May 28, 2020

Connie Cummins

Forest Supervisor, Superior National Forest

c/o Michael Jimenez, Project Leader ***via email*** ***comments-eastern-superior@usda.gov***

8901 Grand Avenue Place

Duluth, MN 55808

Re: Comments on the Lutsen Mountains Ski Area Expansion Project

Please accept this letter serving to support the proposed Lutsen Mountains Ski Area Expansion Project. I wrote an earlier letter of support as a private citizen. Please accept this letter of support from the perspective of my business.

The impact of Lutsen Mountains on our overall Cook County economy is significant. Let me attempt to summarize the impact I have experienced and been involved with over the last 20 years as a real estate broker and a vacation rental manager from activity within just one mile of the ski area. Of course the impact is much broader and far reaching than within one mile but I found the observations below most interesting. I believe you will too.

* The Lutsen Log Lodges are located on Ski Hill Road approximately 1 mile from the main area at Lutsen Mountains. In 2000, a former 20 acre vacant parcel of land was platted for 12 – three bedroom Log Lodges. Their development team recognized that summer is busy but recognized the ski area was critical in managing their overall risk of whether to build or not. They did, and it worked. Construction commenced in 2000 and 2001 with all Log Lodges sold during that time. The purchase of these vacation homes demonstrated consumer confidence in the area as well. Many of these homes became part of my vacation rental program with winter lodging filled with skiers.
* Shortly after the 12 Log Lodge home development opened in 2000-2001, the Heritage at Lutsen plat of 39 home sites located across Ski Hill Road from the Log Lodges at Superior National Golf Course was approved to move forward. To date the following has resulted:
	+ All of the original homes sites have been sold.
	+ 3 townhomes – known as The Heritage Townhomes were developed and sold.
	+ 14 homes have been constructed and completed.
	+ 3 homes are currently under construction.
	+ 3 additional homes are planning for construction beginning late 2020 or early 2021.

Please consider these facts as it relates to the two developments:

* In 2001, just prior to the development of the Log Lodges, real estate taxes collected for this previously undeveloped 20 acre parcel totaled $42.
* Post development, cumulative tax revenues collected by Cook County between 2002- 2020 total nearly $400,000.
* In 1999, just prior to the plating process for the 39 golf course home site development, total tax revenues collected for this previously undeveloped area totaled $300.
* Post development, cumulative tax revenues collected between 2002- 2020 for the golf course home sites, homes and townhomes is nearly ¾ million dollars ($723,287).
* Combined, these two developments have generated $1,097,700 in new county tax revenues and of course such collections will continue to grow.
* Cook County shows estimated improved and unimproved property values totaling $9,342,840 for the two developments

*(Source: Cook County Assessor’s Office)*

The two developments noted above serve as a measureable source of real estate tax revenue for Cook County. And that’s a benefit to all citizens of Cook County.

In addition, when considering the nearly 30 new homes and townhomes that have been developed within these two plats, such properties have a tax value exceeding $9,000,000. The nine million in values was created by our local trades, builders, general contractors, road builders, septic installers and other local service providers. The data demonstrates that Lutsen Mountains has had a measurable and positive impact on our local economy and the two above illustrations is measured within a short mile of the ski area. Lastly, the developments would not have occurred if the ski area was not making measurable reinvestments during such times; which they were.

A healthy ski area (the expansion project) will:

* Increase confidence for yet new area home development, new complementing projects and encourage reinvestment into existing properties near and around the ski area.
* Generate new and a growing tax revenue base for Cook County (already demonstrated).
* Continue to employ local trades with living based wages (home builders, service providers and more).
* *and so much more.*

Thank you for taking the Lutsen Mountains expansion project under thoughtful consideration.

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| **Mike Larson**Partner, Cascade Vacation Rentals Broker, Lutsen Real Estate Group |

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