

2

COMMUNITY BACKGROUND AND CHARACTER

Girdwood is a small community in a spectacular setting. Born in the late 1800's to supply the gold mines in the area, the town has a history not unlike other turn-of-the-century mountain mining settlements that have turned to recreation and tourism to sustain them. The up-and-down evolution of Girdwood's early years as a supply and distribution center mirrors the successes, risks and disappointments typical of the mining industry in a remote place. Initially sustained by mining, local logging and construction activities were reinvigorated in the World War I era because of the extension of the Alaska Railroad. However, between the wars, mining declined and Girdwood almost became a ghost town. Not until the construction of the Seward Highway after World War II did the community experience another upturn. But even then, the 1950 census counted only 79 local residents, and many of them drifted away after the highway was completed. The 1960 census showed a decline in population.

Girdwood's transition to a recreation-based economy took its first tentative steps in the mid-1950's with the development of a chairlift on Mount Alyeska. Within a few years, recreation opportunities in Girdwood had begun to attract seasonal and weekend use by Anchorage residents and, in September 1961, Girdwood incorporated as a third class city. Although the 1964 earthquake changed the town's physical layout, the necessity to relocate the townsite did not appreciably slow its transformation. From a community whose livelihood depended on natural resource *extraction*, Girdwood was becoming one whose livelihood would depend on natural resource *preservation*.

By the 1970 census, the town's resident population had doubled, to 144. Today, it is estimated at approximately 1,500 permanent residents, although there are significant seasonal fluctuations.



Fig. 2-1
Street in the
original Girdwood
townsite

WHAT MAKES GIRDWOOD DIFFERENT

Several factors set Girdwood apart from other recreation-based mountain towns, suggesting that different strategies for future growth may be appropriate. Among these are:

The Relationship to Anchorage

In 1975, Girdwood's city government was dissolved when the new home rule Municipality of Anchorage was established. Although it is over forty miles away, Girdwood was folded into the new municipal jurisdiction, and Anchorage inherited the responsibility to provide Girdwood residents with basic public services and facilities. The primary implications for Girdwood under this

administrative and political structure have to do with where decisions are made, how public improvements are funded, and how municipal tax revenues are allocated. In general, Girdwood may have the benefit of a larger resource base than towns of comparable size normally have, but on the other hand, its community priorities must be weighed against those of the municipality at large. Local interests have not always been consistent with those of the larger jurisdiction.

Funding Mechanisms

Most American resort towns have the ability to fund their capital improvements through sales tax revenue, but the State of Alaska has no sales or income tax, and Anchorage, unlike other Alaskan communities, has no sales tax. Many state and local programs are funded by means unique to Alaska: oil royalties and revenues from the management and disposition of undeveloped land. Girdwood does not have the taxing mechanisms at its disposal that other resorts typically use to provide public amenities, but it can consider such strategies as bonding, special improvement districts, State and Federal grants, and private developer participation.

Land Ownership

Major land holdings in the valleys of Glacier Creek and its two tributaries, Crow and Winner Creeks, have been or are being transferred from the U.S. Forest Service to the State of Alaska and the Municipality of Anchorage. Most of the vacant land in the lower valley – and virtually all valley bottom land outside the existing subdivisions – belongs to the Municipality and is managed by the Heritage Land Bank. (A parcel at the valley entry managed by the Mental Health Trust is the one exception.) As a result, the Municipality will have the greatest impact on the timing and nature of Girdwood's growth.

The land transfers around Girdwood have been accompanied by an increased

interest in additional major destination resort development on the part of the community, the Municipality and the land management agencies that now hold these lands in trust. The Municipality is also interested in land use strategies to accommodate population growth in the Anchorage area. Through the Girdwood Area Plan, the Municipality has outlined general strategies for development on these lands, for capital improvements needed to support growth, and for protection of environmentally sensitive areas. In those holdings within Girdwood Valley that are relatively free of environmental constraints, some level of future development must be assumed. Recreation/resort-related development is seen as the best means of preserving Girdwood's small-town character.

Alaska's Strength as a Tourist Destination

Girdwood occupies a prime spot in Alaska's most intensively visited tourist corridor. Several million visitors each year travel by bus and rail to and from the Anchorage International Airport, the cruise ship docks in Whittier and Seward to the south, and Denali National Park to the north. Girdwood is well positioned geographically to take advantage of this flow but, despite its scenic quality, improvements in its resort infrastructure are badly needed in order to make the community a stronger destination on its own. The challenge for decision-makers will be to manage the quality and composition of resort attractions in Girdwood so that the inherent natural qualities of the place are not damaged in the process, but rather become the centerpiece of a low-impact tourism industry in the Girdwood valley.