

## **Pioneer Mountain Properties, LLC**

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Mat-Su Borough  
Land Management  
Land Application - Additional pages

Question # 6: Pioneer Mountain Properties (herein referred as PMP) would like to buy from the Borough the southern 240 acres of 320 acres of land relinquished back to the Borough by Homestead Resort Properties/Pioneer Mountain Properties. The legal description is:

The southern 240 acres of Tract "A" as defined in ASCS 92-118, located in the N $\frac{3}{4}$  of the W $\frac{1}{2}$  of Section 18, Township 17N, Range 3E in the Seward Meridian. PMP would like to pay one half of the purchase price up front within 90 days of application acceptance and finance the remaining amount with the Borough. PMP is willing to make a minimum offer of \$825 per acre with the right to increase that offer should the Borough want an appraisal and the amount of the appraisal comes in higher than \$825. PMP would like the term to be 12 years at an annual rate of 8.25% for a payment of \$1085.25. There would be no prepayment penalty and the note would be paid off prior to any construction or clearing. PMP also wants the right to increase its offer should the Borough accept applications on the same terms from any competitor. Cash is another option, but, since accessing and developing this part of the property is at least 7-10 years away; it would be desirable to have the financing at a good rate for both parties.

Pioneer Mountain Properties owns the 570 acres which adjoins the property to the west in this application. Of this, 410 acres are owned free and clear and \$142,000 is owed on 160 acres. The eastern side of the contiguous 570 acres entails McRobert's Creek and access to the property on the east side of the creek would be far less desirable than if the 240 acres owned by the Borough was accompanied in the design. Access to the Borough property other than the northern end must ultimately come from the west through PMP's property.

The idea is to keep the integrity of the Maud /Plumley trail intact, moving it to the eastern side of the tract within its own dedicated natural greenbelt. On the southern 65 acres of the Borough tract of 240, two baseball fields would be built by PMP, with an area for two more to be built out by the Borough later. One soccer field would also be built by PMP, with room for one more at a later date if the Borough so desires. Parking lots and connection to the adjoining trails would be built and paid for by PMP. Access to the trail and parking systems will be built and paid for by PMP. The remaining property would be used as low density residential, with a lot size minimum of 60,000 square feet per lot.

All lots in the future master plan will have multi-use trails which would access the Maud-Plumley multi-use trail and ball fields. After satisfactory completion of the baseball and soccer fields, they would be deeded back to the borough.

(Question # 6 cont'd) PMP would like 15 years to complete the parks and deed them back. PMP would like 12 years to deed back the greenbelt which will encompass the north-south portion of the Maud/Plumley trail. All together the borough will receive back 65-80 acres of developed recreational property. It is anticipated that it will take 7-10 years before it will be feasible to bring in equipment and start construction of the recreation areas located on the Borough property. The first phase of construction for the property owned by PMP to the west is scheduled for 2004 or 2005.

Question # 7: I believe it is in the best interest of the borough to sell this land to PMP for the following reasons:

1) It is in the best interest of the public I believe first and foremost. It provides guaranteed recreational use in the area. It provides multi-use trails with greenbelts for the public, with large open places for different organized activities. The public gets good recreational facilities, which, in turn are paid for privately and not by the taxpayers. It also gives some land back to the Borough, which could be used for schools. If this tract were to be split up in any other way or by a number of other applicants, the public's multi-use of the land would be hampered at the least and most likely eliminated.

2) No other applicant has the ability to provide adequate access and plan it in a recreational multi-use community. The best access to this property is from the west, from PMP's property. Access to the borough property would be built by PMP. No other applicant building 60,000 square foot minimum lots can feasibly absorb the cost of building such access and then deeding property back to the borough such areas. This application should help set a standard that the Borough can look back at when it comes to privately owned, multi-use recreational areas bought from the Borough.

3) The Borough should not settle for less than the best application. I know of no other applicant that can have it in his or her best interest to make sure the land is used for the benefit of the recreational public and to make sure that recreational and private ownership opportunities exist. It allows private ownership of a very unique property, in which, recreational needs are highly prioritized at a minimum. As a large contiguous land owner adjoining the Borough property, it is definitely in PMP's best interest to provide substantial, varied recreational opportunities for those who desire to live in the area.

4) The borough receives property taxes and income through interest. It helps the borough create a tax base in the long run by establishing private ownership opportunities on the property and yet keeps the multi-use recreational component of the property intact.

Question #10: I have done projects similar in nature, but, nothing of the same overall size once PMP's and the Borough's property are added together. Projects I have personally been involved with are: Knik View Estates in Peter's Creek (54 lots with public water that was sold to AWWU), McKinley Heights and Acres (40 lots combined)

off Bodenbug Loop. I also own 30+ acres of vacant/vacated commercial and residential land in Anchorage, that I am the process of changing the land use to multi-use on.

The scope of development for the Borough property is nothing more than I have done in the past. Even though the total development costs are higher and the overall size much larger than any other residential subdivision I have done, it is not out of the scope of my abilities to perform this task by phasing the project. The impact of the trail users coming from PMP's property onto the Borough's property will be significant and should be addressed now instead of later. The best way to address it now is to allow PMP the opportunity to buy the property and extend the trail system and be assured of many different uses for the public. With the Borough property included in the project it will take 6 or 7 phases to make the project feasible. That is why it would be a 7-10 years before the Borough property would actually be developed. This time would allow the Borough a means to devise a plan protecting the integrity of Borough owned trails in the area.

The concept of a multi-use subdivision has always been appealing to me and I have the opportunity here if the Borough land is included to develop a one of a kind privately owned recreation area, which everyone associated with can be proud of. I hope that the Borough will take the scope of this idea a little farther and make sure that the integrity of the trail systems on all large Borough land parcels up for sale is kept intact.

Question # 11: PMP which I am the general partner of, had the lease/purchase rights to the property described in this application, assigned by Homestead Resort Properties until Feb.12 when those rights were relinquished back to the Borough. All payments were kept current and feel that I did my best to obtain a golf course on the property. There was just no solid interest. The lease required a golf course architect and funding to be in place prior to March. Since the feasibility of that could not be determined due to lack of interest, it was in the best interest of PMP to try and obtain the property for a much more worthy and feasible cause that would benefit the public much more directly and not carry the environmental concerns.

Question #12: PMP has no major business activities. The major percentage owners are myself and Waldec Enterprises, Inc. Waldec Enterprises, Inc. which I control 100% of will provide the financing for the project when needed. The possibility of needing financing always exists and if needed I would deal with Wells Fargo who I currently have a commercial loan with.

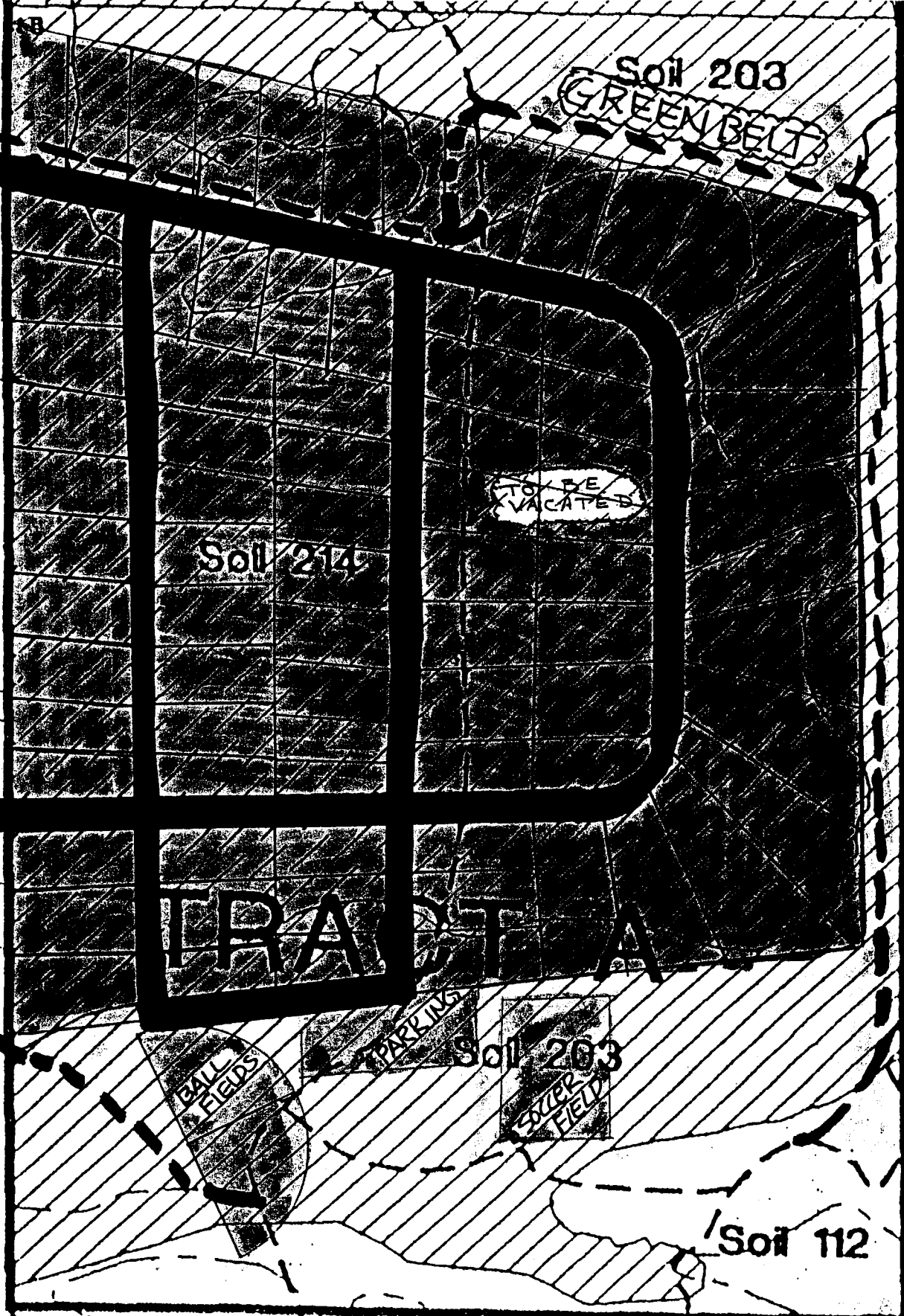
Waldec's major business activities are:

- 1) Mayflower Circle Park in Anchorage, a full 219 space mobile home park.
- 2) 12 lots for sale in Knik View Estates in Peter's Creek.
- 3) 34 lots in McKinley Heights and Acres, near the Butte off Bodenbug Rd.
- 4) 30 acres of partially developed commercial and residential property at the corner of Debarr and Boniface in Anchorage.

# PROPOSED 240 ACRE DEVELOPMENT

FUTURE DEVELOPMENT  
RESIDENTIAL - WALKER

PROPOSED  
TRAIL



Soil 203  
GREEN BELT

TO BE VACATED

Soil 214

TRACT

Soil 203

Soil 112

A1  
MAUD-  
PLUMLEY  
TRAIL  
BY PASS

