

Buildings To Be Torn Down

BYLINE: RICHARD RICHTMYER, Anchorage Daily News

SECTION: MONEY; Pg. E1

DATE: APRIL 7, 2007

Parking lot will replace Experience Theatre and former offices

An Anchorage developer that recently bought two downtown buildings announced plans Friday to tear them down and replace them, temporarily, with a 75-space public parking lot.

Venture Development Group -- whose principal owners are developer Marc Pfeffer and contractor Jerry Neeser -- bought the 31,500-square-foot property between Fifth and Sixth avenues and G Street this winter.

The property houses the Alaska Experience Theatre and the former offices of Lounsbury Associates, both of which have stood there for decades. Pfeffer said those two buildings will be torn down starting this weekend, and a gravel parking lot will be in their place in a few weeks. It will be paved this summer, he said.

It won't remain a parking lot forever, though. Eventually there'll be a more ambitious redevelopment project at that site, one that fits with the changing character of downtown, including more contemporary structures and higher density, Pfeffer said.

"It deserves that kind of development, but we have no clue what it's going to be," Pfeffer said. "We're in the business of developing real estate, and now we'll have this in our portfolio and wait for something to come along."

Construction of a new convention center and a related parking garage reduced parking spaces downtown. That new construction is occurring on what used to be parking lots with a total of 420 spaces. Both buildings are scheduled to open in September 2008.

The Anchorage Community Development Authority, which is in charge of city parking, will lease the lot from Pfeffer's group and charge \$2 an hour to park there, according to Mayor Mark Begich's office.

The city agreed to lease the lot for up to five years. The developer has the option to terminate the lease after giving 60 days' notice. The city can end the lease any time after the first two years, both sides said Friday.

The city will pay \$29,000 a month to lease the lot and will share in revenue from parking fees, said Mary Jane Michael, director of the Office of Economic and Community Development.

The city expects to break even or make a small profit from the lot, she said.