

Anchorage Sells off Girdwood: Workers Require AFFORDABLE Housing!

Description



Ah, to live in Girdwood, where the *Beautiful People* spend winters cavorting on the world-class ski slopes of *Mt. Alyeska*, and summers swatting mosquitoes. My own father lived in a condo there untilhe died in 2014 at age 84. I once asked him—at age 74—if he still skied a lot?

His reply: Yep, and nobody can catch me!

Once a recreational playground for southcentral Alaska, today some things are catching up with the community of Girdwood; something about a proposed development that dramatically increases the community's footprint with multi-million-dollar dwellings, has red signs distributed around the town like crushed peppers on spinach/tofu pizza.



I think that a lot of people are wondering why Girdwood is opposing this, explained **Krystal Hoke** over a bowl of potato soup at the <u>Aurora Bar & Grill</u>. To me the issue is whether the people who live here will have any say about development without consideration of real needs and whether our infrastructure is capable of handling it. There are a lot of reasons why Girdwood is asking questions. But the biggest issue is: **They never asked the community what we want!** We want workforce housing. The community has asked over and over again for reasonably priced homes for people who work here to support mostly service businesses. This could be the largest development in the next two decades, and if we don't make sure reasonably priced housing is included it'll never happen.



Krystal Hoke

That's the issue in a nutshell. How a community uprising is necessary to get the attention of local/state government—and big monied interests—in another example of how Alaskans here before the Oil Rush, and still here for the long haul, have allowed government to run on cruise control while we tried to get ours.



Hoke began her journey seeking Affordable Housing for Girdwood several years ago and today she is joined by a cadre of locals who think the people who live in this community should have some say about development planned to increase the size of Girdwood by half with glorious new dwellings for rich people.

Hoke has participated in local nonprofits and is currently a board member on Girdwood Community Land Trust. As a Realtor with RE/MAX Dynamic Properties, she has volunteered real estate expertise for beneficial community projects.

Municipality of Anchorage: Let them Eat Cake!

First, let's establish that the homeless situation in Girdwood is nothing like in the Muni mudflats around City Hall.

We have homeless people here—most living in their cars or in the woods and you don't see them, said Hoke. Many just can't find housing so they are getting by at a minimum. A lot of them will not go on record, because camping in the woods is likely trespassing.

What? The *Anchorage Assembly* doesn't obsess about productive people who can't find housing the way it obsesses about non-productive people housed in public facilities or anywhere they choose to camp in our parks and trail system?

NO! The longstanding problem in Girdwood is the cost of housing is out of range for people who work in the extensive service industry there.

Municipality of Anchorage: Heritage Land Bank

These are the current members of the *HLB Advisory Commission* but the problems with the land bank and Girdwood existed even before former mayor, **Ethan Berkowitz** showed his butt so a caretaker Mayor would maintain everything in liberal limbo. Girdwood, once its own first-class city, was annexed by Anchorage in the 1976 unification of the Municipality. What was once, *City of Girdwood*

land, was placed into Heritage Land Bank holdings in the 1980s.

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Read more about this clever fellow here: https://donnliston.net/2017/12/fairweather-friends-and-funny-old/

Girdwood's Housing Dilemma

Businesses here were suffering because their employees cannot find housing, continued Hoke. The price for housing has gotten so high that my peer group—I am in my upper 30s—is getting priced out and can't purchase anything—they must try really hard to purchase at the very top of their financing limit, including teachers, firefighters, and support staff in the community. It's a broad issue. Anyone making \$250,000 a year or so might be able to purchase a dwelling, but even they are competing against cash offers. So, unless the buyer can make a cash offer, purchase of a home in Girdwood is out of range. The market is too hot.



Former speaker of the *Alaska House of Representatives* and *Mayor of Anchorage*, Tom Fink, purchased this Girdwood Chalet from Robert Atwood, publisher of the *Anchorage Times* and a major force for statehood. Atwood had this structure shipped from Switzerland. Read about my own humorous experience with Atwood here: https://donnliston.net/2018/09/how-to-right-good/

What to do about Girdwood Housing?

Some years back, as part of a *Girdwood Housing Working Group*, head of HLB Robin Ward would participate in meetings. In September 2019, she gave a presentation on *Holton Hills* and *South Townsite*. The goal and purpose of the presentation was to identify locations that would be possibilities for affordable housing. Now, HLB (& CY Investments) plan to sell lots in Holtan Hills, all at market-rate pricing, with no element of affordability or workforce consideration. ((Girdwood Housing Working Group Meeting September 18, 2019))

Starting in 2019, after looking into how other resort communities manage their affordability, a *Community Land Trust (CLT)* was created. CLTs have been around for 40 years—they have roots in the civil rights movement. They've been used as a tool to keep people in place, typically on a lot, or sometimes they're used in inner cities, when the value of real estate goes up so high that the people that live there all their life can no longer afford to stay—because of property value, taxes, or racism.



Just as Dorothy and her friends came to discover wonderous things on the Yellow Brick Road, so too were wonderous people enmeshed in a revolving door of MOA bureaucracy. Besides being head of the HLB, Ward was also head of the **MOA Real Estate Department** and **Housing Director for Anchorage.** As this story unfolds Readers will figure out who is without a brain, who is without a heart, and who is without courage.

This mechanism allows ownership of buildings and amenities on top of the land, while the land is held in a trust. Purchasers only need to pay for the structure on top, lowering their buying cost threshold. Girdwood now has a land trust because members of the community recognized the need and did the work to make it happen.

A CLT Board was created for that purpose in 2020; nine member tripartite board with one-third of the members tenant representatives—meaning they want to live on the land, or they're renters—a third are community members at large—so anybody who wants to can participate—and a third are either elected officials, nonprofit leaders, or subject area experts.

Girdwood CLT applied to HLB for 54 acres in December of 2020. They suggested developing 10 acres over the next 10 years. They were also interested in conserving some of the land, for example, areas around the **Historic Iditarod Trail**. This effort would not be all the housing for Girdwood, but rather for workforce housing and other community needs (community gardens, greenhouses, future recreation center, etc.)

So we're cooking along trying to get a community consensus, doing presentations explaining what a community land trust is, getting letters of support coming in, and we turned in our application in December of 2020, explained Hoke. What should have occurred then is a commercial appraisal done on the land so the MOA could come back to us and say: "This is how much we expect you to pay for the land," so that we could then put together a business plan to move forward.

But that didn't happen, continued Hoke. Instead, the HLB refused to meet with us.

Instead, after receiving another application from **Spinell Homes** several months later, HLB said they now had to move to **Request For Proposal (RFP)**. Heritage Land Bank issued the RFP for 150 acres for residential development with a short window for response. Girdwood was ill prepared to handle the consequences of this administration action, especially in this narrow time frame.

Some residents expressed frustration for other community land-use needs not being addressed in the large RFP, said Hoke. For example, a safe childcare facility, which was at minimum, a decade past over-due. Or that the RFP was not indicated on HLB's recently approved work plan.

When the RFP was issued, mayor **Quinn-Davidson** was in place. From the time of the RFP release to now, there's been four directors heading HBL, and the executive director position is currently vacant.



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Two responses to the RFP were received, one from **Spinell Homes**, one from **Pomeroy Lodging** (Alyeska Resort), **Seth Anderson** & **Connie Yoshimura**.

((Holtan Hills Request For Proposal))

Nine people were on that selection committee, seven of them were municipal employees or contractors of the municipality. A memo was issued stating "All members of the Selection Committee ranked Pomeroy Property Development, Ltd and partners Seth Anderson, P.E. and CY Investments, LLC as the superior proposal." Two days after the selection committee meeting was held, Robin Ward, long-standing head of HLB, retired.

Fast forward six months; HLB and Yoshimura did a community presentation the night that Santa Claus went through town in Girdwood on December 22nd 2021, explained Hoke. I had to be with my kids, while also on Microsoft Teams for the HLB presentation, and that is when the community learned that Pomeroy was no longer involved. As the largest employer and stakeholder in the community, surely this factored higher scores with their involvement, but alas, the development was still moving forward.

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Hoke continued: I thought that our proposal would address workforce housing issues on 10 acres—maybe with some other community needs, too—with apartments or condos. Mydream would be small cabins, detached but in line with the theme of this community—similar to the

Bird Houses Condos. When you're leaving town, it's on the right hand side with 15 units on an acre and a half. It might be better to have a little bit more parking but people love that model, and it's a good size. Those used to sell for around 300,000, so it's an affordable option. If we could create something similar—around that price range two-bedroom units, 800 square feet—we could expect more social-economic balance.



Alyeska Birdhouse Condos are an example of affordable housing now in Girdwood.

Fast forward again several more months and Yoshimura is the only one left!

It is not publicly known why the two other partners (Pomeroy and Anderson) are no longer involved, although the question has been asked at public meetings. This leaves many in the community to wonder how the original selection committee outcome can be referred to with merit, given such substantial changes to the proposal.

A contentious Town Hall meeting in June activated community members to purchase the **Halt Holtan Hills** signs.

Important decisions are coming up over the next several months, according to Hoke. A *Holtan Hills Housing Advisory Committee*, has been formed to prepare a list of recommendations for HLB and Yoshimura to be included in the project. Residents are watching to see if the MOA and the developer will include expectations of the people of Girdwood.



Mayor **David Bronson** needs to sort this out; the political temperature is hot now in Girdwood, and the parties need to find common ground. A do-over of this RFP may be in order.

Category

- 1. Alaska Economy
- 2. Real Estate

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