

# Municipality of Anchorage



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

*David Bronson, Mayor*

*GIRDWOOD VALLEY SERVICE AREA BOARD OF SUPERVISORS  
Mike Edgington and Briana Sullivan, Co-Chairs  
Jennifer Wingard, Amanda Sassi, Guy Wade*

## 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, 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 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 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 x to x this 18th day of July 2022.

Mike Edgington  
GBOS Co-Chair

Briana Sullivan  
GBOS Co-Chair

Attest