

Municipality of Anchorage



P.O. Box 390
Girdwood, Alaska 99587
<http://www.muni.org/gbos>

David Bronson, Mayor

GIRDWOOD VALLEY SERVICE AREA BOARD OF SUPERVISORS
Mike Edgington & Briana Sullivan, Co-Chairs
Jennifer Wingard, Amanda Sassi, Guy Wade

January 4, 2023
GBOS/LUC Joint Special Meeting
RE: AO 2022-103 (S-1)
Minutes Final
4 p.m. Hybrid meeting via Teams

This meeting is taking place via Microsoft Teams and in-person in the Girdwood Community Room, 250 Egloff Rd.

The Girdwood Board of Supervisors, its committees, and subcommittees are subject to the Alaska Open Meetings Act as found in Alaska Statute 44.62.310 and Anchorage Municipal Code 1.25 - Public Meetings.

The Girdwood Board of Supervisors operates under the Girdwood Public Meetings Standards of Conduct.

Call to Order Mike Edgington, Co-Chair

GBOS Roll Call: Mike Edgington, Amanda Sassi, Briana Sullivan, Jennifer Wingard, Guy Wade

LUC Roll Call: Kevin McDermott, Ryan Hutchins-Cabibi, Shannon O'Brien

Disclosures from GBOS: None

Agenda Revisions and Approval

January 4 2023 GBOS LUC Joint Special Meeting agenda draft approved JW/GW Assent Vote

Agenda:

1. Review AO 2022-103 (S-1) Amendment

Ordinance is disposal of land for Holtan Hills development. Assembly will hold work session in Girdwood on Friday. This meeting is to determine a set of concerns for GBOS to bring to the Assembly at that meeting. Mike Edgington and Jennifer Wingard will attend that meeting and will be able to speak and answer questions posed by Assembly. Structure of Assembly work sessions is different from other meetings, and there is some uncertainty about the process that the assembly will take going forward.

HLBAC created resolution prior to approval of the disposal, which were incorporated into the original ordinance. The S1 amendment created by Member Zalatel is additionally shaped by public at Assembly meetings on this item. S1 Amendment is appreciated by community members as a good faith effort to address community concerns.

- Unknown if the S1 is accepted by CY Investments and/or HLB/MOA and may not be viable.
- Profitability doesn't pencil out, profits have now been cut in half as represented in P/L received this fall. As cost of development is increasing, funds via profit sharing promised in S1 is uncertain and may not come about.

GBOS Meeting Agendas and minutes are available on line: <http://www.muni.org/gbos>

Fair market value in agreement is \$2.1M total (\$23,000 per acre). This amount was determined based on Anchorage comps which are not reflective of Girdwood current market. Inaccessible land in Portage is currently listed for sale for this cost. Limited disclosure of profit structure in P&L in Phase 1 and 2; no information on structure of Phase 3. There is no guarantee that Phase 2 will be built. Project is highly subsidized project for a fully for-profit developer.

Concern that proforma received does not match the math referenced in the S1 amendment and that financial benefit is not clear.

- HLBAC specifically required that the disposal be subject to conditions outlined in the HLBAC Resolution added via amendment. Even with S1, the minimum conditions of HLBAC are not included and/or language of those conditions has been softened. Without meeting those minimum conditions, the disposal is not in the best interest of the public, according to the determination of HLBAC.

HLBAC received 1 page pro forma of financials, assessment of public benefit was not specifically financial.

HLBAC may be involved in project reporting as HLB is a development partner in the project. This has not yet been addressed formally.

Specifically, amendments were added by HLBAC regarding:

- Access via Crow Creek Road to match the Crow Creek Neighborhood Land Use Plan;
- requirement for 25% of multi-family project to be dedicated to long term rentals;
- short term rental restrictions (this provision lifted once STR restrictions are adopted by the MOA).

Concern is that if the disposal does not meet minimum conditions as stipulated by the HLBAC.

- There are models in other similar communities where public land disposal includes significant caveats to ensure that a significant amount of community housing is developed as a result of public land disposal, up to 80% of the development may support community housing via deed restrictions, housing subsidies, etc. Additionally private developments could be incentivized to produce multi-family housing. Project as conceived currently is not progressive or forward-thinking.

Concern that this project is not dedicated to community housing, and provision in S1 of 1 lot that could accommodate probably 8 units is not remotely close enough to fulfill the public need, particularly when compared to projects in other communities.

Concern that this project perpetuates old-school thinking and does not achieve housing of a type and style that is needed in Girdwood.

- Concern that 5 year sunset for establishment of housing authority or other entity to serve as management body is likely not long enough.
- Update of Site Master Plan is needed prior to land disposal; PUD does not meet the need to accomplish appropriate studies to establish needs that have evolved since 2006 Crow Creek Neighborhood Master Plan. Concern that the lack of prior study and planning will result in increased cost for development; pro forma doesn't appear to have additional funding that will be needed to resolve these.
- S1 language is general, with suggestions rather than requirements stated. These vague statements don't create requirement of action for Planning to interpret.
Concern is that S1 version has a lot of non-binding language.

Vote by Assembly early in January will allow for member Allard to vote, and she is likely to follow community desire. If requesting postponement of the vote on land disposal, Girdwood needs to clearly state what must be accomplished prior to that vote taking place: completion of the 1995 Girdwood Area Plan and the 2006 Crow Creek Neighborhood Master Plan.

Community has previously stated opposition to the original disposal agreement. Girdwood remains opposed to the S1 version as well. Girdwood supports disposal of publicly owned land only if it creates housing that supports the objectives of community residential housing.

2. Consider action on the Area Master Plan Requirement in AMC 21.09.030 – Item postponed

Public Comment: None

Adjourn 6:20PM