

# Platting Board

November 2, 2022

Case #: **S12699**

Case Title: Request to subdivide three (3) tracts of land into five (5) tracts, together with request for Vacation of a 50-foot Section Line Easement and a 10-foot Telephone & Electric Easement.

Agenda Item #: **F.1.c**    Supplementary Packet #: **1**

**X**    Comments submitted after the packet was finalized

☐ Additional information

☐ Other:

Sent by email:    **X**    yes                      no

# Municipality of Anchorage



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P.O. Box 390  
Girdwood, Alaska 99587  
<http://www.muni.org/gbos>

**David Bronson, Mayor**

GIRDWOOD VALLEY SERVICE AREA BOARD OF SUPERVISORS

Mike Edgington & Briana Sullivan, Co-Chairs

Jennifer Wingard, Amanda Sassi, Guy Wade

June 22, 2022

Community Development Director Adam Trombley:  
[Adam.Trombley@anchorageak.gov](mailto:Adam.Trombley@anchorageak.gov)

Dear Director Trombley,

Thank you for your attendance and contributions to the June 14th joint Girdwood Board of Supervisors/Land Use Committee (GBOS/LUC) Town Hall meeting regarding Holtan Hills.

The meeting minutes are available at:

<https://www.muni.org/Departments/operations/streets/Service/GBOS/GBOS%20LUC%20Town%20Hall%20June%202014%202022%20minutes%20final.pdf>

A recording of the full meeting has been published on YouTube: <https://youtu.be/t-cWGflfvVI>

The context for the Holtan Hills project is that Girdwood has an acute housing crisis.

There is high demand from non-residents to purchase property in Girdwood, and a very limited inventory. House prices have increased dramatically. Consequently, and inevitably, this has squeezed out those who work in the community and either rent here or wish to move from renting to purchase. These very individuals contribute significantly and are essential to the healthy, sustainable functioning of our community. A paucity of workforce housing is the primary factor limiting the operation, stability, and certainty of local businesses and service providers.

At the June 14th Town Hall the overriding sense was extraordinarily clear that the community of Girdwood has serious concerns with the Holtan Hills development as currently proposed. These concerns broadly fall into four categories:

- **Process** Several speakers expressed concerns about the process of developing the RFP, the lack of information provided to the community during the negotiation of the development agreement, and the limited degree of public engagement since the proposal award in June 2021. The development agreement itself was only made publicly available on May 23, 2022. Girdwood embraces a very attentive public process: Our community values and expects updates and information, especially when requested and of significant interest. Such data directly affects current and future planning for infrastructure, vital services, residents, and visitors to our town. HLB, as an entity managing public assets, is required to honor public process and transparency. The RFP taking place behind closed

doors lowered the trust in the project from the start by giving the impression that public input would be ignored.

- **Infrastructure & impact study** The Holtan Hills project will add approximately 30% to our residential developed land and ultimately about a 20% increase in housing units. Given the scale of this development, many in the community want to see an impact study to understand the anticipated changes to traffic, utilities, noise, and other environmental factors.
- **Indirect link to housing** Since this is a land development project, housing will not be produced directly. The resulting housing would be built by third parties, however there is no guarantee on the amount, nature, or timescale for that housing. The developer has explained that HOAs and the requirements of conventional financing could guide the eventual housing, yet this depends on multiple unknown factors which may not materialize. This lack of clarity does not earn community support, rather, increased uncertainty.
- **Housing affordability** During the June 14th town hall, the developer stated the estimated market sales price of the least expensive, entry-level one bedroom apartment would be \$500,000 in current value. This would mean that the lowest price entry-level unit is 20% higher than the **average** 2021 home sale price across Anchorage.

While the Holtan Hills project may provide additional housing stock (although that is dependent on future actions from third parties) the project does not address our housing affordability crisis. The creation of a large number of second homes, investment properties, or short-term rental businesses does nothing to alleviate the economic and societal problems that our community is facing, and instead exacerbates the widespread stress on Girdwood's housing, vital services, commerce, labor, and economic stability.

Other resort communities use public land, partnerships, and related policies to provide workforce housing at affordable rates. All developable public lands in Girdwood are held by HLB, pressing our community from all sides. Consequently, we urge HLB to use their ownership of those lands to address the desperate need for workforce housing. GBOS is in the process of forming a Holtan Hills Advisory Committee, and we hope HLB can work together with GBOS and the Advisory Committee to amend the Development Agreement so it benefits the community.

While GBOS has yet to vote regarding support of the Holtan Hills project, it remains difficult to see how any responsible body could support such a major development in Girdwood without any mechanism to address the most serious of our housing needs.

Regards,



Briana Sullivan  
Co-Chairs, Girdwood Board of Supervisors



Mike Edgington

Cc:

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## Resolution 2022-23 Of the Girdwood Board of Supervisors

### **RESOLUTION OF SUPPORT**

#### **FOR REVISION OR REVOCATION OF THE DEVELOPMENT AGREEMENT BETWEEN HERITAGE LAND BANK (HLB) AND CY INVESTMENTS TO ADDRESS GIRDWOOD COMMUNITY HOUSING NEEDS**

Whereas, the community of Girdwood recognizes the importance of developing HLB lands for a variety of critical needs; and,

Whereas, the disposal of Holtan Hills is one of the most complex real estate projects undertaken by the HLB; and,

Whereas, the project envisioned would be the largest housing development in Girdwood, proposed to increase the community by an estimated 200 residences with a possible population impact of 400+ residents, an increase of more than 10% of the current population; and

Whereas, there is a well-established lack of housing in Girdwood for long-term rentals, as well as a lack of homes available for purchase except at the highest end of the housing market; this lack of housing is crippling the ability of our local businesses and organizations to find and keep employees; and,

Whereas, lack of housing is having a demonstrably negative impact on the housing stability of residents who serve the community and it is clear that Girdwood is in desperate need of workforce and mid-income housing; and,

Whereas, the Development Agreement for Holtan Hills provides only market-rate housing, with no provision of affordable, senior, workforce, or even mid-income housing, and will exacerbate existing housing and employment issues; and,

Whereas, it is inconceivable that such a project would take place in a neighborhood in the Anchorage Bowl without substantive outreach and collaboration within the community; and,

Whereas, the community of Girdwood has expressed their concerns and requested answers of the HLB and the MOA through town hall forums and action by Girdwood Inc and the Girdwood Chamber of Commerce, as well as via yard signs that individuals purchased and placed at the residences that state "Halt Holtan Hills"; and,



Whereas, the community of Girdwood has met to formally discuss the project through the Land Use Committee and Girdwood Board of Supervisors meetings and with the HLB, the project investor, CY Investments, and the MOA Manager; and,

Whereas, based on the overwhelming amount of interest on the topic and at the request of the developer and HLB, an ad-hoc committee, the Holtan Hills Housing Advisory Committee (HHHAC), was created to address community concerns and propose solutions that would make the development acceptable to the community of Girdwood; and,

Whereas, members of the HHHAC have engaged with HLB and MOA to attempt substantive solution-based discussions that would result in a positive conclusion and intentional effort to address Girdwood's housing needs; and,

Whereas, currently the conclusion from the HHHAC is that they have not been able to achieve such solution-based discussions and therefore are not able to support the Holtan Hills land disposal in its current form;

THEREFORE, GBOS cannot support the disposal of land under the Holtan Hills Development Agreement, to which the Girdwood community has consistently voiced their objection;

ALSO, the GBOS and the Holtan Hills Housing Advisory Committee see tremendous value in developing the Holtan Hills lands in a way that benefits the Girdwood community as well as the MOA and requests that the HLB and MOA engage in open dialog to address Girdwood's concerns and needs.

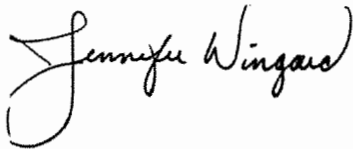
Passed and approved by a vote of 4-0 of the Girdwood Board of Supervisors the 24<sup>th</sup> day of October, 2022.



Briana Sullivan  
Co-Chair, GBOS



Mike Edgington  
Co-Chair, GBOS



Jennifer Wingard  
GBOS Member

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## Resolution 2022-14

### Resolution in Support of Amendment of the Development Agreement between Heritage Land Bank and CY Investments to Address Girdwood Community Housing Needs

Whereas, the community of Girdwood recognizes the importance of developing Heritage Land Bank (HLB) lands for a variety of critical needs; and

Whereas, on April 6, 2021, Heritage Land Bank issued a Request for Proposals (RFP) for “Girdwood Residential 2021”, development of a portion of HLB parcels 6-011, 6-016, 6-017; and

Whereas, the project envisioned by the RFP would be the largest housing development in Girdwood since Alyeska Basin over 40 years ago, and the largest development of any kind since the Alyeska Hotel was built almost 30 years ago; and

Whereas, the RFP included “Promote Housing and Employment Stability” as one of eight development goals, and required the proposal to detail the number of specific housing units intended for “affordable or senior housing, market rate housing, workforce housing, multi-generational housing, etc.”; and

Whereas, two proposals were received in response to the RFP and evaluated by a nine member selection committee which, on June 29, 2021, recommended selection of the “Pomeroy Partnership” proposal, a partnership between Pomeroy Property Development Ltd, Seth Anderson P.E. and CY Investments LLC; and

Whereas, between July 2021 and April 2022, HLB negotiated a Development Agreement with CY Investments LLC for development of part of the “Pomeroy Partnership” proposal, specifically the part west of Glacier Creek referred to as “Holtan Hills”; and

Whereas, the Development Agreement between HLB (through the Municipality of Anchorage) and CY Investments LLC for Holtan Hills was signed and became effective on April 29, 2022, with the agreement made publicly available on May 23, 2022; and

Whereas, HLB provided no formal or informal mechanism to incorporate Girdwood community concerns and priorities into the original RFP or into the Development Agreement, and provided very limited information on the status of either document during their drafting and finalization; and

Whereas, as a resort community, Girdwood has a very distinct housing market from the rest of Anchorage, characterized by an extremely high proportion of second homes and investment properties at approximately 70% of residential housing units, and a high proportion of housing used for Short Term Rentals at 15-20% of the total housing units; and

Whereas, using the Federal definition of “affordable housing” as spending no more than 30% of gross household income on housing, including mortgage or rent plus basic utilities, median housing costs continue to be well above median household income, indicating a housing affordability crisis; and

Whereas, through testimony at Girdwood Board of Supervisors (GBOS), Girdwood Land Use Committee, Housing Working Group and the experience of local service organizations, there is a well-established lack of housing in Girdwood for purchase or long-term rental with evidence suggesting the problem has become significantly worse over the past 3-4 years; and

Whereas, this lack of housing is having a demonstrable negative impact on the housing stability of residents and the viability of local businesses, first responders, health care providers, educators, daycare and local government entities; and

Whereas, Girdwood's most urgent need for land development is provision of workforce and mid-income housing, which is critically under-supplied and becoming less available each year; and

Whereas, the land covered by the Development Agreement has a significant footprint and impacts trail use areas, the airport, school, community water source, utility lines and access roads, yet HLB has not released any information regarding the studies required under 2021 HLB Annual Work Program and 2022-2026 Five-Year Management Plan that would address these issues; and

Whereas, the Development Agreement for Holtan Hills is set up to perform land sales, leaving the characteristics of resultant housing to third parties, with no identified mechanism for construction of specific housing uses; and

Whereas, the Development Agreement for Holtan Hills provides only market-rate housing, with no provision of affordable or senior housing, workforce housing or even mid-income housing; and

Whereas, the Development Agreement for Holtan Hills has no mechanism, such as deed restriction, to encourage use of the resultant housing as primary residences, or to discourage their use as vacant second homes or commercial short-term rental businesses; and

Whereas, despite the RFP including promotion of housing and employment stability as a goal, there is no evidence that the Holtan Hills Development Agreement meets that goal; and

Whereas, successful land development has to be commercially viable; and

Whereas, there are other critical needs for HLB lands, including but not limited to, residential, commercial, industrial, access, and for recreational purposes; and

Whereas, GBOS has created a Holtan Hills Advisory Committee to recommend how the Holtan Hills project could meet community needs; and

Whereas, this resolution was recommended by the Girdwood Land Use Committee by a vote of 42 in favor, 1 opposed and 6 abstaining at their Regular Meeting on June 13, 2022;

NOW, THEREFORE BE IT RESOLVED that the Girdwood Board of Supervisors requests the Heritage Land Bank engage with GBOS and the Holtan Hills Advisory Committee to address the community needs for workforce and mid-income housing as part of this development, perform the required MOA impact studies, and codify changes through an amendment to the Development Agreement or through a similar binding mechanism.

PASSED AND APPROVED by a vote of 4 to 1 this 18th day of July 2022.



Mike Edgington  
GBOS Co-Chair



Briana Sullivan  
GBOS Co-Chair



Attest