

Heritage Land Bank Advisory Commission Meeting

Thursday, September 22, 2022 at 11:30 a.m.

Permit & Development Center, Training Room
4700 Elmore Road, Anchorage, Alaska 99507

or via Microsoft Teams and telephonic hearing (907) 519-0237 Conference ID 506 098 091#

A G E N D A

- I. **Call to Order and Statement of Procedure:** Vice Chair Brett Wilbanks
- II. **Roll Call, Introductions and Disclosures:** Emma Giboney
- III. **Approval of Agenda and Minutes**
 - a. September 22, 2022 Agenda
 - b. August 25, 2022 Minutes
- IV. **Director's Report**
- V. **Proposed Action Items and Public Hearings** *(No Public Hearing shall extend over 60 minutes without an extension by majority vote of the commission. If not extended, Public Hearing may be held open and continued to the next meeting if public testimony is not complete.)*
 - a. HLBAC Resolution 2022-09: A resolution recommending 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 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*.
- VI. **Persons or Items Not on the Agenda** *(THREE minutes per individual, each person may only speak once, commissioners and staff will not answer questions, but may have questions for you after your testimony.)*
- VII. **Commissioner Comments**
- VIII. **Next Regularly Scheduled Meeting Date:** Thursday, October 27, 2022 at 11:30AM in the Permit & Development Center, 4700 Elmore Road, Anchorage, Alaska or via Microsoft Teams and telephonic hearing.
- IX. **Adjournment**

Heritage Land Bank Advisory Commission Meeting

Thursday, August 25, 2022 at 11:30 a.m.

Permit & Development Center, Conference Room 170
4700 Elmore Road, Anchorage, Alaska

or via Microsoft Teams and telephonic hearing (907) 519-0237 Conference ID 958 050 080#

MINUTES

- I. **Call to Order and Statement of Procedure:** Vice Chair Brett Wilbanks called the meeting to order at 11:33 am.
- II. **Roll Call, Introductions and Disclosures:** Emma Giboney
Chair Tammy Oswald (excused), Vice Chair Brett Wilbanks, Brian Flynn, Dean Marshall, Ryan Hansen, Ron Tenny, and Carmella Warfield. Staff Director Trombley, Emma Giboney, Nicole Jones-Vogel
- III. **Approval of Agenda and Minutes**
 - a. August 25, 2022 Agenda
 - a. Motion to amend agenda to include a presentation from Anchorage Community Development Authority (ACDA) Motion: Wilbanks, seconded Warfield - no objection
 - b. July 28, 2022 Minutes
 - a. Correction: Section 5 Item C - secondary access would reduce impacts to Hightower/Downtown Girdwood area.
 - i. Motion: RT, seconded DM – no objection

IV. **Director's Report:** Adam Trombley

Director Trombley let the Commissioners know that he would need to depart the meeting after the Director's Report to attend another meeting downtown. The following updates were provided:

- CY Investments and HLB met with the Holtan Hills Advisory Committee in July and an additional meeting is in the process of being scheduled.
- A Holtan Hill presentation was provided to the Anchorage Home Builder's Association and was well received.
- The MOA-Administration and HLB is supportive of the upcoming event on the 3rd and Ingra site hosted by the 3rd Avenue Radicals
- Ms. Giboney provided an update on the potential land lease to Girdwood Community Land Trust for HLB Parcel 6-076 in the Girdwood South Townsite subdivision. Director Trombley acknowledged that grant writing may be necessary to help cover costs related to off-site infrastructure improvements.

V. **Special Guest: Representative from the 3rd Avenue Radicals (5 minutes)**

Larry Michael - member of 3rd Ave Radicals provided the presentation

Mr. Michael described the mission of the 3rd Avenue Radicals which is that they believe in the revitalization of East 3rd Avenue. He stated that the Radicals have enjoyed a positive working relationship with HLB. The 3rd Avenue Radicals are holding an event, "Spotlight on 3rd & Gambell" on September 29th from 5 – 7 pm (Thursday). The purpose of the event is to put a spotlight on the property and an opportunity to bring people to East Downtown. Seeds of Change is a partner and they are also holding an event the same day from 2 – 5 pm. There is a lot of synergy occurring between Anchorage Downtown Partnership, the connex mural provided by ANTHC, Seeds of Change, etc. The event is largely sponsored by Alaska Hospitality Retailers.

VI. Special Guest: Anchorage Community Development Authority

Land Trade, Jim Winegarner, ACDA

Mr. Winegarner provided an overview of the two parcels being considered for trade. The request is to trade HLB Parcel 3-047 for Alaska Housing Finance Corporation state-owned portion of Block 102 in Downtown Anchorage.

Brownfields Grant funds have been applied to Block 102 for Phase I ESAs. Mr. Winegarner also provided an overview of applicable code sections and referenced AO2006-178 and AO2005-85, that a pro forma has been completed, and that Real Estate Services completed a Request for Proposals in 2017.

Melinda Gant provided an overview of a recent study completed by Roger Brooks that illustrated a solution would be to infill parking lots in downtown to address housing. Ms. Gant explained that this trade and ultimate development plan would meet goals and is consistent with all adopted plans for the area.

Mike Robbins, Executive Director of ACDA discussed this trade has been a focus of ACDA's for the last year and seeking to provide affordable housing, thus improving quality of life in downtown. This proposed location offers an exciting opportunity to attract people to downtown anchorage. Important to get in the ground and with the Governor's letter of support for the trade, now is the time to act.

Commissioner Flynn stated that he was aware of the project and asked questions about the future of parking on the site.

Vice Chair Wilbanks commented that he hoped the project is successful and looks forward to continuing discussions to ensure that goals are met while insuring that HLB is financially self-sustaining.

ACDA staff commented that they are required by code to develop land within ten years of it being in ACDA ownership and that this item will be before the HLBAC for consideration in September.

VII. Proposed Action Items and Public Hearings (No Public Hearing shall extend over 60 minutes without an extension by majority vote of the commission. If not extended, Public Hearing may be held open and continued to the next meeting if public testimony is not complete.)

- a. HLBAC Resolution 2022-06: A resolution recommending approval of the acquisition of real property, legally described as Lot 15 Block 11 Laurel Acres Subdivision (Plat 71-44), placement into the Heritage Land Bank Inventory, and amend the *HLB 2021 Annual Work Program*.

Ms. Giboney provided an overview of Laurel acres subdivision, the Anchorage Wetlands Management Plan, and already recorded Conservation Easements in the area. She discussed process to date for the MOA to continue to accept Laurel Acres parcels.

Vice Chair Wilbanks asked who owned the rights of way and whether or not HLB is continuing to solicit other parcel owners in the area? Ms. Giboney described that the MOA owns the right-of-way and as it becomes appropriate HLB can submit a right-of-way vacation request. She stated that there are possibly five to ten other interested property owners in either donating or selling parcels to the MOA.

Commissioner Flynn asked about the goal in acquiring the Laurel Acres parcels. Ms. Giboney described the long relationship with the US Army Corps of Engineers and the history of mitigation credits and long-term preservation of this area.

Commissioner Tenny asked if there are any homes or other buildings in the subdivision. Ms. Giboney showed the aerial imagery and described all the development is outside of the Laurel Acres Subdivision.

Director Trombley discussed that this subdivision was a “paper plat” and platting without doing off-site improvements is no longer allowed.

Public Hearing

Vernon Osborn – Mr. Osborn owns a lot in the Pete Zamarello paper plat. He stated his lot is landlocked and the MOA is shutting out owners who own property in Laurel Acres. The MOA is devaluing and making these properties worthless. 100th extension further reduced property values in the area. Mr. Osborn questioned how is it justified to pay less than fair market value to property owners? He stated that his parcel previously had a twenty-thousand dollar offer to purchase.

Vice Chair Wilbanks asked how does this acquisition prevent you from developing your lot?

Mr. Osborn responded that it does not prevent, but devalues the parcel.

Vice Chair Wilbanks provided an overview of the standard development process.

A second and third community member began making public comment reiterating Mr. Osborn’s comments. Those community members were Jeanne Lutz and Glenn Thiel.

Public testimony closed.

Vice Chair Wilbanks asked if this same offer is provided to all Laurel Acres property owners. Ms. Giboney said that the same letter was sent to all property owners in Laurel Acres.

Motion: DM/RH Second; No further discussion; Resolution passed unanimously 6-0

- b. HLBAC Resolution 2022-07: A resolution recommending approval of the acquisition of real property, legally described as Lot 29 Block 08 Laurel Acres Subdivision (Plat 71-44), placement into the Heritage Land Bank Inventory, and amend the *HLB 2021 Annual Work Program*.

Motion DM/BF; no further discussion; resolution passed 5 – 0, Ms. Warfield was unable to vote due to technical issues.

Vice Chair Wilbanks requested a motion to extend the meeting. Motion to extend the meeting DM seconded by RF, no objections and the meeting was extended 30 minutes

VIII. **Persons or Items Not on the Agenda** (THREE minutes per individual, each person may only speak once, commissioners and staff will not answer questions, but may have questions for you after your testimony.)

Mike Edgington, 3 minutes personal testify (not GBOS)

Mr. Edgington provided comments on three main topics; he stated that there has been positive engagement between the Holtan Hills Developer, HLB, and the Holtan Hills Advisory Committee; Girdwood has been awarded AARPA funding to complete the re-write of the Girdwood comprehensive plan, which is expected to occur over the next eight months and HLB is considered an important stakeholder in that process. The lack of a 2022 HLB Work Plan is sparking issues in the community. There is preferential treatment for those community members who attend HLBAC meetings in person over those who attend via Teams. A request was made to hold meetings in Girdwood for action related to Holtan Hills.

Briana Sullivan, GBOS (5 minutes)

Concerns regarding Girdwood Industrial Park (GWIP) authorizing disposal by non-competitive sale of Phase I lots 1 - 5. GWIP is good for Girdwood and a critical piece to economic, services, etc. This land is zoned Industrial. Phase II and III is a community priority. Lack of planning and investment from HLB is problematic. Currently, the GWIP is not being used for highest and best use. Power and platting need to be added to the 2023 budget and HLB Work Plan.

IX. Commissioner Comments

Commissioner Tenny, agrees with comments on the Girdwood Industrial Park; it is a priority. Commissioner Tenny commented on Virgin Creek Falls - tour busses coming to the site through Timberline is impacting property owners. This is an immediate problem and HLB should look at a trailhead and parking area.

Commissioner Flynn requested that slides from the ACDA presentation be forwarded.

Commissioner Marshall asked about responses to the Laurel Acres letters that were sent out and asked HLB staff to consider community meetings regarding the topic going forward.

Vice Chair Wilbanks made a comment regarding assurances that property owners will not be impacted by MOA owning properties within Laurel Acres. Vice Chair Wilbanks also commented on the on-going issues with Virgin Falls trail.

X. Next Regularly Scheduled Meeting Date: Thursday, September 22, 2022 at 11:30AM in the Permit & Development Center, 4700 Elmore Road, Anchorage, Alaska or via Microsoft Teams and telephonic hearing.

XI. Adjournment

Motion by DM; seconded by RT – no objection. Meeting adjourned at 12:58 pm.

HERITAGE LAND BANK STAFF REPORT

Case 2022-09



PREPARED FOR THE HLB ADVISORY COMMISSION

Action: Disposal by Competitive Request for Proposals
Hearing Date: September 22, 2022
Subject Location: 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) (Appendix A)
Prepared By: Nicole Jones-Vogel, AICP, Contractor

SUMMARY

Proposal Summary: Disposal of portions of 6-011, 6-016, and 6-017 consistent with the Request for Proposals completed in 2021 and the executed Development Agreement, for the development of Holtan Hills subdivision, between the MOA and the Developer.

Applicable Regulations & Standards: AMC § 25.40.025.H provides authority for this transfer.

2021 Work Program Amendment Required Yes, an amendment is required in the case of land withdrawals not already contained in the work program (AMC § 25.40.020.B).

Summary Recommendation: Staff recommends approval of this competitive disposal to CY Investments, LLC as described in the executed Development Agreement (Appendix B).

BACKGROUND INFORMATION

Parcel IDs: 075-311-04-000, 075-031-32-000, and 075-041-31-000

Parcel Location: The parcels cover just under 45 thousand acres located in the heart of the Girdwood Valley, north of the Girdwood Elementary School, west of the Girdwood Airport, and east of Crow Creek Road.

Parcel Size: Tract B Girdwood Elementary School parcel is approximately 1,000,573 square feet; Tract 9A Section 9 Range 2 East Township 10 North is approximately 515,750 square feet; Tract I Prince Addition Alyeska Subdivision is approximately 18,033,840 square feet. Of this, the land being disposed is approximately 60 acres or 2,600,000 square feet.

Existing Conditions and surrounding Land Use: This property is undeveloped and has Class A, B and undesignated wetlands according to *Anchorage Wetlands Management Plan (2014)*. The parcels are flanked by the Girdwood Airport and Arlberg Ave to the southeast, Crow Creek Road to the northwest, Girdwood Elementary School to the south, and undeveloped HLB Parcel 6-251 to the northeast.

Current Land Use: Zoning is comprised of GR-3 (Single-Family/Two-Family Residential), GR-5 (Multiple-Family Residential), Girdwood Open Space, Girdwood Institutions and Parks, and Girdwood Recreational Reserve, and GRST-2 (New Base Resort)

Adopted Land Use Plan: The Girdwood Area Plan identifies these areas as a mix of single-family, open space, transportation, resort, and recreation reserve. The Crow Creek Neighborhood Land Use Plan (2006) further guides development in this area.

PUBLIC NOTICE

Notices were posted on the property on Thursday, September 8, 2022. Notices were mailed to 126 neighboring landowners on Wednesday, September 7, 2022, within the requisite 14 days as required in AMC § 25.40.030C. HLB's regular email list was notified of a HLBAC meeting on Thursday, September 8, 2022. An Agenda including this item was posted on the HLB website on Thursday, September 8, 2022.

PROJECT DESCRIPTION

On April 6, of 2021, HLB issued a Request for Proposals for development of portions of three parcels in Girdwood known as Holtan Hills. There were development priorities listed along with goals for developing the site. Respondents were ranked on six (6) criteria which were weighted: experience and qualifications of the development team, business plan, level of return and benefit to the MOA, consistency with adopted plans and ordinances, description and clear scope/scale of project, and project timeline.

The successful proposer was identified, and a Development Agreement was drafted and entered on April 29, 2022 by CY Investments, LLC and the Municipality of Anchorage (Appendix C). The developer, CY Investments, in coordination with HLB will replat Holtan Hills, construct on and off-site infrastructure, and complete rezoning to implement the development of Holtan Hills consistent with the Crow Creek Neighborhood Plan. Compensation to HLB will be deferred and will be based on sales of the lots within Holtan Hills.

As public involvement related to the project has begun, the Girdwood Community formed a Holtan Hills Advisory Committee who have been having regular meetings with HLB and the Developer to further inform the development plans for Holtan Hills.

Efforts to relocate the National Historic Iditarod Trail are being evaluated in coordination with the US Forest Service.

The project will be developed in phases starting with phases I and II near the south end, closer to the Girdwood Elementary School end of the development.

ANALYSIS AND CONCLUSION

HLB Parcels 6-011, 6-016, and 6-017 have been reviewed by relevant MOA agencies and have been deemed excess to municipal need. This area has been the focus of potential residential development since as early as 1995 with the adoption of the Girdwood Area Plan. In 2006, the Crow Creek Neighborhood Plan was adopted that further described potential development in this area.

This proposed project is consistent with adopted plans and adheres to the following code section.

AMC § 25.40.025.H

In order to assist development that will provide public benefits and notwithstanding any other provision of this section, Heritage Land Bank land may be disposed of by lease, sale or other disposition, for the purpose of facilitating a specific project. The project shall provide public benefits. In addition to and consistent with the applicable requirements of titles 21, 23 and 24 of this Code, the disposition shall include additional requirements and conditions to insure the proper development and completion of the

project in the public interest. Disposals pursuant to this subsection shall be through requests for proposals or through invitations to bid. The disposition of property pursuant to this subsection may be for less than fair market value or less than fair market rental rate. However, the Heritage Land Bank shall, for informational purposes only:

1. Provide a descriptive summary of the public benefits expected from the project; and
2. Obtain an appraisal of the value of the property, determined by a certified real estate appraiser, if it were disposed of without the development requirements imposed pursuant to this subsection. Assembly approval of a disposition under this subsection shall include a finding that the disposition provides public benefits.
3. A summary listing and description of estimated economic and non-economic benefits and costs associated with the project. This summary should be succinct, concise, and quantified where appropriate, and should not exceed two pages in length.

The Holtan Hills residential development provides public benefit by providing developed lots for multi and single-family residential development. Housing has been identified as a strong need in the Girdwood Community and this development would meet a portion of that overall need. This development will also eventually develop secondary access to Crow Creek Road and relocate the National Historic Iditarod Trail.

Pertinent aspects of the Development Agreement that illustrate compliance with AMC § 25.40.025.H

1. Pre-development costs are identified and assigned to each party.
2. MOA approves the Homeowner's Association document.
3. Timeframes for milestones are described.
4. Conveyance requirements are defined.
5. Failure of developer conditions.
6. MOA to pay for off-site development costs and provide any wetland mitigation credits, for a fee.
7. Timing of planning and design of the Crow Creek Road Secondary Access.
8. Developer provides project budget and monthly budget report. That report is evaluated and if there is an expenditure of greater than three percent, the MOA would need to provide approval.
9. Compensation to MOA – fifty percent of the net profits from the sale of lots.

AGENCY REVIEW

A formal agency review was conducted and as of the date of this staff report, there were no substantial comments received.

RECOMMENDATION

Staff recommends approval of this resolution.

Appendices:

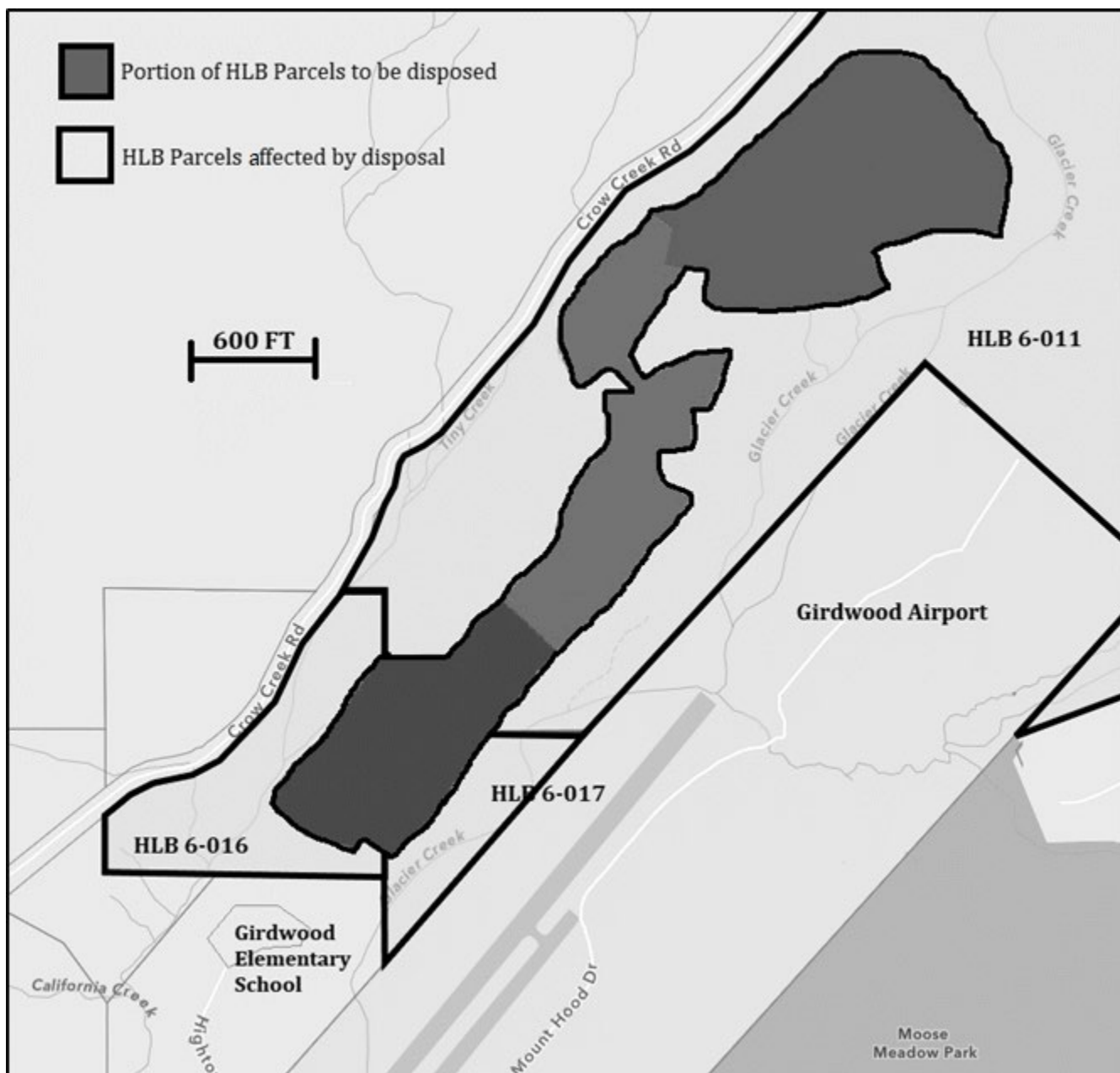
A – Location Map

B – Resolution 2022-09

C – Development Agreement, dated April 29, 2022

D – Draft Plat

Appendix A – Location Map



HERITAGE LAND BANK ADVISORY COMMISSION
HLBAC Resolution 2022-09

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.

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 § 25.40.025.A, 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 25.40.025.H; and

WHEREAS, respondents were ranked on six (6) criteria which were weighted: experience and qualifications of the development team, business plan, level of return and benefit to the MOA, consistency with adopted plans and ordinances, description and clear scope/scale of project, and project timeline; and

WHEREAS, the successful proposer was identified, and a Development Agreement was drafted and entered on April 29, 2022 by 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 finds the disposal in the best interest of the Municipality and consistent with the HLB purpose and mission; now therefore,

BE IT RESOLVED THAT 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 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.

PASSED and APPROVED on this, the 22nd day of September 2022.

Approved:

Attest:

Brett Wilbanks, Vice Chair
Heritage Land Bank Advisory Commission

Lance Wilber, Executive Director
Community Development

DEVELOPMENT AGREEMENT

This DEVELOPMENT AGREEMENT, ("**Agreement**"), effective as of April 29, 2022, 2022 ("**Effective Date**") is made and entered into by and between MUNICIPALITY OF ANCHORAGE AND ITS HERITAGE LAND BANK, an Alaskan Municipal Corporation, whose mailing address is *P.O. Box 196650, Anchorage, Alaska 99519* ("**Owner**"), and CY INVESTMENTS, LLC, an Alaska limited liability company doing business as GIRDWOOD LIFE, whose mailing address is *561 E 36th Avenue, Suite 200, Anchorage, Alaska 99503* ("**Developer**").

WHEREAS, Owner owns the vacant land described in Exhibit A, attached hereto and made part hereof (the "**Property**"), located in Girdwood, Alaska;

WHEREAS, Owner desires to develop the Property so as to create increased housing opportunities within Girdwood consistent with the goals of the Girdwood Area Plan and the Crow Creek Neighborhood Land Use Study;

WHEREAS, Owner published a Request for Proposal dated April 6, 2021 (the "**RFP**"), soliciting proposals from developers with interest in residential development of the Property and other property;

WHEREAS, a development team consisting of CY Investments, LLC and Pomeroy Property Development, Ltd., as financial partners, and Seth Andersen, P.E. (the "original development team"), submitted a joint response to the RFP (the "RFP Response") and were awarded the RFP;

WHEREAS, the original development team has agreed that Developer shall separately develop that certain portion of the Property as shown on Exhibit B, attached hereto and made part hereof, subject to any minor modifications as may be required in the platting and approval process (the "**Subject Property**");

WHEREAS, Owner has agreed to permit Developer to develop the Subject Property, and agrees that the other property chosen for development in the RFP Response may be developed by Pomeroy Property Development, Ltd. pursuant to a separate agreement for such development;

WHEREAS, the development of the Subject Property will create economic, fiscal, employment and other tangible public benefits, including increased tax revenue to the Municipality of Anchorage (e.g. real property taxes) and local employment opportunities during development and construction;

WHEREAS, Owner and Developer desire to set forth the agreed terms for the development of the Subject Property in this Development Agreement regarding the land development and sale of the Property;

NOW, THEREFORE, Owner and Developer hereby agree as follows:

ARTICLE 1. Definitions

1.1 *Definitions.* The following terms shall have the respective meanings indicated:

“Change Orders”--Written orders changing the construction, cost or time for performance of the Project issued after the execution of a construction contract for the Project.

“Construction and Design Documents”--The architectural, design, engineering, consulting, and construction contracts and agreements entered or to be entered into by Developer for the development of the Subject Property, and the plans, drawings, specifications, renderings, studies, budgets, forecasts, and schedules developed, and to be developed, with respect to the Project. For purposes hereof, each Construction and Design document shall be deemed to include all modifications and amendments thereto made from time to time, and all documents, drawings, specifications, conditions, addenda, budgets, and other matters produced in connection therewith or incorporated by reference therein.

"Construction and Design Professionals"--Any and all contractors, subcontractors, architects, engineers, surveyors, technical or professional consultants, and other specialists engaged by Developer for the development of the Project.

“Development Phases”--The period commencing on the Effective date and continuing until the closing of the sale by Developer of the last residential Lot in the each of the three phases of the Project.

“Extraordinary Circumstances” – A circumstance not normally encountered during construction in Southcentral Alaska which creates an effect which significantly increases costs beyond reasonable expectations for a similar project. For example: a sinkhole in the roadbed, a landslide over the project site, or unanticipated permafrost.

“Force Majeure”--Labor disputes, fire and other casualties, unusual delay in transportation, adverse weather conditions, unavailability of labor, materials, or services, contractor defaults, governmental restrictions including restrictions arising out of a pandemic, or other causes beyond Developer's reasonable control which cause delay in the progress of the Project.

"Lot"-- A unit of land within a subdivision that is described and fixed on the most recent plat of record as approved by the Municipality of Anchorage under Title 21 of the Anchorage Municipal Code ("AMC"), including a "tract" or "unit lot" as defined in AMC 21.15.040.

“Person”--Any individual, partnership, corporation, trust, or other entity.

“Project”--The construction, development, marketing, and sale of a three-phase residential land development and subdivision project, to be known as "Holtan Hills

Subdivision," which will consist of single-family Lots, low-density multi-family Lots, and multi-family Lots, as generally described in the RFP Response.

"Project Budget"--The budget setting forth the anticipated cost of construction and development of the Project, as may be amended from time to time.

"Project Costs"--A collective term for all direct and indirect costs of the Project, as more particularly described in Article 8 of this Agreement.

ARTICLE 2. **Engagement of Developer**

2.1 *Engagement of Developer.* Owner hereby engages Developer to provide all of the development services described herein, it being understood that such employment shall commence as of the Effective Date and will continue through the Development Phases.

2.2 *Acceptance by Developer.* Developer agrees to use reasonable diligence and its best efforts to cause prompt development of the Subject Property and the sale of residential Lots within the Subject Property, subject to delays owing to market forces and Force Majeure. In connection with the performance of its duties hereunder, Developer shall employ its skills and resources to expedite the Project, to guard Owner against unnecessary costs and expenses, to control costs and to reduce costs where practicable in connection therewith, and shall maintain close communication and coordination with Owner's consultants or designated representatives.

2.3 *No Restrictions.* Nothing contained in this Agreement shall be construed so as to prohibit Developer, or any affiliate of Developer, from owning, operating, or investing in any real-estate development not owned or operated by Owner, wherever located, including any portion of the Subject Property. Owner agrees that Developer or any affiliate of Developer may engage in, or possess an interest in, another business venture or ventures of any nature or description, independently or with others, including but not limited to the ownership, financing, leasing, operating, management, syndication, brokerage, and development of real property, and Owner shall not have any right by virtue of this Agreement in and to said independent ventures or to the income or profits derived therefrom. Owner acknowledges that Connie Yoshimura owns Dwell Realty, LLC, which provides professional management services to homeowners' associations. Owner further acknowledges and agrees that Dwell Realty, LLC may act as manager of the homeowners' association to be created for the Project.

Notwithstanding the foregoing, Developer and Owner shall only be permitted to purchase Lots within the Subject Property at fair-market value and only after such Lot has been offered for sale to the public for a period of at least ninety (90) days.

2.4 *Specific Developer Duties.* The duties of Developer hereunder shall include the following duties:

- (a) The selection of all Construction and Design Professionals, and the negotiation of the agreements under which they are retained, including those retained for creating and preparing Construction and Design Documents.
- (b) Supervise the preparation of preliminary and final Construction and Design

Documents.

- (c) Prepare and submit to Owner preliminary cost estimates and projections of cash requirements covering the Project Costs during the Development Phases. Developer shall keep Owner advised of material changes in cost estimates included in the Project Budget from time to time, to always provide Owner with current information regarding actual and anticipated Project Costs.
- (d) Prepare a monthly report on the Project that shall include a copy of Developer's statement submitted to the construction lender in connection with the draw for the preceding month, and a budget covering all Project Costs, in comparative form, showing any deviations from budgets previously furnished to the Owner.
- (e) Coordinate and supervise all phases of the construction of the Project, monitoring Construction and Design Professionals for performance in accordance with their respective agreements.
- (f) File or cause to be filed all required documents for the approval of all governmental authorities having jurisdiction over construction of the Project; secure, or cause to be secured, all necessary governmental permits and authorizations for such construction (excepting the obligation of Owner as set forth in Section 4.5.2 of this Agreement); and otherwise cooperate with Owner in taking all steps necessary to ensure compliance with all applicable zoning laws, ordinances and regulations, environmental impact laws, ordinances and regulations, and any other laws, ordinances and regulations of any governmental body having jurisdiction over the Project.
- (g) Review requests for compensation by the Construction and Design Professionals.
- (h) Attend all Project meetings and review and comment on reports delivered by others therein.
- (i) Prepare and submit to Owner Developer's statement and/or reports to be submitted to the construction lender in connection with requested draws, coordinating its activities with requests for payments from the Construction and Design Professionals; and review such statements, affidavits, and waivers of lien as may be required by Owner or any construction lender in connection with the construction of the Project, and shall obtain any invoices, contracts, or other supporting data required by Owner or the construction lender.
- (j) Review and approve Change Order requests originated by the Construction and Design Professionals.
- (k) Obtain insurance (in form, on terms, in substance, and issued by responsible insurance carriers acceptable to Owner) to be carried in connection with the Project, including general public liability insurance in favor of the parties hereto, worker compensation insurance to the extent required under Alaska law, completed

operations insurance, and other forms of insurance as required by Owner pursuant to this Agreement.

- (l) Monitor compliance with insurance requirements of all Construction and Design Professionals supervised by Developer hereunder.
- (m) Cause to be prepared for review and approval by Owner all documentation necessary for formation of a homeowners' association for the Project and all other documentation necessary for the sales of each of the individual residential Lots within the Project.
- (n) Conduct the advertising and sales program for the sales of the Lots within the Project.
- (o) Act as Declarant of the homeowners' association for the Project.
- (p) Work with the Construction and Design Professionals in coordinating and supervising the performance of work done under warranties provided to Owner.
- (q) Advise and assist Owner as necessary in connection with any other aspect of the Project.

2.5 Financing. Developer will secure and negotiate the construction financing required for the development of the Project, including interest rates, interest charges, loan fees, and renewal or extension fees.

ARTICLE 3. **Pre-Conveyance Rights and Obligations**

3.1 Existing Records. Within thirty (30) days from the Effective Date of this Agreement, Owner shall make available to Developer the following materials related to the Property to the extent such materials are in the possession or control of Owner: (i) a copy of all title reports on the Property; (ii) a copy of all plans and specifications related to the possible development of the Property, including any development, building permits or applications for the same; (iii) all prior surveys of the Property; (iv) all environmental reports, wetlands reports, zoning reports and geotechnical reports for the Property; (v) all inspection reports in the Owner's possession completed by outside consultants with respect to the Property; (vi) details of any litigation affecting the Property; and (ix) any site plans, licenses, authorizations, permits or other governmental approvals, or similar information relating to the Property.

3.2 Boundary Survey of Subject Property. Within thirty (30) days from the Effective Date of this Agreement, Developer shall obtain and provide to Owner a boundary survey of the three phases that are contemplated for the Subject Property, which shall be depicted as three individual tracts on said survey (the "**Tract Survey**"). The costs and expenses for preparation of the Tract Survey shall be split equally between Owner and Developer.

3.3 *Wetlands Survey*. Within thirty (30) days from the Effective Date, Owner shall obtain and provide to Developer a current wetlands survey of the Subject Property for Phases 1, 2, and 3. The cost and expenses for the preparation of the wetlands survey shall be paid by Owner.

3.4 *Appraisal of Subject Property*. After the Effective Date, Owner shall promptly obtain and provide to Developer a current appraisal of the Property, with the value of the Property appraised as an undeveloped tract of land for Phases 1, 2, and 3. The cost and expenses for the preparation of the appraisal shall be paid by Owner.

3.5 *Necessary Approvals for Conveyance*. Promptly after the appraisal of the Property is complete, Owner shall obtain all approvals from the Heritage Land Bank Advisory Commission and from the Municipality of Anchorage as may be necessary for the conveyance of the Subject Property from Owner to Developer.

3.6 *Developer's Inspection and Approval Period*. The parties specifically agree that Developer's obligations under this Agreement are conditioned upon the satisfaction of each of the following conditions during the time periods specified below (any of which conditions may be waived by Developer upon giving notice thereof to Owner):

(a) Developer is granted a one hundred eighty (180) day period beginning on the Effective Date (the “**Inspection and Approval Period**”) to determine if the Property is usable by Developer for Developer's intended use. This Inspection and Approval Period grants Developer time to investigate all reasonable issues to ensure the purchase satisfies Developer for Developer's proposed development and use of the Subject Property. Owner acknowledges and agrees that Developer's decision as to whether it will terminate this Agreement at the end of this period is left to Developer's sole discretion. On or before the final day of the Inspection and Approval Period, Developer will notify Owner of Developer's intention either to proceed with the Project or terminate this Agreement. This Inspection and Approval Period may encompass all aspects of Developer's concerns for ensuring the Property meets its intended use to include, but not be limited to: (i) economic and feasibility studies, (ii) appraisals, (iii) site inspections, (iv) studies, (v) testing, (vi) surveys, (vii) utility locates, (viii) utility easements, and (ix) property access.

(b) Notwithstanding anything to the contrary in this Agreement, Developer may extend the Inspection and Approval Period, at no additional cost to Developer, for an additional sixty (60) day period beyond that stated in Section 3.6(a) for engineering, soils and environmental inspections. In the event Developer's engineering, soils or environmental inspections identify a material problem with the Subject Property, Owner will be granted forty-five (45) days to correct such issue at Owner's cost. Owner's failure to correct the issue within the forty-five (45) day period will provide Developer the right to terminate this Agreement or negotiate a modification to this Agreement to provide for the development and sale of such portion(s) of the Subject Property as can be profitably developed and sold.

(c) At any time on or before the final date of the Inspection and Approval Period (as such Inspection and Approval may be extended as contemplated in Section 3.6(b) above), Developer may notify Owner that Developer, in Developer's sole judgment,

has elected to terminate this Agreement. If Developer does terminate this Agreement, then this Agreement shall be deemed to be null and void and of no further force or effect, and Developer and Owner shall have no further rights, obligations, or liabilities under this Agreement, except for any provisions which are expressly stated to survive the termination of this Agreement. If Developer does not terminate before the end of the Inspection and Approval Period, then Developer may only terminate this agreement in the event of a Seller default, or a failure of a condition precedent identified in Section 4.6 of this Agreement.

3.7 Project Budget. Within one hundred twenty (120) days after the Effective Date, Developer shall provide Owner with an initial Project Budget based on information reasonably available to Developer.

3.8 Preliminary Commitment for Title Insurance. Within ninety (90) days after the Effective Date, Developer, at Owner's expense, shall use commercially reasonable efforts to obtain a standard form Owner's Title Commitment (the "**Title Commitment**") covering the Property and issued by Fidelity Title Agency of Alaska, LLC (the "**Title Company**"), together with copies of all instruments, if any, referred to in the Title Commitment as exceptions to title. Developer shall have ten (10) days after Developer's receipt of the Title Commitment, together with copies of all documents constituting exceptions to title, to review and approve the Title Commitment. If any exceptions appear in the Title Commitment, other than the standard pre-printed exceptions (which shall be totally deleted in the Policy, as defined in Section 4.3 herein, except that the survey exception may except shortages in area), which are objectionable to Developer, Developer shall, within such ten (10)-day period, notify Owner in writing of such objection. Upon the expiration of said ten (10)-day period, Developer shall be deemed to have accepted all exceptions to title as shown on the Title Commitment, except for matters to which notice under the preceding sentence has been given by Developer, and such exceptions shall be included in the term "**Permitted Exceptions**" as used in this Agreement. Owner shall, within ten (10) days of receipt of said notice, clear the title of the defects and objections so specified. In the event that Owner is unable through the exercise of its good faith best efforts (which shall include the payment of money with respect to any mortgages, liens or other matters that can be removed by the payment of money) to cure to Developer's satisfaction, any defect or objection so specified within such ten (10)-day period, then at Developer's option Developer may either (i) take title to the Subject Property despite the existence of such defects, or (ii) terminate this Agreement, in which event this Agreement shall be null and void and of no further force of effect and neither Developer nor Owner shall have any further liabilities, obligations, or rights with regard to this Agreement, except as otherwise provided herein.

ARTICLE 4. **Conveyance of Subject Property**

4.1 Conveyance of Subject Property. Provided that this Agreement has not been terminated under the provisions of Article 3, Owner agrees to convey to Developer, by Statutory Warranty Deed in a form acceptable to Developer (the "**Deed**"), marketable fee simple title to the Subject Property, free and clear of all encumbrances, subject only to the Permitted Exceptions. The Conveyance of the Subject Property from Owner to Developer is referred to in this Agreement as the "**Closing**."

4.2 *Timing of Conveyance.* Within thirty (30) days after Owner has obtained the necessary approvals for the conveyance under Section 3.5 of this Agreement and written request by Developer, Owner shall convey Phase 1 and Phase 2 of the Subject Property to Developer. Phase 3 of the Subject Property will be conveyed to Developer only at such time as is necessary to obtain financing for development of that phase to begin. Owner shall not be responsible for delays in conveyance caused by title company or lender.

4.3 *Title Insurance.* At Closing, Developer shall obtain, at Owner's expense, a standard form Owner's Title Insurance Policy (the "**Policy**") issued by the Title Company, insuring marketable fee simple title to Developer in the full amount of the appraised value of the Subject Property (as determined pursuant to the Appraisal required in Section 3.4) and containing no exceptions or conditions other than easements and the Permitted Exceptions as provided in Section 3.8 of this Agreement.

4.4 *Costs of Closing.* Each party shall pay their own attorney's fees. All other costs of Closing shall be paid as follows:

- (i) Owner shall pay the following closing costs:
 - (A) Title Commitment and Owner policy of Title Insurance
 - (B) ½ recording fees;
 - (C) ½ document preparation fees;
 - (D) ½ escrow closing fees; and
 - (E) Warranty deed.
- (ii) Developer shall pay the following closing costs:
 - (A) ½ recording fee;
 - (B) ½ document preparation fees; and
 - (C) ½ escrow closing fees.

4.5 *Municipal Applications.* The parties shall promptly and diligently seek the following approvals from the appropriate departments of the Municipality of Anchorage:

4.5.1 *Developer Applications.*

- (i) Developer shall apply for and take all actions necessary for approval of an Area Master Plan for the Subject Property, which may include requests for approval of a Planned Unit Development or Conditional Use Permit, upon terms and conditions satisfactory to Developer; and
- (ii) Developer shall apply for and take all actions necessary for approval of a phased Plat for subdividing and creating individual Lots within the Subject Property in three separate phases, upon terms and conditions satisfactory to Developer.

4.5.2 *Owner Applications.*

- (i) Owner shall apply for and take all actions necessary to have the portion of Tract B of Girdwood Elementary School Subdivision, according to Plat 85-38, that is within the contemplated boundaries of the Subject

Property, rezoned from the GIP/PLI zoning district to the gR-3 zoning district. The costs and expenses of this rezoning shall be the sole responsibility of Owner.

- (ii) Owner shall apply for and take all actions necessary to vacate the Section Line Easement that currently exists within the boundaries of the Subject Property. The costs and expenses of vacating the Section Line Easement shall be the sole responsibility of Owner.

4.6 *Developer Conditions.* Developer's obligations under this Agreement shall be conditioned upon the satisfaction of each of the following on or before July 1, 2025:

- (a) Developer obtaining all necessary approvals for an Area Master Plan for the Subject Property, which may include requests for approval of a Planned Unit Development or Conditional Use Permit, upon terms and conditions satisfactory to Developer;

- (b) Developer obtaining a phased Plat approval for subdividing and creating individual Lots within the Subject Property in three separate phases, upon terms and conditions satisfactory to Developer;

- (c) The recording of a subdivision plat that subdivides the Subject Property into three tracts, in a form satisfactory to Developer, and also satisfying the requirements of any applicable Area Master Plan, Planned Unit Development or Conditional Use Permit;

- (d) The rezoning of that portion of Tract B of Girdwood Elementary School Subdivision, according to Plat 85-38, that is within the contemplated boundaries of the Subject Property, from the GIP/PLI zoning district to the gR-3 zoning district, and the vacation of the Section Line Easement that currently exists within the boundaries of the Subject Property;

- (e) Obtaining all necessary approvals for construction of the Offsite Improvements, including the extension of the road, pedestrian pathway, and water, sewer, electric, gas, telephone, and internet utilities, from Hightower Road to the first phase of the Subject Property;

- (f) Satisfaction of any platting requirements imposed by the Municipality of Anchorage, other than those that may be required by the future subdivision of the Subject Property into individual Lots;

- (g) Obtaining all necessary approvals from Owner or the Municipality of Anchorage to proceed with the Project and this Agreement; and

- (h) Obtaining the Municipality of Anchorage's approval of appropriations matching or exceeding the general contractor lump sum fixed price amount (further described in Section 5.2(b) below) and the Project Management Fee (further described in

Section 5.4 below) (collectively the "Offsite Improvement Costs") for the Offsite Improvements, including the road and improvements in the rezone area if necessary.

4.7 Developer's Notice; Right to Terminate. At such time as all conditions set forth in Section 4.6 have been satisfied, Developer shall provide Owner with a written notice indicating Developer's intention to proceed with the Project (the "**Notice of Satisfaction of Conditions**"). Developer shall provide Owner with a written notice thirty (30) days prior to beginning construction for a Development Phase (Notice to Proceed with Phase).

4.8 Payment of Real Estate Taxes. From the time of Closing to the time that Developer gives its Notice to Proceed with Phase, Owner shall pay and be responsible for all real estate taxes that may be assessed against the Subject Property. After Developer gives its Notice to Proceed with Phase, Developer shall be responsible for all real estate taxes that may be assessed against the Subject Property. Owner acknowledges that Developer will seek the exemption provided in AMC 12.15.015.E.6. If Developer's ownership of the Subject Property exceeds the maximum five (5) years of exemption allowable under AMC 12.15.015.E.6, Owner shall be responsible for paying any increase in the real estate taxes assessed against the Subject Property as a result of the expiration of the exemption.

4.9 Failure of Developer Conditions. If any of the conditions set forth in Section 4.6 have not been satisfied on or before July 1, 2025, then Developer may terminate this Agreement at its sole discretion. Upon showing by Developer, to the reasonable satisfaction of Owner that the action or inaction of Owner, resulted in the failure to obtain the necessary approvals to satisfy the conditions in Section 4.6, Owner shall be required to reimburse Developer for all actual costs and expenses incurred by Developer in connection with the Project from the Effective Date to the time of termination, plus an additional amount equal to the commercial rate of interest on Developer's most recent active development loan. Upon Developer's receipt of such reimbursement from Owner, Owner shall convey the Subject Property back to Owner, and this Agreement shall be deemed to be null and void and of no further force or effect, and Developer and Owner shall have no further rights, obligations, or liabilities under this Agreement.

ARTICLE 5. Offsite Improvements

5.1 Construction of Offsite Improvements. Developer and Owner agree that Developer, on behalf of Owner, shall act as Project Manager for the construction of the following improvements from Hightower Road to the first phase of the Subject Property: Road, Pedestrian Pathway, Water, Sewer, Electric, Gas, Telephone, Internet (the "Offsite Improvements").

5.2 Retention of General Contractor. Developer, as Project Manager for the Offsite Improvements, shall select and retain a general contractor for the construction Offsite Improvements, subject to the following:

- (a) Developer shall solicit three (3) competitive bids from qualified and currently licensed contractors for completing the Offsite Improvements.
- (b) Bids must include a lump sum fixed price for completing the construction of all Offsite Improvements.

- (c) Developer's selection of the general contractor shall be subject to the approval of Owner, and the terms and conditions of the contract with the general contractor must be reviewed and approved by Owner.
- (d) The general contractor shall provide a bond and warranty for the Offsite Improvements as required by any department of the Municipality of Anchorage.
- (e) When the Offsite Improvements are complete the general contractor shall call for final inspection by Municipality of Anchorage officials. The general contractor shall have one opportunity to complete all punch list items and call for a reinspection. If all punch list items are not completed and approved by the Municipality of Anchorage upon reinspection, the general contractor shall pay a \$5,000 penalty per each required re-inspection.

5.3 *Cost of Offsite Improvements.* Owner shall approve and pay for all costs as described in the contract with general contractor for the planning, design and construction of the Offsite Improvements, in accordance with this Section 5.3.

- (a) Upon the Municipality of Anchorage's approval of appropriations for the Offsite Improvement Costs, Owner shall deposit the funds to pay for the Offsite Improvement Costs into an escrow account ("Escrow Account") with an Escrow Agent to be determined under an agreement ("Escrow Agreement") with Developer and Escrow Agent.
- (b) Escrow Agreement shall become an addendum to and an integral part thereof this Agreement.
- (c) If the Municipality of Anchorage has not approved appropriations for the Offsite Improvement Costs by August 1, 2022, then Developer shall be entitled to terminate this Agreement pursuant to Section 4.9, and Owner shall be required to reimburse Developer for all actual costs and expenses incurred by Developer in connection with the Project from the Effective Date to the time of termination, plus an additional amount equal to the commercial rate of interest on Developer's most recent active development loan.
- (d) All Offsite Improvements Costs shall be paid for by Owner from funds in the Escrow Account.
- (e) Requests shall be delivered to Owner by Developer on a monthly basis for the purpose of paying the Offsite Improvement Costs. All such costs shall be certified and approved by Developer's engineer of record and by Owner. Once both the engineer of record and Owner have certified the Offsite Improvement Costs subject to the request, Owner shall pay Developer from the Escrow Account.

- (f) In the event that the general contractor encounters any Extraordinary Circumstances that are anticipated to result in an increase in the lump sum fixed price for the construction of the Offsite Improvements, Developer shall promptly notify Owner of such circumstances, and the amount of any additional costs shall be certified by Developer's engineer of record. Owner shall approve any such additional costs to the extent that such additional costs are necessary for the completion of the Offsite Improvements.

5.4 Project Management Fee for Offsite Improvements. Owner shall pay to Developer a project management fee equal to 3.5% of all costs of completing the Offsite Improvements (the "Project Management Fee"), including the cost of the general contractor and all costs of planning, designing, developing, and managing the construction of the Offsite Improvements. The Project Management Fee shall be due monthly and paid for by the 10th day of every month.

5.5 Completion of Offsite Improvements. The construction of all Offsite Improvements shall be completed within one (1) year from the Date that Developer's Notice to Proceed is given under Section 4.7, unless another date is agreed to in writing by the parties.

ARTICLE 6. Subdivision Improvements and Developer Fees

6.1 Compliance with Municipal Requirements. Improvements to be constructed by Developer within the Subject Property ("**Subdivision Improvements**") shall be constructed in accordance with all requirements or conditions of approval imposed by the Municipality of Anchorage.

6.2 Construction and Design Documents. At the request of Owner, Developer shall promptly provide Owner with Construction and Design Documents related to the construction of any Subdivision Improvements.

6.3 Phased Construction. Developer will not commence construction of Improvements within Phase 2 of the project until (a) Developer has obtained construction financing for the Phase 2 Improvements on terms satisfactory to Developer and Developer's lender(s), (b) Developer's lender(s) have approved the release of funds from the construction financing to commence construction, and (c) Owner has approved commencement of construction based upon notification by Developer of conditions (a) & (b) above. Developer will not commence construction of Improvements within Phase 3 of the project until (a) Developer has obtained construction financing for the Phase 3 Improvements on terms satisfactory to Developer and Developer's lender(s), (b) Developer's lender(s) have approved the release of funds from the construction financing to commence construction, and (c) Owner has approved commencement of construction based upon notification by Developer of conditions (a) & (b) above.

6.4 Site Plan Approval. Prior to the construction of any Subdivision Improvements within a specific phase of the Project, Developer shall provide Owner with a site plan showing the location of all proposed Subdivision Improvements within that phase of the Project, and the dimensions and intended use of any Lot to be created within that phase of the Project ("Site Plan"). Provided that the Site Plan complies with the requirements of the Municipality of Anchorage and is

consistent with the RFP Response, and provided that Owner is satisfied with the lot absorption rate in the prior phase of the Project, Owner shall promptly provide Developer with written approval of the Site Plan.

6.5 Crow Creek Road Secondary Access. During the development of the first phase of the Project, Developer will spend up to \$125,000 on planning and design documents for constructing a secondary fire apparatus access to Crow Creek Road. The secondary fire apparatus access connection to Crow Creek Road will not be constructed until the development of the second phase of the Project, after Developer completes all Subdivision Improvements within the first phase of the Project. If the Municipality of Anchorage or the State of Alaska Department of Transportation requires Developer to upgrade any portion of Crow Creek Road that is currently in existence, then all costs to upgrade the existing Crow Creek Road shall be paid for solely by Owner.

6.6 Wetland Mitigation Credits. Should Compensatory Mitigation be required for a Fill Permit from the U.S. Army Corps of Engineers (USACE) in any phase of the Project, Owner will provide Developer with Credits as required by the Compensatory Mitigation Plan through Permittee Responsible Mitigation at a fee of not more than 35% of the average area cost of similar Credits as quoted by In-Lieu Fee Programs within the Anchorage watershed such as Great Land Trust and the Alaska Railroad Corporation. Financial Assurances must be approved by the USACE, so this amount may be adjusted as required by USACE. This fee will cover the cost of establishing the value of the Credits (delineation), preparing a Long-Term Management Plan and getting the Credits and the Plan approved. Most importantly, this fee must cover the first five (5) years of monitoring to ensure the stability of the ecological value of the Preserved Wetlands, as well as caring for the Preserved Wetlands in perpetuity.

6.7 Sales of Lots. Upon completing all Subdivision Improvements within a specific phase of the Project, Developer shall use its best efforts to promptly market and sell all residential Lots created within that phase of the Project. Developer may not market or sell a Lot for less than the fair market value of the Lot. Notwithstanding the foregoing: (a) upon obtaining the Municipality of Anchorage's approval of an Area Master Plan and Preliminary Plat for the Subject Property, Developer may market residential Lots and enter into reservation agreements that require refundable reservation deposits; and (b) Developer may convey to a homeowners' association any Lot that is designated as a common element under AS 34.08 *et seq.* Owner and Developer acknowledge and agree that the homeowners' association shall only be responsible for maintaining those portions of the Subject Property that are designated and conveyed to the homeowners' association as common elements.

6.8 Developer Fee and Administrative Fee. As consideration for Developer's obligations to administer and develop the Project, Developer shall receive a developer fee ("**Developer Fee**") equal to 3.5% of all costs identified in Section 8.3(a) through (h), and an administrative fee ("**Administrative Fee**") equal to 1% of all costs identified in Section 8.3(a) through 8.3(h). Because Developer's construction loan(s) will not pay for these fees, fifty percent (50%) of the Administrative Fee shall be paid by Owner on a monthly basis upon invoicing by Developer. The Developer Fee and remaining fifty percent (50%) of and Administrative Fee shall be considered Project Costs for purposes of calculating the amount of Net Profits to be paid to Owner under Article 8. The prepaid Administrative Fee shall not be considered under Section 8.2 as a revenue received by Developer for the calculation of Net Profits.

6.9 *Marketing Fee.* As consideration for Developer's obligations to market and sell Lots within the Project, Developer shall receive a marketing fee ("**Marketing Fee**") equal to 3% of the sales price of each Lot sold within the Subject Property, plus closing costs to include escrow fees, closing fees, title insurance, and document preparation fees charged by a title company. The Marketing Fee shall be paid to Developer from proceeds generated by the sale of Lots within the Subject Property, and shall be considered a Cost for purposes of calculating the amount of Net Profits to be paid to Owner under Article 8.

6.10 *Common Element and Development Expenses (CEDE).*

- (a) No CEDE shall be charged in connection with Subject Property.

ARTICLE 7. Cooperation and Approvals

7.1 *Cooperation.* Each Party shall cooperate fully in the execution of any and all other documents and in the completion of any additional actions that may reasonably be necessary or appropriate to give full force and effect to the terms and intent of this Agreement. At Developer's request, Owner shall promptly furnish Developer with any and all information and documents available to Owner and reasonably required by Developer in fulfilling its obligations in connection with the development of the Project.

7.2 *Subordination of Owner's Interest.* Owner acknowledges that Developer will seek to obtain a construction loan for financing the cost of planning, designing and constructing the Subdivision Improvements. Owner hereby agrees to promptly execute any and all documents necessary to subordinate Owner's interest in the Subject Property and/or in the profits from the sale of Lots, to any construction loan that Developer acquires for the purpose of planning, designing or constructing Subdivision Improvements. The subordination of Owner's interest in the Subject Property will be accomplished at such time as Owner and Developer's construction lender have agreed upon the terms of a commercially reasonable inter-creditor agreement.

7.3 *Owner Approval for Substantial Matters.* Notwithstanding the powers and duties given to Developer under this Agreement, without the consent of Owner, no act shall be taken, or sum expended or obligation incurred for and on behalf of Owner with respect to any of the following:

- (a) The selection and retention of Construction and Design Professionals;
- (b) Any expenditure not contemplated in the most recent Project Budget that exceeds more than three percent (3%) of the total Project Budget;
- (c) The execution of Change Orders, except that Developer may, without the consent of Owner, authorize Change Orders affecting the construction or cost of the Project provided that the Change Order, or series of Change Orders dealing with the same subject, does not result in a cost increase of more than ten percent (10%) of the amount budgeted for such item(s) in the most recent Project Budget.

- (d) The letting of any contract or contracts for the completion of any portion of the Project that was previously covered by a construction contract, if the proposed contract, or series of contracts with respect to the same item(s), would result in a cost increase of more than ten percent (10%) of the amount budgeted for such item(s) in the most recent Project Budget.
- (e) Any arrangement for the financing of the Project, and any instruments evidencing or securing the resulting indebtedness, or any modifications therein.

Whenever Owner approval of the previous matters is required, such approval or notice of its refusal to grant approval shall be rendered promptly so as to minimize any interference with the timely completion of the Project.

7.4 Emergencies. Notwithstanding anything contained in Section 7.3 to the contrary, in any emergency affecting the safety of persons or property, or which is likely to result in a substantial construction work stoppage, Developer shall be authorized to act in a manner intended to mitigate or prevent threatened damage, injury, or loss, and shall be entitled to make expenditures in connection therewith. However, Developer shall authorize only such acts and shall make only such expenditures reasonably required to stabilize the emergency. In addition, Developer shall authorize such acts and make such expenditures only after Developer has made a reasonable attempt (if circumstances permit) to inform Owner of the cause of such emergency, Developer's proposed course of action in connection therewith, and the likely amount of such expenditures.

ARTICLE 8. Compensation to Owner

8.1 Compensation to Owner. In consideration for Owner's conveyance of the Subject Property to Developer, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, Developer shall pay to Owner fifty percent (50%) of the Net Profits generated from the sale of Lots within each phase of the Project, which Net Profits shall be determined and calculated in accordance with this Article 8.

8.2 Net Profits. The Net Profits to be paid to Owner pursuant to Section 8.1 shall mean all revenues received by Developer from the sale of Lots within the Subject Property, less any and all Project Costs incurred in connection with the Project. The prepaid Administrative Fee as described in Section 6.8 shall not be considered a revenue received by Developer under this section.

8.3 Costs Included. For purposes of determining Net Profits under Section 8.1, Project Costs shall include, but are not necessarily limited to, the following:

- (a) All fees and expenses billed to Developer by the Construction and Design Professionals;
- (b) All costs of planning, designing, developing, and managing the construction of Subdivision Improvements including the cost of outside consultants other than the construction and Design Professionals necessary to secure the entitlements, to the extent that such costs are not billed directly to Developer by the Construction and

Design Professionals;

- (c) All fees and expenses required by the Municipality of Anchorage or the State of Alaska for applications, permits, inspections, engineering, platting, and review and approval of an Area Master Plan, Planned Unit Development and/or Conditional Use Permit, including any fees charged to Developer for wetland mitigation credits under Section 6.6;
- (d) Legal fees incurred by Developer in connection with the Project, including administrative appeals and legal fees necessary for formation of a homeowners' association for the Project;
- (e) All costs of insurance maintained by Developer in connection with the Project;
- (f) Developer's financing costs, to include construction loan interest, loan fees and costs, and loan renewal fees and costs;
- (g) Real estate taxes assessed against the Subject Property and payable by Developer; and
- (h) Developer's general and administrative expenses incurred in connection with the Project, to include monthly accounting fees, tax professional fees, and office supplies but excluding office space rental costs.

In addition to the foregoing, the term Project Costs shall include the Developer Fee and remaining fifty percent (50%) of Administrative Fee as set forth in Section 6.8, and the Marketing Fee as set forth in Section 6.9. Proposed costs beyond items (a-h), the Developer Fee, Administrative Fee, and Marketing Fee specifically enumerated above require approval by Owner prior to inclusion in Project Costs for purposes of determining Net Profits under Section 8.1.

8.4 Costs Excluded. Notwithstanding the provisions of Section 8.3, for purposes of determining Net Profits, the Project Costs shall not include the following:

- (a) Costs and expenses associated with the Offsite Improvements, which shall be paid for pursuant to Article 5.
- (b) The costs and expenses for preparation of the Tract Survey, wetlands survey, or appraisal, which shall be paid for pursuant to Sections 3.2, 3.3 and 3.4.
- (c) The costs and expenses of rezoning any portion of the Property from the GIP/PLI zoning district to the gR-3 zoning district.

- (d) The costs and expenses of vacating the Section Line Easement that currently exists within the boundaries of the Subject Property.

8.5 Net Profits Determined Per Phase. The Net Profits to be paid to Owner pursuant to Section 8.1 shall be determined on a "per phase" basis, after all residential Lots within a particular phase have been sold by Developer. Within thirty (30) days of the closing of the sale of the last residential Lot within a particular phase, Developer shall provide Owner with an accounting of the Net Profits for that particular phase. Upon receipt of such accounting, Owner shall have seven (7) days to provide written notice of any objection that Owner may have to any aspect of the accounting. If no objection is received within said seven (7) day period, then Owner shall be deemed to have waived any right to dispute the accounting of Net Profits. If Owner provides written objection to the accounting of Net Profits within said seven (7) day period, then Owner and Developer shall promptly and diligently work together to resolve any dispute over the accounting.

8.6 Reconveyances.

If approvals under Section 4.6 are not obtained by July 1, 2025, Developer shall return all tracts originally conveyed via Warranty Deed with no restrictions, other than those Permitted Exceptions and any restrictions that may be imposed pursuant to any approvals obtained under this Agreement, no later than July 15, 2025.

ARTICLE 9. Indemnification and Insurance

9.1 Indemnification.

- (a) Owner shall indemnify and hold Developer harmless from and against any and all actions, suits, claims, penalties, losses, liabilities, damages, and expenses (collectively "Claims"), arising out of Developer's performing the services to be performed by Developer under this Agreement, except Claims based upon Developer's negligence, willful misconduct, failure to act in good faith, or action beyond the authority granted to Developer by this Agreement.
- (b) Developer shall indemnify and hold Owner harmless from and against any and all Claims that Owner may suffer, sustain, or incur arising from or in connection with Developer's negligence, willful misconduct, failure to act in good faith, or action beyond the scope of the authority granted to Developer by this Agreement.
- (c) Each indemnitor under this Section 9.1 shall reimburse each indemnitee for any legal fees and costs, including reasonable attorney's fees and other litigation expenses, reasonably incurred by such indemnitee in connection with investigating or defending against Claims with respect to which indemnity is granted hereunder. If Claims are asserted or threatened, or if any action or suit is commenced or threatened with respect thereto, for which indemnity may be sought against an indemnitor hereunder, the indemnitee shall notify the indemnitor in writing as soon as practicable after the indemnitee shall have actual knowledge of the threat, assertion, or commencement of the Claims, which notice shall specify in reasonable

detail the matter for which indemnity may be sought. The indemnitor shall have the right, upon notice to the indemnitee given within fourteen (14) days of its receipt of the indemnitee's notice, to take primary responsibility for the prosecution, defense, or settlement of such matter, including the employment of counsel chosen by the indemnitor with the approval of the indemnitee, which approval shall not be unreasonably withheld, and payment of expenses in connection therewith. The indemnitee shall provide without cost to the indemnitor all relevant records and information reasonably required by the indemnitor for such prosecution, defense, or settlement and shall cooperate with the indemnitor to the fullest extent possible. The indemnitee shall have the right to employ its own counsel in any such matter with respect to which the indemnitor has elected to take primary responsibility for prosecution, defense, or settlement, but the fees and expenses of such counsel shall be the expense of the indemnitee.

9.2 Insurance.

A. Any contractors or subcontractors hired for the Project shall maintain in good standing, for the entire period of the contract, the insurance described in subsection B of this section. Before rendering any services under this contract, the Contractor shall furnish the Administrator with a Certificate of Insurance in accordance with subsection B of this section in a form acceptable to the Risk Manager for Anchorage.

B. The contractors and subcontractors shall provide the following insurance:

- 1.) \$500,000 Employers Liability and Workers Compensation as required by Alaska Law.
- 2.) Commercial Automobile Liability in the amount of \$1,000,000 combined single limit to include: owned, hired, and non-owned.
- 3.) Commercial General Liability including:
 - \$2,000,000 General Aggregate
 - \$2,000,000 Products/Completed Operations
 - \$1,000,000 Personal & Advertising Injury
 - \$1,000,000 Each Occurrence
 - \$5,000 Medical Payments
- 4.) Developer shall provide Professional Liability Insurance with limits of not less than \$5,000,000 per occurrence and in the aggregate that shall be effective from and after the conveyance of Phase 1 and Phase 2 of the Subject Property.
- 5) Cyber/Privacy Liability insurance with limits not less than \$1,000,000. The Cyber Coverage shall include, but not be limited to, claims involving invasion of privacy violations (including HIPPA), information theft, and release of private information. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses.

C. Policies written on a "claims-made basis" must have a two (2) year tail of coverage, or an unbroken continuation of coverage for two (2) years from the completion of the contract requirements.

D. Each policy of insurance required by this section shall provide for advance notice to the MOA/Contract Administrator prior to cancellation in accordance with the policy. IF the insurer does not notify the MOA on policy cancellation it shall be the contractor's responsibility to notify the MOA of such cancellation.

E. With the exception of Workers Compensation and Professional Liability each policy shall name The Municipality as an "additional insured" and the actual policy endorsement shall accompany each Certificate of Insurance.

F. General Liability, Workers Compensation, and Automobile policies shall be endorsed to waive all rights of subrogation against the Municipality of Anchorage by reason of any payment made for claims under the above coverage. This policy endorsement shall accompany each Certificate of Insurance.

G. All policies for general liability shall be primary and noncontributing with any insurance that may be carried by the Municipality.

H. If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the Municipality requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Municipality.

I. Contractor shall require and verify that all subcontractors maintain insurance meeting all requirements stated herein, and Contractor shall ensure that the Municipality is an additional insured on insurance required from subcontractors.

ARTICLE 10. Rights Upon Default

10.1 *Rights Upon Default.* If either party shall fail to keep, observe, or perform any material covenant, agreement, term, or provision of this Agreement to be kept, observed, or performed by such party, and such default shall continue for a period of sixty (60) days after notice thereof by the other party, then the non-defaulting party shall have all rights and remedies available at law or in equity, up to and including termination of this Agreement.

10.2 *Curing Defaults.* Any default by Developer or Owner under Section 10.1 that is susceptible of being cured shall not constitute a basis for termination if the nature of such default will not permit it to be cured within the grace period allotted, provided that within such grace period Developer or Owner, as the case may be, shall have commenced to cure such default and shall proceed to complete the same with reasonable diligence.

ARTICLE 11. Owner's Representations; Liability for Hazardous Substances

11.1 *Owner's Representations.* Owner represents and warrants to Developer as follows:

(a) Owner is the fee simple owner of the Property and has authority to execute this Agreement and will, as of Closing, have authority to convey to Developer all of Owner's right, title, and interest in and to the Subject Property in accordance with this Agreement.

(b) Owner has no Knowledge (defined to include any actual or imputed knowledge of any representative or agent of Owner) of any currently pending or threatened taking or condemnation of the Property or any portion thereof.

(c) Except as disclosed on the Title Commitment, there are no unrecorded leases, licenses, contracts, agreements, easements, encumbrances, service contracts or occupancy agreements currently affecting any portion of the Property which will be binding on Developer following the Closing.

(d) Neither the entering into of this Agreement nor the consummation of the transactions contemplated hereby will constitute or result in a violation or breach by Owner of any material judgment, order, writ, injunction or decree issued against or imposed upon Owner.

(e) Owner has no Knowledge of any actual or threatened action, litigation, or proceeding by any organization, person, individual or governmental agency against the Property, or against Owner or any representative or agent of Owner regarding the Property.

(f) Owner has no Knowledge of any violations of state, federal or municipal law, (including laws relating to the environmental condition of the Property) with respect to the Property.

(g) To Owner's Knowledge, there are not now any Hazardous Substances in, on or under the Property. For purposes of this Article 11, "Hazardous Substances" shall mean all man-made or naturally occurring toxic or hazardous substances, materials, products, by-products or wastes, including radon, urea-formaldehyde, asbestos, petroleum or petroleum products, petroleum additives or constituents, and including mold at such concentrations or under such conditions as to inhibit or impair customary use of the Property, or any other waste, contaminant or pollutant regulated under or for which liability may be imposed by any federal, state or local law or regulation.

(h) To Owner's Knowledge, there are not now any underground storage tanks, oil wells, groundwater monitoring wells, injection wells, asbestos containing materials, lead-based paint, PCB containing equipment (such as lamps, transformers or hydraulic lifts), equipment containing freons regulated under the Clean Air Act, landfills, waste piles, fill materials, or solid waste or hazardous waste, existing in, on or under the Property.

11.2 *Liability for Hazardous Substances.* Developer shall be financially responsible and liable for any Hazardous Substances that Developer brings to the Subject Property, and for the negligent handling of any Hazardous Substances which may exist or be determined to exist on the Subject Property. In the event Developer discovers Hazardous Substances that existed on the Subject Property prior to the Effective Date of this Agreement, then: (a) Developer shall

immediately stop work in the affected area and notify Owner; (b) Owner shall promptly respond to and remediate such Hazardous Substances in accordance with the requirements of applicable law; and (c) Owner shall defend, indemnify and hold harmless Developer from all demands, claims, fees, fines, penalties, judgments, awards, costs, damages, losses, obligations, and liabilities that in any way arise out of, result from or are based upon any legal obligation to respond to, remediate and/or dispose of such Hazardous Substances.

ARTICLE 12. **Miscellaneous**

12.1 *Assignments.* Developer shall have no right to assign or transfer all or any part of its rights or powers, nor delegate any of its duties or obligations hereunder without the prior written consent of Owner, except that Developer may assign and delegate all of its rights, powers, duties, and obligations to an affiliate of Developer.

12.2 *Sale or Assignment by Owner.* In the event that Owner shall, at any time during the term of this Agreement, sell or otherwise dispose of its interest in the Project, Owner shall have the right to assign its rights hereunder to the purchaser thereof, provided that such purchaser shall assume the obligations of Owner hereunder.

12.3 *Successors and Assigns.* Subject to the provisions of Sections 12.1 and 12.2 above, this Agreement shall be binding on, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

12.4 *Developer's Representative.* Developer has appointed *Connie Yoshimura* to act as its representative for the Project ("**Developer's Representative**"). Developer's Representative shall monitor and coordinate all on-site phases of the development of the Project. As the Project proceeds, Developer shall have the right to designate a different Developer's Representative and to designate one or more full-time assistants to Developer's Representative.

12.5 *Notices.* All notices, demands, requests, consents, approvals, and other communications (herein collectively called "**Notices**") required or permitted to be given hereunder, or which are to be given with respect to this Agreement, shall be in writing sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the party to be so notified as follows:

Owner: Attn: Land Management Officer
 Municipality of Anchorage, Heritage Land Bank
 P.O. Box 196650
 Anchorage, Alaska 99519

Developer: Attn: Connie Yoshimura
 CY Investments, LLC
 561 E 36th Avenue, Suite 200
 Anchorage, Alaska 99503

and shall be deemed received three (3) days after the mailing thereof. Such notices, demands, requests, consents, approvals, and other communications may also be delivered by hand, or by

special courier, and shall be deemed received when receipt is acknowledged or refused by the addressee. Either party may at any time change the address for notice to such party by mailing a Notice as aforesaid.

12.6 *Entire Agreement; Amendment.* This Agreement and the referenced Exhibits, if any, contains the entire Agreement between the parties with respect to the subject matter hereof, and supersedes all prior understandings, if any, with respect thereto. There are no understandings, oral or written, which in any manner change or enlarge what is set forth herein. This agreement may not be modified or amended except in writing and signed by the parties hereto.

12.7 *No Waiver.* The failure of a party to enforce at any time any provision of this Agreement will not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of such party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement will be held to constitute a waiver of any other or subsequent breach.

12.8 *Severability.* If any term, provision or condition in this Agreement shall, to any extent, be deemed invalid or unenforceable, the remainder of this Agreement (or the application of such term, provision or condition to persons or circumstances other than in respect of which it is invalid or unenforceable) will not be affected thereby, and each term, provision and condition of this Agreement will be valid and enforceable to the fullest extent permitted by law.

12.9 *Governing Law.* The terms and provisions of this Agreement will be governed by and construed in accordance with the laws of the State of Alaska without regard to its conflicts of laws provisions.

12.10 *Arbitration of Disputes.* The Parties shall cooperate in good faith to resolve any differences or disputes arising out of or relating to the Subject Property or this Agreement. Any controversy, claim or dispute of whatever nature arising between Owner and Developer, including but not limited to those arising out of or relating to the construction, interpretation, performance, breach, termination, enforceability or validity of this Agreement, shall be determined by arbitration, by one arbitrator in Anchorage, Alaska, governed and administered by the American Arbitration Association under its Commercial Arbitration Rules. The arbitrator shall award the prevailing party reasonable expenses and costs, including reasonable attorneys' fees, plus interest on the amount due. The arbitrator's decision shall be final and binding, and judgment may be entered thereon in any court having jurisdiction.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

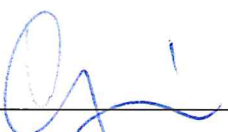
OWNER:



By: Amy Demboski

Title: Municipal Manager

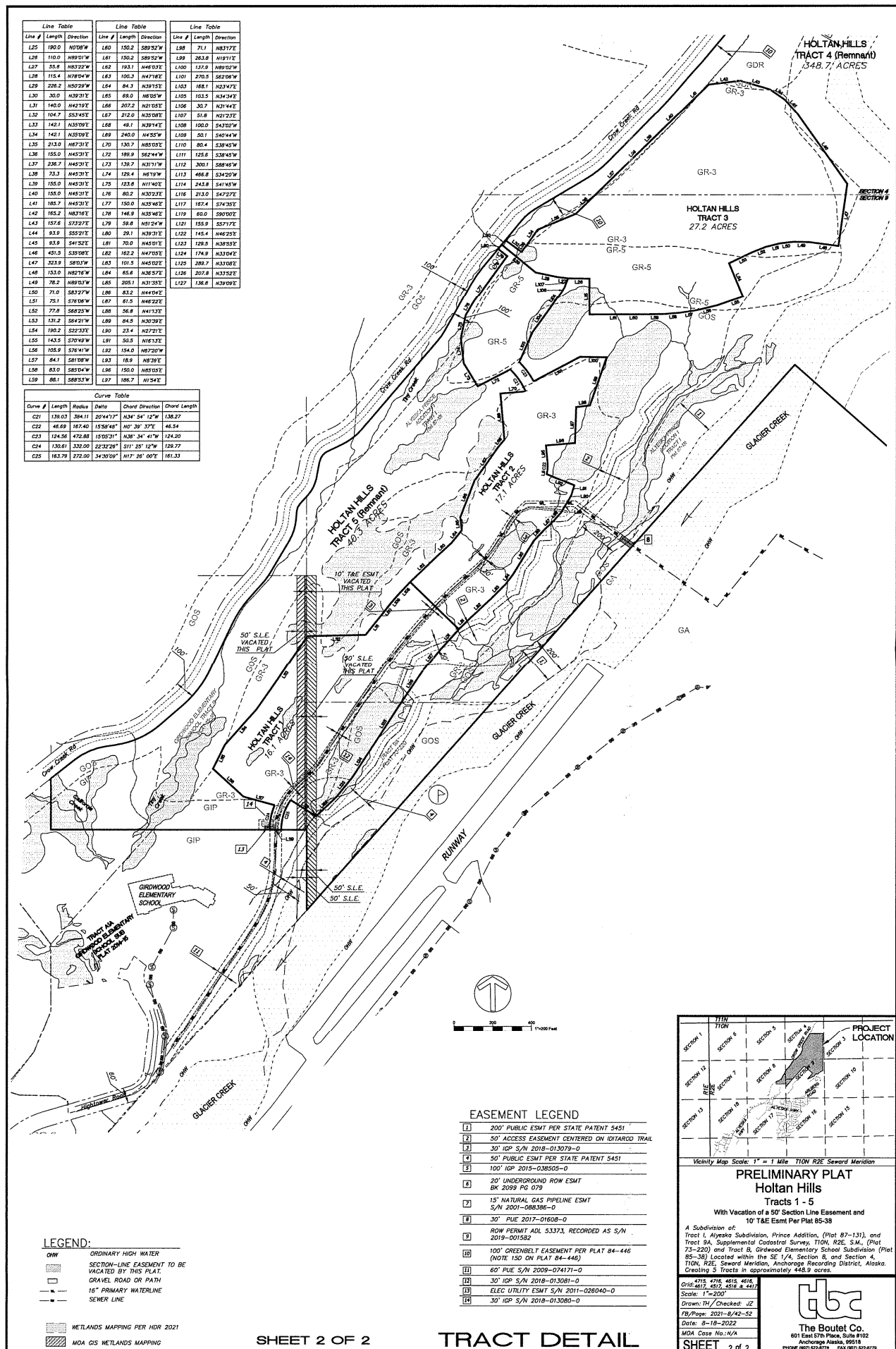
DEVELOPER:



By: Connie Yoshimura

Title: Owner

Appendix D - Draft Plat



Projects Update Report

Heritage Land Bank Advisory Commission

September 14, 2022

2022 Proposed Disposals

- *HLB 6-057B, C, D, E – Girdwood Industrial Park subdivision Phase I lots*
Purchase and Sale agreements are now executed for the leased lots in the Girdwood Industrial Park Phase I.
- *HLB 6-043 – USFS Headquarters*
USFS is going through the federal process of getting an appraisal. District Ranger has received authorization from USFS Officials to move forward with the purchase. The lease has been extended by a year to allow time for the transactions.
- *HLB 3-027A – Dowling Substation*
A Purchase and Sale agreement is currently being drafted and documents are being prepared for taking this disposal to the Anchorage Assembly for approval.
- *HLB 3-065 – State of Alaska Heliport Lease*
A lease has been drafted and is now being reviewed by Legal for an emergency heliport for the Department of Public Safety. This disposal was approved by the Assembly in May 2022.

2022 Current & Continuing Projects

- *Holtan Hills*
The Project Team presented to the Anchorage Assembly at a work session on August 4th. The Project Team also presented the project at the August 18th Anchorage Home Builder's Association's Lunch and Learn.

Based on the Development Agreement and current approved contractor scope and fees, the pre-development analysis is estimated to cost HLB \$108,000 plus rezone application fees. These costs include; appraisal, survey, wetlands survey, title reports, and consultant support on the rezone application (not including application fees).

Upcoming deliverables:

- Project Budget, August 27, 2022 (received and being reviewed)
- Inspection and Approval Period, October 26, 2022

Holtan Hills disposal is on the September HLBAC agenda for deliberation.

- *Girdwood South Townsite*

HLB Staff are working with Girdwood Community Land Trust in exploring the development requirements of HLB Parcel 6-076 for a potential long-term ground lease. The Trust has a draft site plan developed and an upcoming meeting with the Planning Department is being scheduled.

- *2023 Work Plan*

Staff will pick up the 2023 Work Plan later this year – until then, the currently adopted Work Plan is the guiding document.

- *Spruce Street Extension – HLB Parcel 3-064*

PM&E are working on a Spruce Street Extension and will be coming to HLBAC for a right-of-way request in the coming months.

2022 Land Acquisition / Exchange / Transfer

- *Potential Exchange of HLB Parcel 3-074*

The MOA, ACDA, and the State of Alaska are considering a land exchange of HLB Parcel 3-074 for a portion of Block 102 in downtown Anchorage. This is anticipated to be before the HLBAC in the coming months for action.

- *Laurel Acres parcels*

HLB Staff sent letters to all property owners in Laurel Acres seeking donations. There are a few property owners who are still considering sale and/or donation to the MOA. This is anticipated to be a continuing project with parcels coming before HLBAC as they are processed.

2022 Land Management

- *3rd & Ingra, HLB 4-046 + 4-047*

The 3rd Avenue Radicals have organized a Community Event scheduled for Thursday, September 29th – Commissioners are encouraged to attend. The event is intended to put a “Spotlight on 3rd and Gambell”

- *Girdwood Industrial Park*

HLB staff have received a quote to perform some maintenance on the driveways in Phase II of the Girdwood Industrial Park and it is currently under review.

Land Use Permits Issued since January 2022

HLB Permit No.	Issued To	Use	Expiration
2011-15	Snow Free Snowplowing	Equipment Storage	12/31/2022
2016-09	Girdwood Forest Fair, Inc.	Girdwood Forest Fair	6/5/2022
2017-08	Chugach Adventures	Guided Hiking	10/1/2022
2021-01	Alaska Aquaponics Inc	Industrial Park	4/30/2023
2021-08	Seeds of Change	Community Farm	5/4/2023
2021-18	Ridgetop Builders LLC	Commercial Milling Operation	8/1/2023
2022-02	Girdwood Equipment Rental	Storage	2/13/2023
2022-04	Girdwood Community Land Trust	Storage	2/10/2023
2022-05	Shannon & Wilson	Soil boring	2/26/2022
2022-08	Carol Creek LLC	Temporary construction	9/15/2022
2022-09	USFS Forest Inventory Analysis Program	Forestry Research	9/15/2022
2022-10	The Church of Jesus Christ of Latter-day Saints	Filming	7/22/2022
2022-11 (pending signatures)	BC Excavating	Storage	TBD
2022-12 (pending signatures)	Anchorage Downtown Partnership	Spotlight on 3 rd and Gambell (event)	9/29/2022