DATE: September 14, 2022

TO: Adam Trombley: Adam.Trombley@anchorageak.gov
    Connie Yoshimura, CY Investments: cyoshimura@qci.net

CC: Heritage Land Bank and HLBAC Commissioners: hlb@anchorageak.gov
    Girdwood Board of Supervisors: gbos@muni.org

FR: Holtan Hills Housing Advisory Committee, Sam Daniel and Emma Kramer, Co-chairs

Introduction
Girdwood is experiencing an ongoing housing crisis. Every resident and business owner is acutely aware of the lack of housing and the incredible challenges posed by the cost of housing. This reality is known and acknowledged in the HLB Girdwood Residential 2021 RFP (Attachment A, page 8 Section 3). The winning proposal, submitted by CY Investments, LLC, Pomeroy Lodging, and Seth Anderson PE. (Attachment B, p.20;4.5.1 Business Plan) indicates awareness of Girdwood’s housing crisis and an intent to create “workforce housing, affordable housing, moderately priced single family homes with ADUs, luxury 50,000 square foot lots as well as cottages and ‘bird’ houses” (ibid). The Girdwood community is concerned that the Development Agreement (Attachment C) between CY Investments and MOA HLB addresses creation of lots only, without the specific guarantee of creation of the housing Girdwood needs.

In July an informal survey of Girdwood renters was conducted online via social media platforms. The 133 responses reveal many of the struggles our community faces with housing:
  ● 73% responded that their rent is over 30% of their income.
  ● 56% have stayed in unsafe living conditions.
  ● 36% have experienced homelessness while living in Girdwood.
  ● 69% have lived in housing that is not up to code.
  ● 21% have had to take out a loan to pay rent.
  ● 87% have considered moving out of Girdwood because of the lack of housing.
  ● 78% work more than 40 hours per week to afford rent.

Following a series of community meetings, widespread written input from community members and business owners, and at the suggestion of Connie Yoshimura, the Holtan Hills Housing Advisory Committee was formed by the GBOS to coalesce the community’s concerns and work toward an agreement with CY Investments and HLB. This letter is the product of their work.

Goals
After deep listening to our community, our goals are to work collaboratively and use inclusionary housing concepts to:
  A. Increase the supply of workforce and mid-income housing;
  B. Increase the affordability of housing in Girdwood;
  C. Increase the amount of housing occupied by Girdwood residents; and,
  D. Limit the use of new housing as short term rental property.

Recommended Revisions to the Development Agreement.
1. Add language from the RFP (Attachment A) and the winning proposal (Attachment B) to the Development Agreement as a binding commitment that:
   a. CY Master Plan/Plat/etc. shall “promote employment stability” within Girdwood. (Attachment A: p. 8).
   b. CY Master Plan shall identify which of the lots / potential housing units in Phase 1 and Phase 2 will be affordable housing, senior housing, workforce housing, market rate housing, multi-generational housing, seasonal workforce apartments, residential homes with ADU’s, and “bird” houses / compact houses (Attachment A: p.11; Attachment B: p.2, 20, 24, 30).

2. Add specific requirements (Attachment B: p.12) for consultation with:
   a. Girdwood Board of Supervisors/ Girdwood Land Use Committee
   b. Girdwood Community Land Trust
   c. Imagine Girdwood
   d. Girdwood Trails Committee

3. Restructure HLB Profit Sharing through a combination of deed restrictions on Phase 1 and 2 lots to use of property as primary places of residence; and land transferred from Phase 1 and 2 to be deeded to a specified Girdwood nonprofit entity for the purpose of constructing inclusionary housing.

4. Increase density and/or increase number of multifamily lots in Phases 1 and 2.

5. Add deed restrictions on Phase 1 and Phase 2 to limit the use of properties as short term rentals.

6. Seed funding for creation and initial operation of Girdwood managed housing authority/housing strategies
   Upon the disposal of land to CY Investments, an initial investment of $500,000 shall be designated by HLB and treated as encumbered funds to support creation and operation of a management body or contracting with an existing entity to implement inclusionary housing strategies within the Girdwood Valley Service Area in a manner similar to housing authorities in other resort communities.

7. Deadline for Construction of Housing
   HLB shall create a requirement for construction of a specified number of housing units in a set period of time.

8. Increase transparency
   Prior to land disposal, HLB provide the following:
   a. Unredacted copy of the winning proposal by CY Investments, Seth Anderson, PE, and Pomeroy Lodging to the public;
   b. Initial project budget as required in the signed Development Agreement (Attachment C: p. 6, section 3.7).
   c. Written update on the status of the residual rights of the other 3 original partners in the winning proposal.
HLB and CY shall provide a communication calendar for the Holtan Hills development to the entities named in Item #2 above.

Encl:
Attachment A: HLB RFP
Attachment B: CY et al proposal
Attachment C: Development Agreement