

RECEIVED
2/4/97

January 31, 1997

Mr. Don Moore
Manager
Matanuska-Susitna Borough
350 E. Dahlia Ave.
Palmer, AK 99645

Dear Mr. Moore:

On Monday, January 20th, I attended the Borough planning commission meeting held in Palmer. I had heard some negative comments about the proposed land sale and planned to testify regarding my thoughts on the sale of 320 acres to Homestead Resort Properties, LLC I. Unfortunately, due to a prior commitment to my children and the unexpectedly large number of people who had signed up to testify before me, I had to leave the meeting before having a chance to speak. As a result, I am writing this letter as a concerned citizen in the hopes that it may in some way help!

I am a Certified Public Accountant, Certified Financial Planner, and Certified Valuation Analyst. I am a principal in the firm of Whitlock, Carlson & Associates, which is an Anchorage based CPA firm founded in 1976, which also has offices in Jackson, Wyoming. I live in Palmer with my wife and two children.

→ Although we live in the four-corners area of the Mat-Su Valley, I am very excited about the prospects of a destination resort being built in the Butte area. I recently attended a Rotary luncheon in Anchorage where Tina Lindgren, former head of the Alaska Visitors and Convention Bureau, and present head of the Alaska Visitors Association, spoke regarding the prospects of continued growth in the tourism industry in Alaska. She indicated that we have seen in the last five years or so a solid 6 to 8 percent growth rate in the number of tourists visiting Alaska. The tour companies are expecting that growth rate to continue. My recollection is that Ms. Lindgren mentioned that over 1.3 million people visited Alaska in 1996, and that another 80-100 thousand were expected in 1997.

The only thing that will stop that growth from occurring is the lack of infrastructure in the State of Alaska to handle the visitors. New attractions are needed for the visitors. Since a great portion of the tour companies are basing their operations in Anchorage, Palmer is in an ideal location to attract visitors who will spend some of their money in our Borough. A destination resort built around a Jack Nicklaus golf course is, in my mind, a brilliant idea which could spark the Palmer economy in many ways. The homesite lots which are planned for the development would, if properly marketed, generate a large amount of interest and

investment from local and outside golfers who would like to be able to live adjacent to a Jack Nicklaus golf course for the months of May through October in Alaska. The proposed equestrian center and other amenities would also be a great attraction.

I have played golf most of my life. The Jack Nicklaus name is one which evokes positive thoughts and feelings from most golf fans. His reputation as a golf course designer is foremost in the industry and is well known to golf enthusiasts. If Jack Nicklaus and his company were to design and build a golf course in Palmer as part of a wilderness resort, this golf course would be a center piece that would attract people nationwide and probably from Japan and other countries as well.

I realize that the people of the Butte have concerns as to the effect on the environment of such a development. As a CPA who works with many different businesses, I see companies successfully dealing with environmental concerns on a regular basis. The State Department of Environmental Conservation as well as the Army Corps of Engineers will be actively involved in policing the Homestead Resort development as it might affect wetlands and ground water. I am confident that they will not let this golf course and resort be developed if it can not be done in an environmentally safe manner.

My understanding is that the EagleGlen Golf Course on Elmendorf Air Force Base is built in an area which includes a large amount of Federal Wetlands and also has salmon spawning in a creek that flows through the golf course. It is also my understanding that one of the key concerns with that golf course was the amount and types of fertilizers used on the course that could affect the salmon run and ground water, as well as the water in adjacent Ship Creek. As a result, the grounds keeping crew is precluded from using certain types of fertilizers that are either too toxic or water soluble. However, that golf course is consistently in the best condition of all the Anchorage based golf courses. They have a good sprinkler system and conscientious employees who work hard to keep the course in good condition. As a result, the golf course is almost always packed full of golfers in the summer time.

Palmer Golf Course is a "municipal" golf course that is relatively simply designed. It is not a high quality "resort course" that has a large amount of drawing power for the Palmer area. If a Jack Nicklaus course is built in the Butte area, Anchorage golfers as well as visiting golfers will keep the new course busy. The Palmer Golf Course will only benefit from the increased number of golfers and visitors to the area. I believe the incredible success of the new back nine built at Settler's Bay Golf Course is a key indicator. People from Anchorage flocked to Settler's Bay last summer to play the new "resort" quality back nine holes that opened in 1996. Seventeen new homes were built there last year (as testified to at the Planning Commission meeting).

The Homestead Resort lodge would probably be full in the summer

months at a minimum, and jobs would be created for Borough residents. Home construction would occur in the resort area. Wealthy golfers in the lower 48 who live on small urban sized real estate parcels would salivate at the thought of owning a custom summer home in Alaska on a one acre lot on a Jack Nicklaus golf course. I personally would be interested in building a home there. Ultimately, the property tax base would also increase significantly in the Butte area. Once the golf course and lodge were built and tour companies began to send visitors there, the reputation of the resort would begin to spread among the golfing world, and I believe people from both Alaska and outside would purchase land and build homes there at a steady pace.

This resort and golf course can be built in an environmentally responsible manner with the oversight of quality environmental engineers and the Jack Nicklaus Design Firm. Based on what I heard at the Planning Commission meeting, the Homestead Resort Properties, LLC I is willing to pay cash for the 320 acre parcel. Everyone agrees we need to diversify the Borough economy. I hope that you will consider what is good for the Borough as a whole and not just the vocal concerns of a portion of the Butte residents. I understand and empathize with the concerns of the residents there. At this stage, people need to place some trust in the professionals in private industry and government who are qualified to assess and mitigate any environmental concerns. If the resort can not be built in an environmentally safe manner, then I agree that it should not be built.

I think it is responsible to the public interest and necessary to strongly support this foresighted project and encourage the efforts of the developers of the Homestead Resort. Thank you for taking the time to read this letter. If you have any questions please do not hesitate to contact me at 561-1034.

Sincerely,



Kevin T. VanNortwick, CPA, CFP, CVA

cc: Mr. Tim Anderson, Planning Commission Chairman
Mr. Larry Devilbiss, Assemblyman