



Eklutna Valley Community Council

RESOLUTION 2023-01

A RESOLUTION URGING THE ASSEMBLY TO NOT APPROVE THE DEVELOPMENT AGREEMENT OR TAKE OTHER ACTIONS TO ALLOW THE HOLTAN HILLS PROJECT IN GIRDWOOD, AND URGING GREATER COORDINATION BETWEEN THE HERITAGE LAND BANK AND AFFECTED COMMUNITIES WHEN DISPOSING PUBLIC LAND IN THE PUBLIC INTEREST

WHEREAS, the Heritage Land Bank (HLB) and CY Investments have created a joint venture to build over 100 houses and condominiums in Girdwood in a new subdivision to be called Holtan Hills, and their development agreement specifies which entity, CY Investments or the Municipality of Anchorage (MOA), is responsible for various actions, costs, and risks; and

WHEREAS, the residents of Girdwood have resolved that the MOA would incur a wide array of risks, far more it seems than other land disposals; for example the MOA will extend the utilities to connect the development to water, sewer and gas; indemnify and hold CY Investments harmless for their performance; pay for wetland and geotechnical surveys, land appraisal, title insurance, and half of land surveys and project cost overruns – in effect subsidizing the developer while assigning many of the costs and risks to municipal taxpayers; and

WHEREAS, the project requires an ordinance adopting the development agreement, a conditional use permit, and various other regulatory approvals from the MOA; and

WHEREAS, the Girdwood Board of Supervisors and other local advisory groups have recommended that the MOA not issue permits and other approvals because the development agreement is deeply flawed, primarily because HLB and CY Investments have failed to seriously consider the needs and objectives of the community or adopt any meaningful recommendations; and

WHEREAS, the development would use much of the developable public land available in the Girdwood area for a single purpose that is not aligned with the needs and objectives expressed by the Girdwood Board of Supervisors and other community members; and

WHEREAS, for example, the project will likely result in high-end homes and condos, many of which are likely to become second homes or short-term rentals, when Girdwood desperately needs affordable housing for workers – not to mention the shortage of retail and commercial space – none of which the development agreement would address; and

WHEREAS, workers who perform the services essential for maintaining commerce, public safety, education, transportation, short-term rentals, food distribution and preparation, the ski industry and other aspects of life in Girdwood are increasingly unable to afford housing there and many cannot afford to commute from Anchorage; and

WHEREAS, one of the primary purposes of the HLB is to secure funds for municipal functions a) “to provide public benefits” (Section 25.40.025H), b) by selling land “in an open competitive bid process for at least the appraised fair market value” (Section 25.40.025D), c) that the land disposal “include additional requirements and conditions to insure the proper development and completion of the project in the public interest” (Section 25.40.025H), d) to ensure that the HLB “receives the maximum overall benefit for the disposal of its land, including non-monetary public benefits” (Section 25.40.025B); however, none of these mandates appear to been achieved in this instance; and

WHEREAS, municipal agencies in similar situations (e.g., other ski resort towns) have used the leverage provided by their lands to secure significant public benefits, but that was not accomplished in this instance and the amount of land disposed of in the development agreement will significantly reduce the likelihood of future opportunities to leverage public benefits; and

WHEREAS, Girdwood is currently revising its outdated comprehensive plan, which is due to be completed this year; and

WHEREAS, the Girdwood Board of Supervisors has asked for support from other community councils who have or may have similar concerns within their boundaries; and

WHEREAS, as Girdwood has observed many times, this is a **process** issue, not a **development** issue, and it has ramifications for all community councils; now, therefore, be it

RESOLVED, that the Eklutna Valley Community Council

- 1) supports the Girdwood Board of Supervisors’ Resolution 2022-23, dated 24 October 2022, entitled “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,” and their Letter of Objection, dated 29 November 2022, regarding the same development agreement; and
- 2) reminds the Heritage Land Bank of their obligation to coordinate land disposals with community councils and other local organizations and adhere to the requirements of Sec. 25.40.025; and
- 3) in light of the HLB’s failure to coordinate the Holtan Hills development agreement with Girdwood, recommends that the Assembly not approve a conditional use permit for the project and reject adopting this deeply flawed development agreement by ordinance; and
- 4) recommends that any future requests for proposals and development agreements be postponed until Girdwood updates its comprehensive plan.

Passed this 8th day of February 2023 by a unanimous vote.



Rick Sinnott, President