

Homestead taxes behind

By TRACY WILSON / *The Frontiersman* / November 13, 1998

PALMER - A company that wants to build a golf resort and subdivision in the Butte is nearly three months late paying taxes on four parcels it owns, but Mat-Su Borough officials say the tardiness hasn't invalidated its contract with the borough.

The contract is not affected because Homestead Resort Properties (HRP) has stayed current in making its \$500-a-month payments to First National Bank on an adjacent 320-acre tract of borough land it is leasing with an option to buy.

The update of HRP's status was included in an Oct. 30 memo given to Borough Manager Mike Scott by land management officer Jill Parson and released at the borough Assembly meeting last week.

HRP president Victor Trygstad, an Anchorage developer, applied to buy the Butte land in 1996, saying he intended to develop a Jack Nicklaus-designed golf course. Former Borough Manager Don Moore had recommended a lease-with-option-to-purchase deal between the two parties, in part to address concerns raised by some Butte neighbors.

The lease was signed March 25 even though HRP was \$2,000 behind on its 1997 property taxes on the adjoining land a condition disqualifying applicants from buying or leasing borough land.

Trygstad had been up-to-date on his taxes at the time he applied to buy the borough land, and borough officials have previously said his tax history should have been reviewed before the lease was signed.

In the memo, Parson said HRP has complied with requirements to provide a legal description and apply with the platting department to create the 320-acre parcel.

Parson also stated HRP ordered an appraisal, as required by the contract, prior to the Sept. 25 deadline and that the appraisal is expected to be complete by Nov. 25.

After the appraisal is complete, the monthly lease payment will be increased to reflect a payment of one-twelfth of 6 percent of the appraised value.

HRP has not exercised its right of entry onto the property for inspections, engineering and other site evaluation activities, and a \$1,000 bond is to be posted before any testing or inspections on the property are performed.

In order to exercise its purchase option on the leased property, located at the end of Maud Road, HRP must provide evidence of a valid contract with Nicklaus Design, projected investment and development schedules and proof of HRP's ability to finance the project.

Parson stated in the memo she had not yet received any of those items and that HRP had not given her any indication when or if the option to purchase would be exercised.

To close on a purchase, HRP must be current on all taxes on properties owned inside the borough.

HRP president Victor Trygstad could not be reached for comment Friday.

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