

**ANCHORAGE, ALASKA  
AO NO. 2022-103(S)**

1 **AN ORDINANCE AUTHORIZING THE COMPETITIVE DISPOSAL OF PORTIONS**  
2 **OF HERITAGE LAND BANK PARCELS 6-011, 6-016, AND 6-017, LEGALLY**  
3 **DESCRIBED AS TRACT I PRINCE ADDITION ALYESKA SUBDIVISION (PLAT**  
4 **87-131)(PID 075-311-04-000), TRACT B GIRDWOOD ELEMENTARY SCHOOL**  
5 **SUBDIVISION (PLAT 85-38)(PID 075-031-32-000), AND TRACT 9A SECTION 9**  
6 **TOWNSHIP 10 NORTH RANGE 2 EAST (PLAT 73-220)(PID 075-041-31-000), TO**  
7 **CY INVESTMENTS LLC AS DESCRIBED IN THE DEVELOPMENT AGREEMENT**  
8 **BETWEEN THE DEVELOPER AND THE MUNICIPALITY OF ANCHORAGE**  
9 **DATED APRIL 29, 2022, AND AMEND THE HERITAGE LAND BANK 2021**  
10 **ANNUAL WORK PROGRAM.**

11  
12  
13 **WHEREAS**, the Municipality of Anchorage (MOA) proposes the disposal of portions  
14 of Heritage Land Bank (HLB) Parcels 6-011, 6-016, and 6-017, legally described as  
15 Tract I Prince Addition Alyeska Subdivision (Plat 87-131)(PID 075-311-04-000),  
16 Tract B Girdwood Elementary School Subdivision (Plat 85-38)(PID 075-031-32-  
17 000), and Tract 9A Section 9 Township 10 North Range 2 East (Plat 73-220)(PID  
18 075-041-31-000), To CY Investments LLC as described in the Development  
19 Agreement between the developer and the Municipality of Anchorage Dated April  
20 29, 2022, and amend the HLB 2021 Annual Work Program; and

21  
22 **WHEREAS**, HLB issued a Request for Proposals on April 6, 2021 for the  
23 development of portions of three parcels in Girdwood commonly known as Holtan  
24 Hills; and

25  
26 **WHEREAS**, HLB obtained an appraisal on December 18, 2021 where the  
27 developed area was estimated to have a market value of two million one hundred  
28 thousand dollars (\$2,100,000); and

29  
30 **WHEREAS**, the successful proposer was identified, and a Development Agreement  
31 was drafted and entered on April 29, 2022 between the MOA and the Developer;  
32 and

33  
34 **WHEREAS**, the disposal will continue to implement residential housing identified in  
35 the Girdwood Area Plan and the 2006 Crow Creek Neighborhood Plan; and

36  
37 **WHEREAS**, this disposal will occur according to the terms of the Development  
38 Agreement entered into by the Municipality of Anchorage and CY Investments, LLC  
39 including equal distribution of net proceeds of lot sales; and

40  
41 **WHEREAS**, this disposal will occur over three phases and is intended to take the  
42 form of a Planned Unit Development, affording the development a mixed-density

1 model which will allow single-family, multi-family, and condo-type construction by  
 2 the ultimate purchasers, thereby addressing several areas of housing needs in the  
 3 community; and  
 4

5 **WHEREAS**, the completed development will include infrastructure comprised of  
 6 roads and utilities that will extend to Crow Creek Road creating a second point of  
 7 egress for the neighborhood and creating the opportunity for development of lands  
 8 west of Crow Creek Road with utilities in the future; and  
 9

10 **WHEREAS**, the return on investment to the HLB Fund will be deferred but likely  
 11 significant, leading to the long-term health of the Fund; and  
 12

13 **WHEREAS**, the proposed disposal of portions of HLB Parcel 6-011 is not in the  
 14 *2021 HLB Annual Work Program (AR 2021-25)*, pursuant to AMC § 25.40.020B, to  
 15 proceed with the disposal, the *2021 HLB Annual Work Program* must be amended;  
 16 and  
 17

18 **WHEREAS**, following required public noticing, the HLB Advisory Commission  
 19 (HLBAC) held a public hearing and passed HLBAC Resolution 2022-09(S),  
 20 recommending the disposal of portions of HLB Parcels 6-011, 6-016, and 6-017,  
 21 legally described as Tract I Prince Addition Alyeska Subdivision (Plat 87-131)(PID  
 22 075-311-04-000), Tract B Girdwood Elementary School Subdivision (Plat 85-  
 23 38)(PID 075-031-32-000), and Tract 9A Section 9 Township 10 North Range 2 East  
 24 (Plat 73-220)(PID 075-041-31-000), to CY Investments, LLC as described in the  
 25 Development Agreement between the developer and the Municipality of Anchorage  
 26 Dated April 29, 2022, and amend the HLB 2021 Annual Work Program; now,  
 27 therefore,  
 28

29 **THE ANCHORAGE ASSEMBLY ORDAINS:**  
 30

31 **Section 1.** The MOA is hereby authorized to execute disposal of portions of HLB  
 32 Parcels 6-011, 6-016, and 6-017, legally described as Tract I Prince Addition  
 33 Alyeska Subdivision (Plat 87-131)(PID 075-311-04-000), Tract B Girdwood  
 34 Elementary School Subdivision (Plat 85-38)(PID 075-031-32-000), and Tract 9A  
 35 Section 9 Township 10 North Range 2 East (Plat 73-220)(PID 075-041-31-000), to  
 36 CY Investments, LLC as described in the Development Agreement dated April 29,  
 37 2022.  
 38

39 This Assembly approval requires and is conditioned upon the memorialization of an  
 40 agreement by the Developer to the following terms and conditions:  
 41

- 42 A. All developers must submit applications for land use entitlements to  
 43 the Girdwood Board of Supervisors (GBOS) for review prior to seeking  
 44 official action by the designated decision-making body;
- 45
- 46 B. CY Investments LLC will restrict the use of single-family properties in  
 47 Holtan Hills, Phase I, to not include short-term rentals (less than 30

days in duration) through the homeowners association until such time that the Municipality adopts an ordinance otherwise regulating short-term rentals;

C. One multi-family lot to be drawn from HLB’s portion of profits will be designated for future disposal to a Girdwood housing authority, if and only if a housing authority entity is established which can legally receive and own property, and if and only if the housing authority is established within five years of this disposal. Otherwise, the multi-family lot reverts to Heritage Land Bank ownership;

D. CY Investments LLC will continue to engage with the Girdwood Holtan Hills Housing Advisory Committee as the project progresses.

Conveyance is null and void without the agreement of the Developer to the above terms and conditions and the memorialization of those terms and conditions either in the conveyance, by prior amendment of the Development Agreement, or otherwise.

**Section 2.** Within 30 days of the close of the sale, HLB staff shall provide an update to the Assembly through an informational memorandum.

**Section 3.** Pursuant to AMC § 25.40.020B, this ordinance hereby amends the 2021 HLB Annual Work Program to include this disposal under the terms stated herein.

**Section 4.** This Ordinance shall become effective immediately upon passage and approval by the Anchorage Assembly.

PASSED AND APPROVED by the Anchorage Assembly this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

ATTEST:

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Municipal Clerk

MUNICIPALITY OF ANCHORAGE  
ASSEMBLY MEMORANDUM

No. AM 715-2022

Meeting Date: December 6, 2022

1 **From:** MAYOR

2  
3 **Subject:** AO No. 2022-103(S): AN ORDINANCE AUTHORIZING THE  
4 COMPETITIVE DISPOSAL OF PORTIONS OF HERITAGE LAND  
5 BANK PARCELS 6-011, 6-016, AND 6-017, LEGALLY  
6 DESCRIBED AS TRACT I PRINCE ADDITION ALYESKA  
7 SUBDIVISION (PLAT 87-131)(PID 075-311-04-000), TRACT B  
8 GIRDWOOD ELEMENTARY SCHOOL SUBDIVISION (PLAT 85-  
9 38)(PID 075-031-32-000), AND TRACT 9A SECTION 9 TOWNSHIP  
10 10 NORTH RANGE 2 EAST (PLAT 73-220)(PID 075-041-31-000),  
11 TO CY INVESTMENTS LLC AS DESCRIBED IN THE  
12 DEVELOPMENT AGREEMENT BETWEEN THE DEVELOPER  
13 AND THE MUNICIPALITY OF ANCHORAGE DATED APRIL 29,  
14 2022, AND AMEND THE HERITAGE LAND BANK 2021 ANNUAL  
15 WORK PROGRAM.  
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17 In this substitute ordinance, the Municipality proposes to add certain conditions to  
18 the transfer of the Heritage Land Bank parcels in response to concerns expressed  
19 by residents of the Girdwood community. Concerns were raised about creating the  
20 "right" kind of housing, including housing for permanent Girdwood residents. The  
21 Municipality worked closely with the developer, CY Investments LLC, to ensure that  
22 the conditions were achievable.  
23

24 If the Anchorage Assembly passes this substitute ordinance approving the land  
25 disposal for the Holtan Hills Phase I project, the Municipality and the developer will  
26 ensure that:  
27

- 28 A. All developers must submit applications for land use entitlements to  
29 the Girdwood Board of Supervisors (GBOS) for review prior to  
30 seeking official action by the designated decision-making body;
- 31
- 32 B. CY Investments LLC will restrict the use of single-family properties in  
33 Holtan Hills, Phase I, to not include short-term rentals (less than 30  
34 days in duration) through the homeowners association until such time  
35 that the Municipality adopts an ordinance otherwise regulating short-  
36 term rentals;
- 37
- 38 C. One multi-family lot to be drawn from HLB's portion of profits will be  
39 designated for future disposal to a Girdwood housing authority, if and  
40 only if a housing authority entity is established which can legally

receive and own property, and if and only if the housing authority is established within five years of this disposal. Otherwise, the multi-family lot reverts to Heritage Land Bank ownership;

D. CY Investments LLC will continue to engage with the Girdwood Holtan Hills Housing Advisory Committee as the project progresses.

Also included in this substitute ordinance package is revised Heritage Land Bank Advisory Commission (HLBAC) Resolution 2022-09(S), signed on November 17, 2022. The HLBAC convened to vote on the disposal again because the Commission mistakenly used a vote by ballot process which may violate the Open Meetings Act. Upon a revote, the Commission recommended disposal, subject to conditions, by a vote of three in favor, one opposed.

**THE ADMINISTRATION RECOMMENDS APPROVAL.**

Prepared by: Municipal Manager's Office  
Concur: Blair M. Christensen, Acting Municipal Attorney  
Concur: Amy Demboski, Municipal Manager  
Respectfully submitted: Dave Bronson, Mayor

Appendices:  
Appendix A: Resolution 2022-09(S)

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**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects -- General Government**

AO Number: 2022-103 &  
 2022-103(S)

Title: **AN ORDINANCE AUTHORIZING THE COMPETITIVE DISPOSAL OF PORTIONS OF HERITAGE LAND BANK PARCELS 6-011, 6-016, AND 6-017, LEGALLY DESCRIBED AS TRACT I PRINCE ADDITION ALYESKA SUBDIVISION (PLAT 87-131)(PID 075-311-04-000), TRACT B GIRDWOOD ELEMENTARY SCHOOL SUBDIVISION (PLAT 85-38)(PID 075-031-32-000), AND TRACT 9A SECTION 9 TOWNSHIP 10 NORTH RANGE 2 EAST (PLAT 73-220)(PID 075-041-31-000), TO CY INVESTMENTS LLC AS DESCRIBED IN THE DEVELOPMENT AGREEMENT BETWEEN THE DEVELOPER AND THE MUNICIPALITY OF ANCHORAGE DATED APRIL 29, 2022, AND AMEND THE HERITAGE LAND BANK 2021 ANNUAL WORK PROGRAM**

Sponsor: **MAYOR**  
 Preparing Agency: Real Estate Department  
 Others Impacted:

<b>CHANGES IN EXPENDITURES AND REVENUES:</b>		(In Thousands of Dollars)				
	FY22	FY23	FY24	FY25	FY26	
<b>Operating Expenditures</b>						
1000 Personal Services						
2000 Non-Labor	-	-	-	-	-	
3900 Contributions						
4000 Debt Service		-	-	-	-	
<b>TOTAL DIRECT COSTS:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	
Add: 6000 Charges from Others						
Less: 7000 Charges to Others						
<b>FUNCTION COST:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>REVENUES:</b>	*	*	*	*	*	
<b>CAPITAL:</b>	\$ -					
<b>POSITIONS: FT/PT and Temp</b>						

*\*The actual amount and time period the proposed revenue would be received is dependent on development completion.*

**PUBLIC SECTOR ECONOMIC EFFECTS:**

The proposed disposal has the potential to increase available residentially zoned property to provide housing and place the property on the tax rolls.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

The proposed disposal has the potential to increase available residentially zoned property to provide housing and place the property on the tax rolls.

HERITAGE LAND BANK ADVISORY COMMISSION  
HLBAC Resolution 2022-09(S)

A RESOLUTION OF THE HERITAGE LAND BANK ADVISORY COMMISSION RECOMMENDING ASSEMBLY APPROVAL OF THE COMPETITIVE DISPOSAL OF PORTIONS OF HLB PARCELS 6-011, 6-016, AND 6-017, LEGALLY DESCRIBED AS TRACT I PRINCE ADDITION ALYESKA SUBDIVISION (PLAT 87-131)(PID 075-311-04-000), TRACT B GIRDWOOD ELEMENTARY SCHOOL SUBDIVISION (PLAT 85-38)(PID 075-031-32-000), AND TRACT 9A SECTION 9 TOWNSHIP 10 NORTH RANGE 2 EAST (PLAT 73-220)(PID 075-041-31-000), TO CY INVESTMENTS LLC AS DESCRIBED IN THE DEVELOPMENT AGREEMENT BETWEEN THE DEVELOPER AND THE MUNICIPALITY OF ANCHORAGE DATED APRIL 29, 2022, AND AMEND THE HLB 2021 ANNUAL WORK PROGRAM.

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**WHEREAS**, pursuant to AMC § 25.40.010, the Heritage Land Bank (HLB) was established to manage uncommitted municipal land and the HLB Fund in a manner designed to benefit the present and future citizens of Anchorage, promote orderly development, and achieve the goals of the Comprehensive Plan; and

**WHEREAS**, HLB developed and adopted the Crow Creek Neighborhood Land Use Plan (April, 2006) which further defines the development of HLB Parcels 6-011, 6-016, and 6-017; and

**WHEREAS**, pursuant to AMC § 25.40.025A, the HLB Advisory Commission (HLBAC) shall hold a public hearing, with public notice as specified in this chapter, prior to making a recommendation to the Mayor and Assembly regarding the disposal of HLB land or an interest in land. Land disposals under this chapter include land sales, land exchanges, leases, and easements; and

**WHEREAS**, HLB issued a Request for Proposals consistent with AMC 25.40.025H; and

**WHEREAS**, the successful proposer was identified, and a Development Agreement was drafted and entered into on April 29, 2022 between CY Investments, LLC and the Municipality of Anchorage; and

**WHEREAS**, the *Heritage Land Bank 2021 Annual Work Program & 2022 – 2026 Five-Year Management Plan* did not anticipate this disposal, and pursuant to AMC 25.40.020B, sale activities require an amendment; and

**WHEREAS**, HLB posted the property and conducted public notice; and

**WHEREAS**, the HLBAC held public meetings on September 22 and October 27, 2022 ; and

**WHEREAS**, the HLBAC finds the disposal, subject to conditions, in the best interest of the Municipality and consistent with the HLB purpose and mission; now therefore,

BE IT RESOLVED:

THE HLBAC RECOMMENDS ASSEMBLY APPROVAL OF THE COMPETITIVE DISPOSAL OF PORTIONS OF HLB PARCELS 6-011, 6-016, AND 6-017, LEGALLY DESCRIBED AS TRACT I PRINCE ADDITION ALYESKA SUBDIVISION (PLAT 87-131)(PID 075-311-04-000), TRACT B GIRWOOD ELEMENTARY SCHOOL SUBDIVISION (PLAT 85-38)(PID 075-031-32-000), AND TRACT 9A SECTION 9 TOWNSHIP 10 NORTH RANGE 2 EAST (PLAT 73-220)(PID 075-041-31-000), TO CY INVESTMENTS LLC AS DESCRIBED IN THE DEVELOPMENT AGREEMENT BETWEEN THE DEVELOPER AND THE MUNICIPALITY OF ANCHORAGE DATED APRIL 29, 2022, SUBJECT TO THE FOLLOWING CONDITIONS:

1. All developers must submit applications for land use entitlements to the Girdwood Board of Supervisors (GBOS) for review prior to seeking official action by the designated decision-making body.
2. CY Investments LLC will restrict the use of any property in Holtan Hills, Phase I, to not include short-term rentals less than 30 days in duration, with a sunset provision eliminating this restriction when local ordinance is adopted otherwise regulating short term rentals.
3. Construction access through Hightower Road is prohibited.
4. CY Investments LLC will restrict twenty-five percent (25%) of the developed multi-family units to be identified and set apart for rental development and not sold individually.
5. The Developer continues to engage with the Girdwood Holtan Hills Housing Advisory Committee as the project progresses.

AND THE HLBAC RECOMMENDS ASSEMBLY APPROVAL OF THE AMENDMENT OF THE HLB 2021 ANNUAL WORK PROGRAM.

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PASSED and APPROVED on this, the 17th day of November 2022.

Approved:

Attest:



Brett Wilbanks, Chair  
Heritage Land Bank Advisory Commission



Lance Wilber, Executive Director  
Community Development