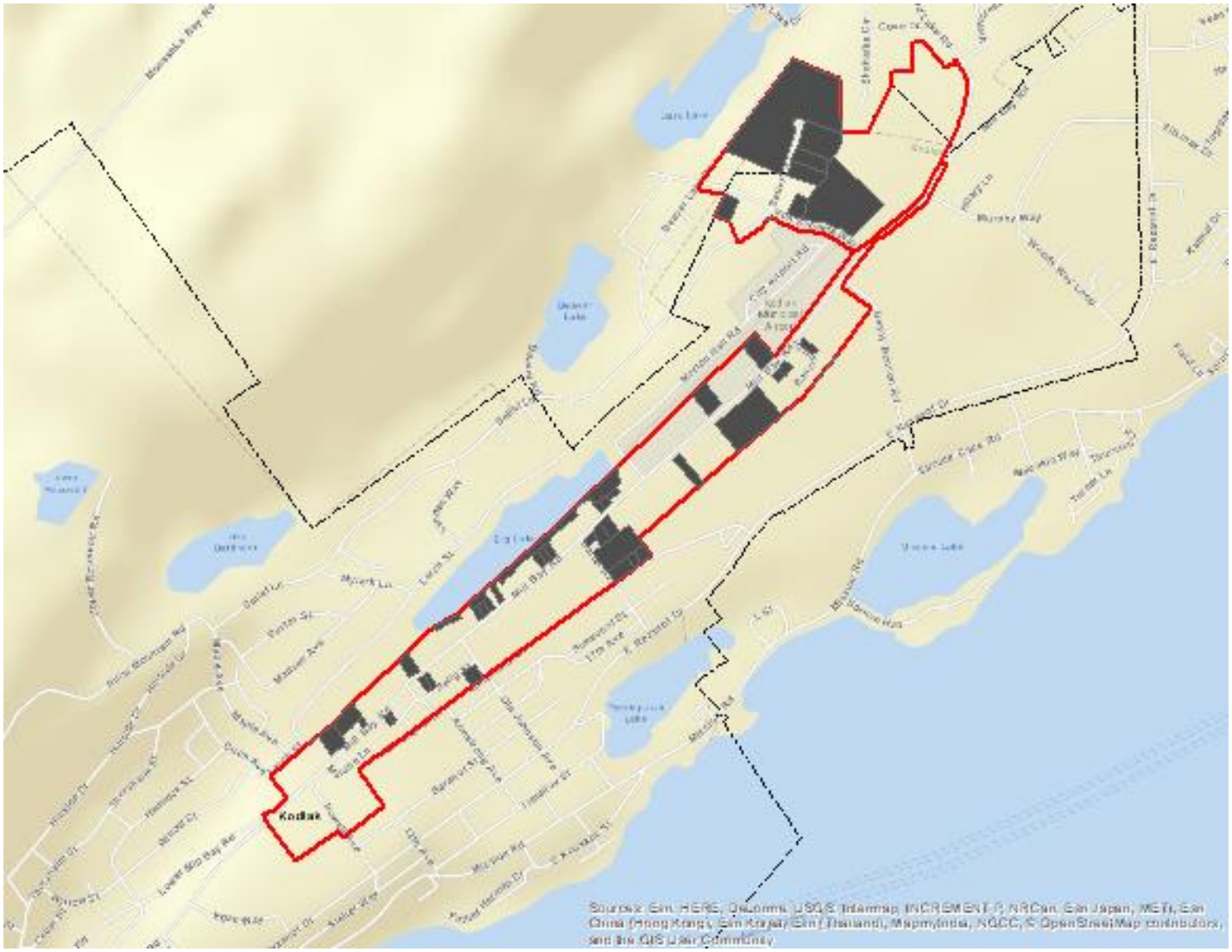
Building Permits:

Concentration of housing in Census Tract 2 with Commercial Along Mill Bay Road

Year	New Residential Units	New Commercial Buildings
2009	16	3
2010	19	4
2011	18	7
2012	28	13
2013	21	14
2014	19	11
2015	25	11
2016	42	17
2017	57	13
2018	54	7
2019	12	6
Total	311	106



Next Step: Estimate Demand for Development and Compare to Vacant Land in Planning Area



Housing Forecast in the Planning Area

Unit Type	Percent Distribution of Housing by Type [2]	New Units in KUA by 2029	Planning Area Capture Rate	Planning Area Acres	Planning Area Housing Units
Single-family	63%	183	0%	-	
Duplex	11%	33	25%	3	8
3-9 Units	12%	35	50%	4	17
10+ Units	15%	43	50%	3	21
Total	100%	**293**	16%	10	47
Estimated Vacant Land with Zoning that Allows Residential within Planning Area [1]				24.4	

[1] Includes the following zoning districts: Rural Residential One District, Single-Family Residential District, Multi-family Residential District, Business District, Retail Business District

[2] Based on trends from the 2013 – 2017 American Community Survey 5-Year Estimates.

Commercial Land Use Forecast for Kodiak Urban Area + Planning Area

Land Use	Kodiak Urban Area					Planning Area Share		
	Projected Employees Requiring Space	Sq. Ft. per Employee	Building Sq. Ft. Needed	FAR*	Acres Needed	Planning Area Share	Acres Needed	Building Sq. Ft. Needed
Office	291	250	72,766	0.30	5.6	90%	5.0	65,489
Industrial/Flex Space	266	750	199,623	0.15	30.6	50%	15.3	99,811
Retail	60	350	20,994	0.25	1.9	90%	1.7	18,894
Accommodations + Food Service	52	300	15,497	0.50	0.7	50%	0.4	7,748
Institutional	173	750	129,625	0.30	9.9	50%	5.0	64,813
Total	842		438,504		48.7	56%	**27.3**	256,756
Estimated Vacant Land with Zoning that Allows Commercial, Office, Industrial Uses [1]							19.9	

[1] Includes the following zoning districts: Business District, Industrial, Retail Business District, Multi-Family District

Commercial + Residential Land Supply and Demand in Planning Area (Acres)

	Total Land Area	Undeveloped Land (no structures)	Unoccupied Land (no tenant on property)	Subtotal Vacant Land Supply	Projected Demand	Potential Land Shortage or Surplus in Planning Area
	a	b	c	**d=b+c**	**e**	f=e-d
Allows Residential [1] Some duplication with Commercial	113.6	11.9	12.5	**24.4**	**10.1**	14.3
Allows Commercial [2] Some duplication with Residential	88.1	5.2	14.8	**19.9**	**27.3**	-7.4
Public Lands (PL)	8.6	3.2	0.0	**3.2**	**0.0**	3.2
Total Unduplicated Acres [3]	**127.6**	**15.0**	**16.2**	**31.3**	**37.4**	**-6.1**

Source: Stantec Field Observations

[1] Includes the following zoning districts: Rural Residential One District, Single-Family Residential District, Multi-family Residential District, Business District, Retail Business District

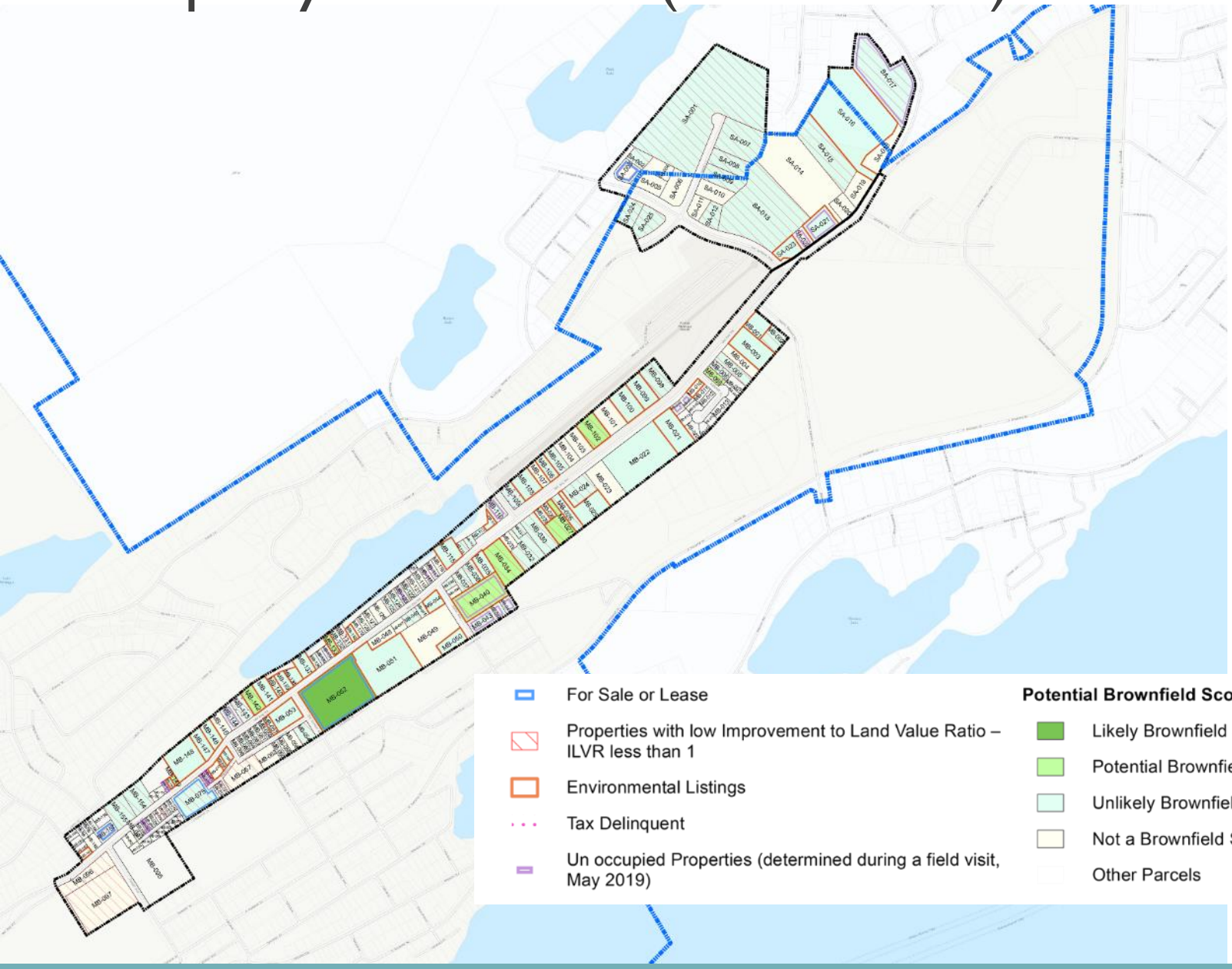
[2] Includes the following zoning districts: Business District, Industrial, Retail Business District, Multi-family Residential (which allows office)

[3] Rows add to more than the total because acreage can be used for both residential and commercial uses

Presented by Ryan Givens, Stantec

Community Priorities & Plan Recommendations

Property Conditions (Brownfields)



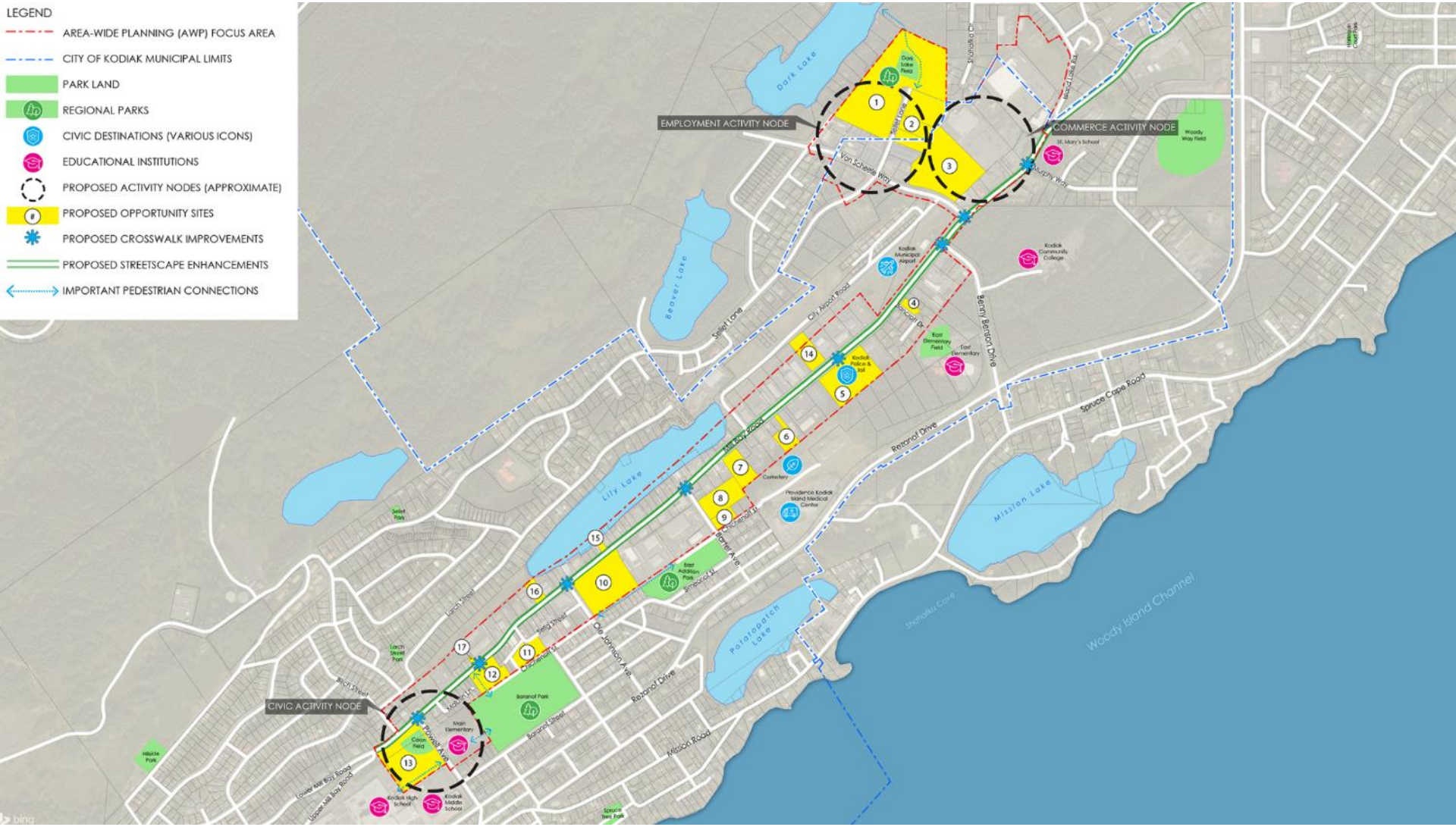
Community Priorities

Priority I:
Building Appearance and Availability

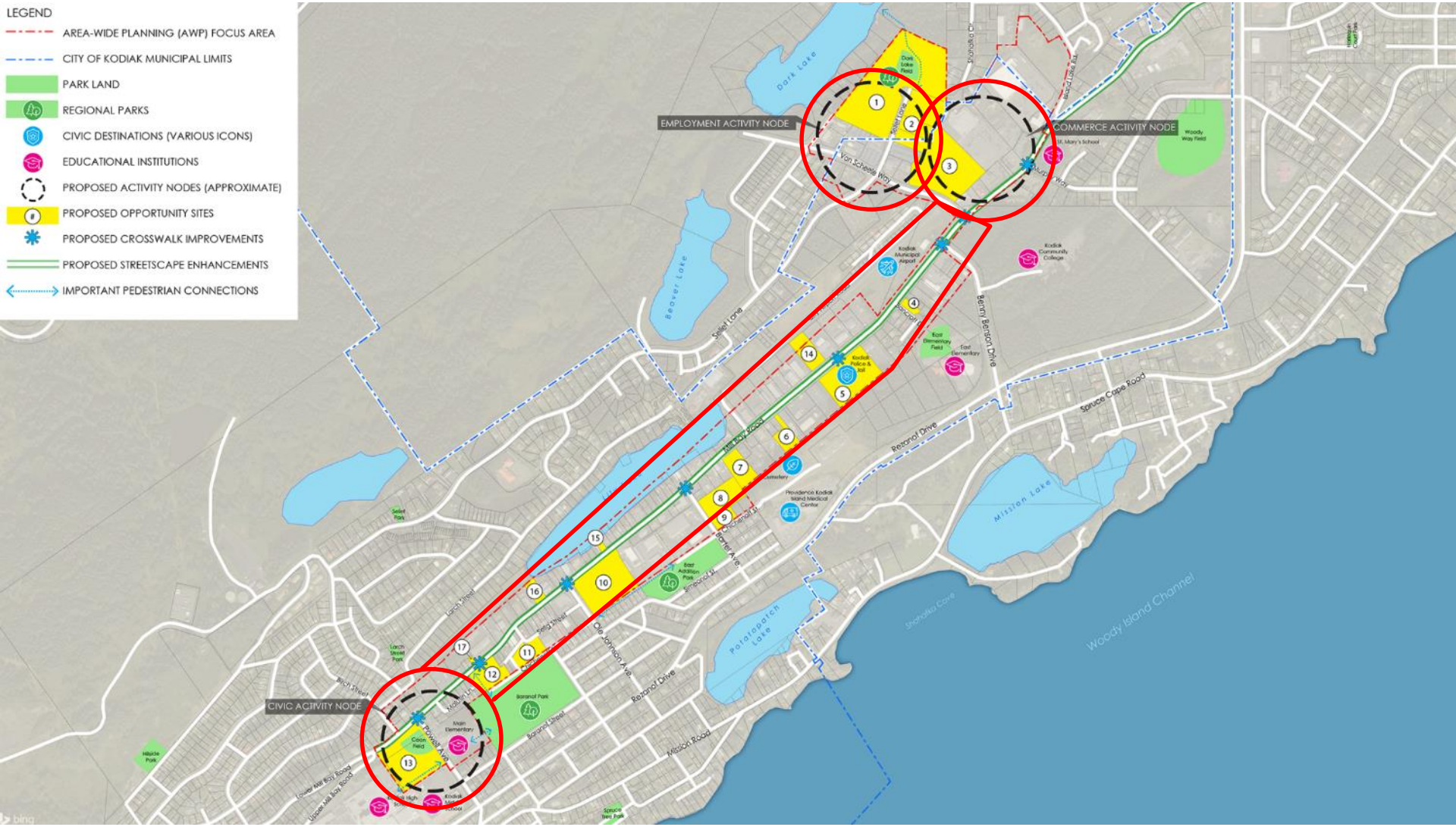
Priority II:
Multi-modal Access and Connections

Priority III:
Public Services and Utilities

Framework Plan and Planning Initiatives

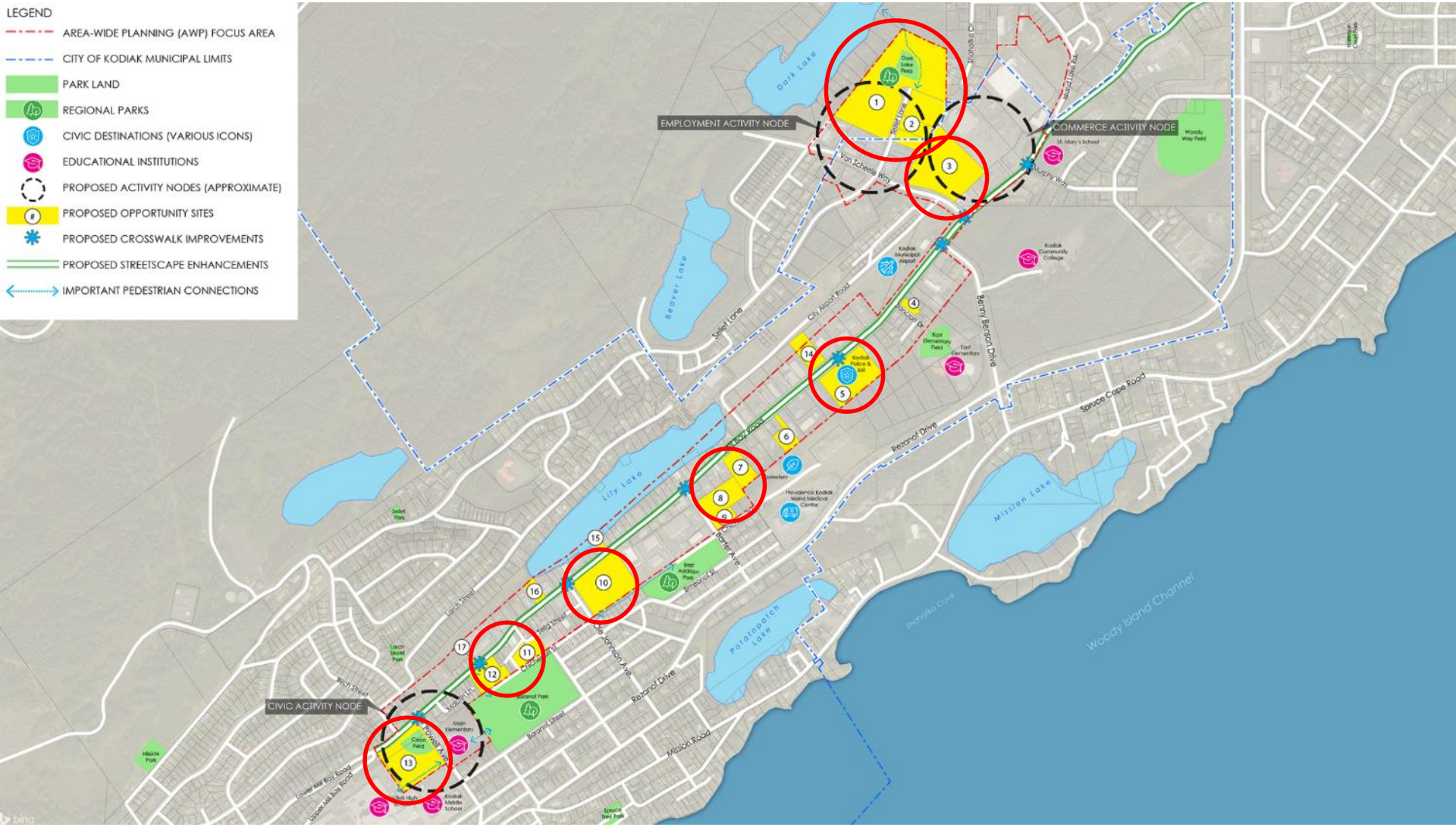


Framework Plan



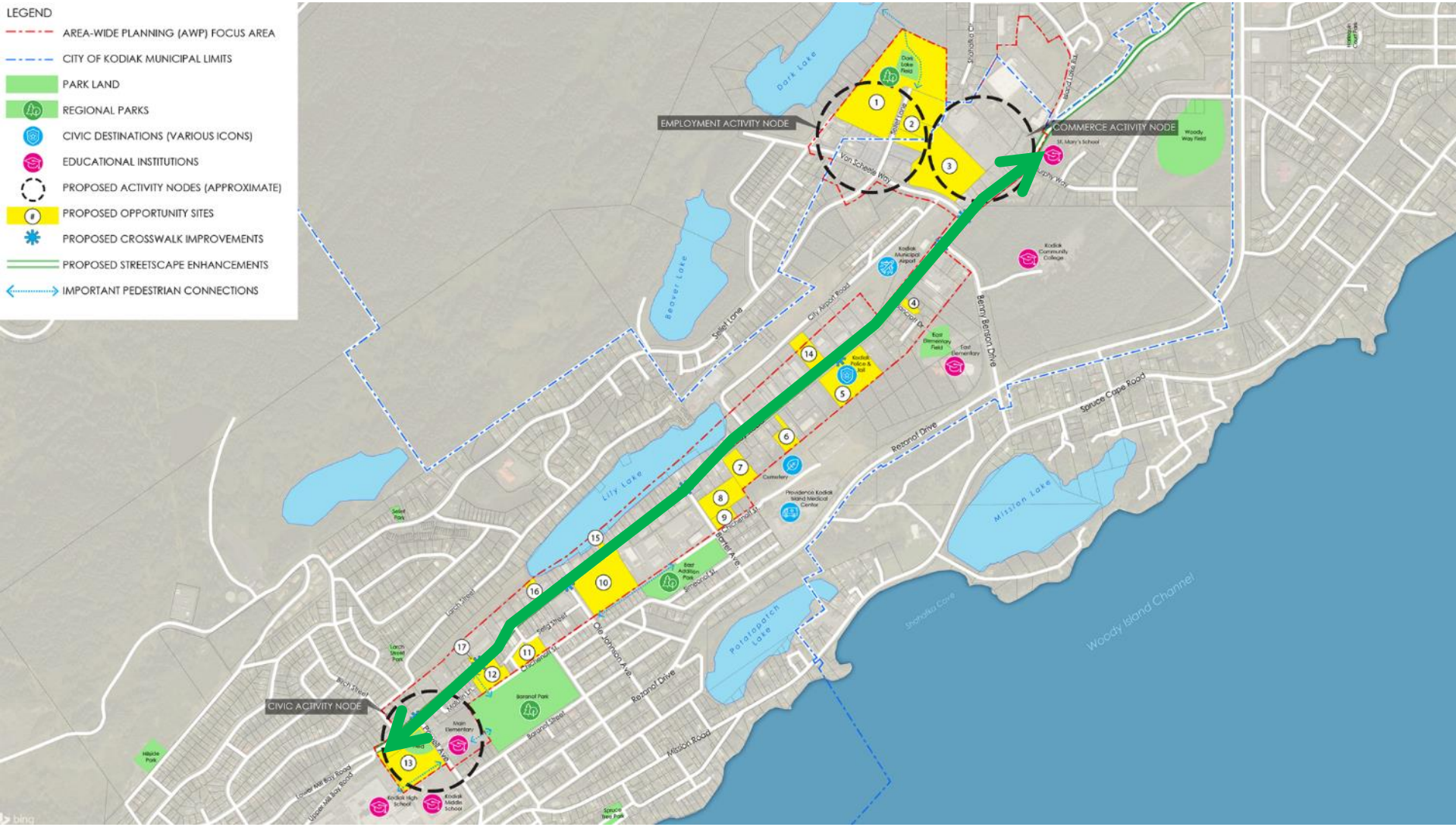
Create **Activity Nodes** / Mixed-Use Corridor

Framework



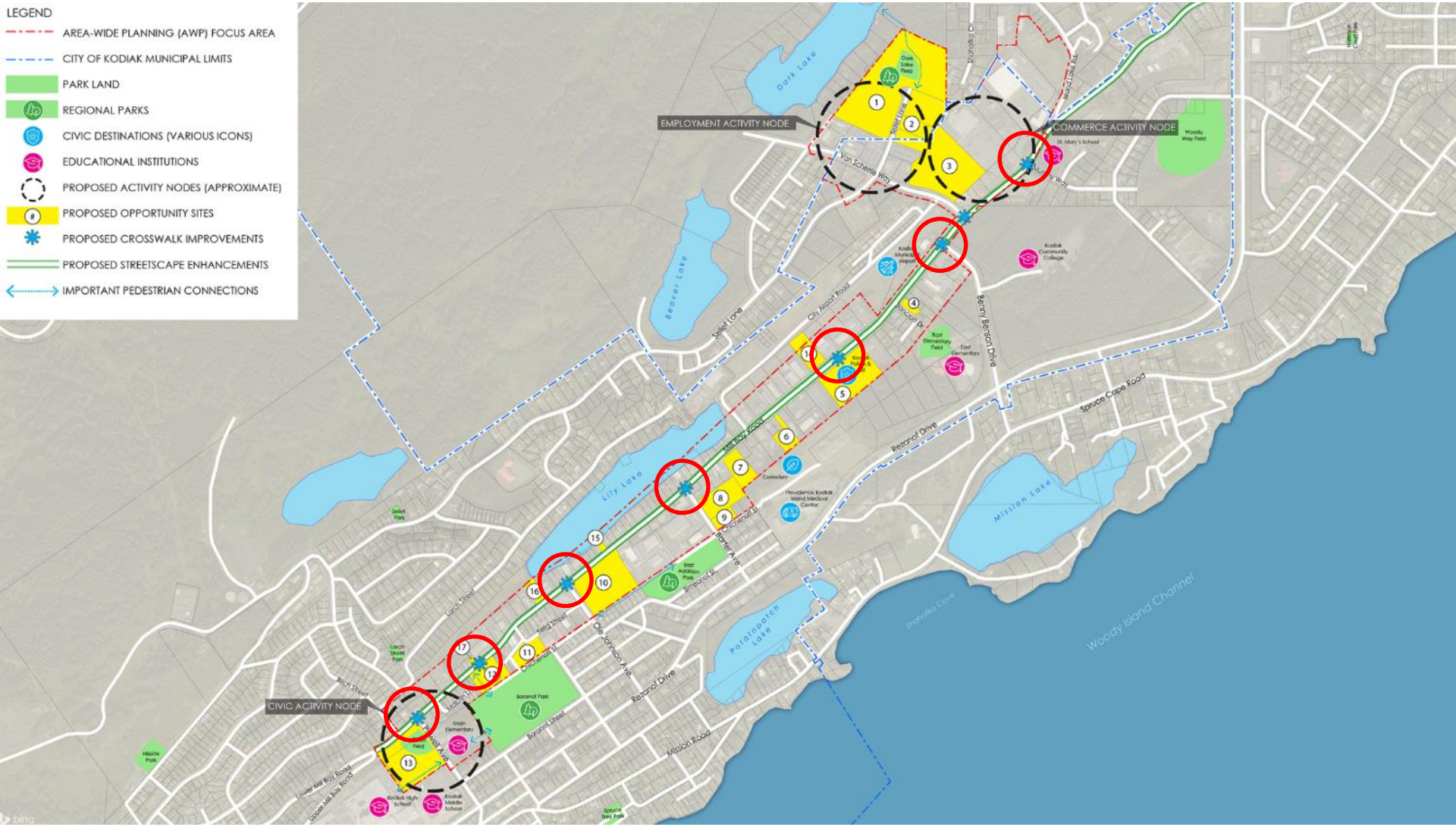
Concentrate on **Opportunity Sites**

Framework



Create A Vibrant **Streetscape**

Framework



Strengthen **Non-Motorized Connections**

Planning Initiatives

PI #1 - Commercial Redevelopment

PI #2 - Housing Development

PI #3 - Public Services

PI #4 - Pedestrian and Bicycle Access Enhancements

PI #5 - Parks and Recreation Enhancements

PI #6 - Opportunity Sites

Public Planning Toolbox

Capital Projects

Regulation & Policy

Marketing & Incentives

Create your implementation **Strategies** and **Action Items**

Strategies

Strategy 1:
Amend the Regulatory Framework

- *Rezone Strategic Properties (Opportunity Sites)*
- *Add design guidelines*
- *Add landscaping standards*
- *Amend small lot standards*
- *Reduce parking standards*
- *Allow mobile vendors*

Strategy 2:
Plan for Pedestrian/ Bicycle Connections

- *Identify crosswalk locations*
- *Identify vital ped/bike connections (on parcels)*

Strategies

Strategy 3:
Create Redevelopment Incentives

- *Explore multi-family tax credits*
- *Explore waste disposal credits*
- *Employ expedited permit review*
- *Explore façade improvement loans*

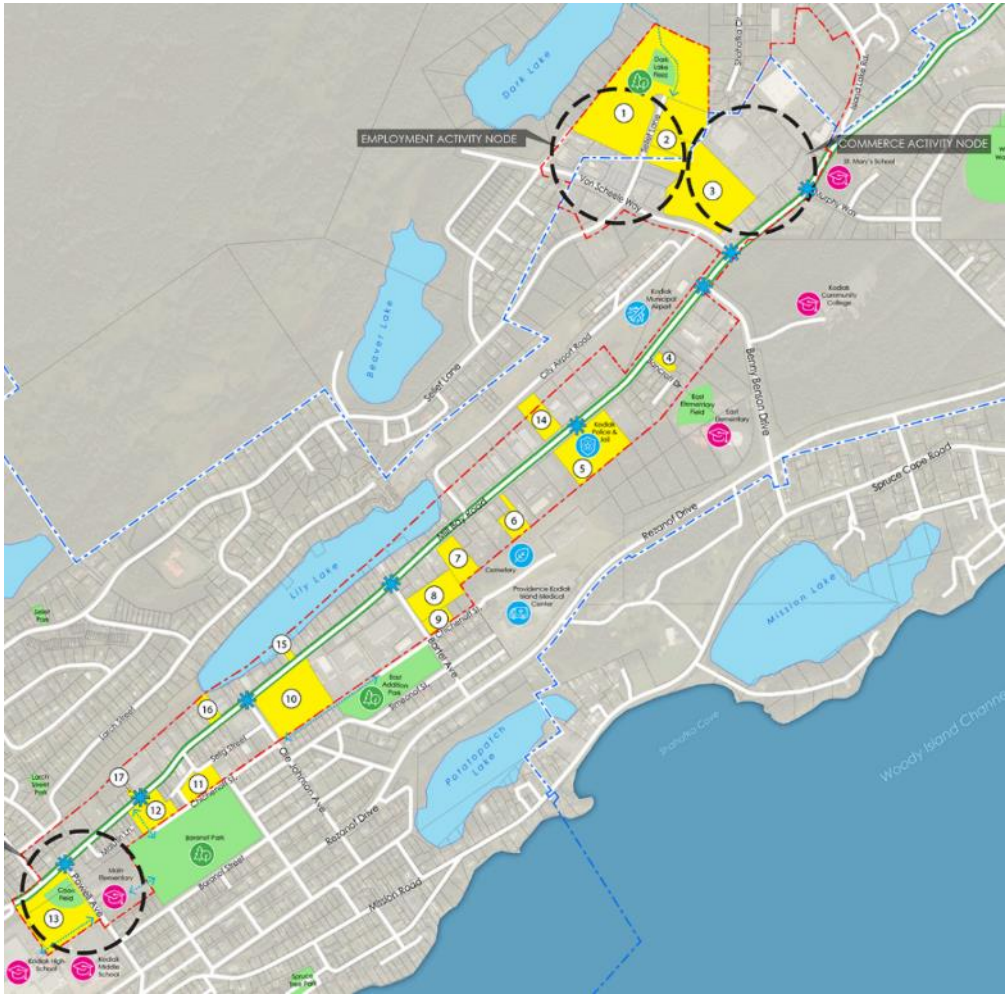
Strategy 4:
Enforce Property Maintenance

- *Expand property maintenance standards*
- *Clarify enforcement procedures*
- *Adopt violation fines*
- *Develop junk/debris disposal incentives*

Strategies

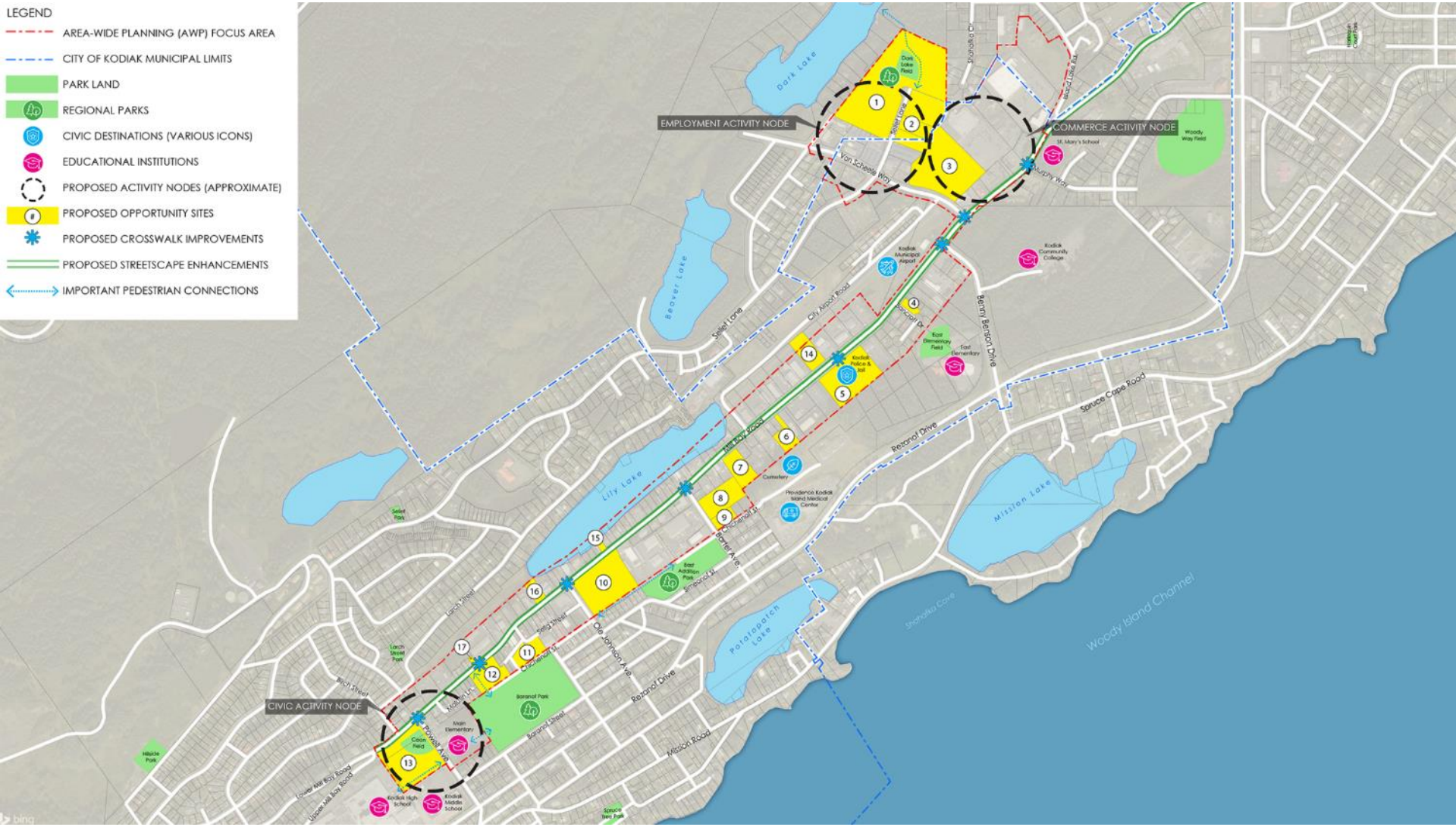
Strategy 5:
Provide Services and Utilities

- *Partner with Internet service providers*
- *Study overhead powerlines*
- *Assess utility line connectability*
- *Improve area parks*



Community Planners:

What we do matters

Thank you for planning for our communities

Questions and Discussion