

1. NAME OF UNDERTAKING:

Gros Morne Resort

2. PROPONENT:

2.1 Name of Corporation

Eastern Arm Enterprises

2.2 Address

P.O. Box 100
St. Paul's Inlet
Newfoundland
A0K 4Y0

2.3 Chief Executive Officer

Name: Mr. Alphonse Hutchings
Official Title: President
Telephone #: 709-243-2606 or 780-791-5477

2.4 Principal Contact Person for purposes of environmental assessment:

Name: Mr. Alphonse Hutchings
Official Title: President
Telephone #: 709-243-2606 or 780-791-5477

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3. THE UNDERTAKING

3.1 Nature of the Undertaking

Eastern Arm Enterprises currently owns and operates a gas bar, convenience store, restaurant, and 20 unit hotel in the community of St. Paul's. This new facility is being developed as a luxury resort. This will include a 52 unit luxury hotel adjoining a formal dining room, bar, coffee shop, laundromat, bakery, museum, dairy bar, gift shop, and various other amenities. Room furnishings include and will include full bath, jacuzzi, fireplace, wet bar, television and private balcony. In addition, hiking trails and cross country ski trails will be developed skirting the perimeter of the 18 hole championship golf course and driving range, a day use, beach front picnic area will be constructed and a marina facility in St. Paul's Inlet will round out the amenities of the resort complex. The development of the golf course and 150 site RV trailer park will complement the planned and existing facilities of the company and produce top quality vacation resort for the most discriminating traveller. Future developments calls for the construction of an indoor wave pool and beach, and the development of an air strip for small planes near the RV trailer park.

3.2 Purpose/Rationale/Need for the Undertaking

The tourism industry in Newfoundland and Labrador is based upon our natural and cultural resources. The entire Great Northern Peninsula is rich in natural attractions and is a magnet for both the resident and non-resident touring and sightseeing market. Many of the touring and sightseeing products and experiences identified can be found on the Northern Peninsula, and especially in the St. Paul's/Gros Morne Park area.

Given the number of both Canadian and U.S. tourists who visit the Northern Peninsula each year a lucrative market exists for a golf facility at this location. The strengths of this site echo many of the strengths deemed desirable by the ISTC Assessment of the Golf Sector:

1. Aesthetics – unspoiled natural settings

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2. Environment – safe and friendly
3. Wide range of quality supplementary activities available in the region
4. Relatively moderate/comfortable climate conditions.

The golf course in conjunction with the RV trailer park and luxury hotel accommodations and other amenities planned will become a prime destination for many Canadian and U.S. travellers.

The Gros Morne Park area is world renown for its adventure tourism and nature viewing. The facility at St. Paul's is located in the heart of Gros Morne Park and thus is at the centre of the many natural attractions present there. The resort in St. Paul's can directly provide camping and hiking opportunities, birdwatching, snowmobiling, and cross country skiing. In the immediate Gros Morne area, there are many activities available including nature exhibits, rock and ice climbing, windsurfing, winter camping and natural history tours. These activities appeal to the adventure/nature viewing tourist and the resort will provide a natural base from which to participate in them.

4. DESCRIPTION OF THE UNDERTAKING

4.1 Geographical Location

Gros Morne Resort is located on the Viking Trail Provincial Highway and is approximately a one hour drive from Deer Lake. It is located on St. Paul's Inlet nestled under the towering Long Range Mountains. The Inlet accessible by boat is one of the best birding areas on the West Coast of Newfoundland. It also is renowned as the best area in Western Newfoundland for the sport of windsurfing. It will occupy approximately 410 hectares and an application to Crown Lands to obtain is being processed.

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4.2 Physical Features

The proposed undertaking consists of a golf course, driving range, putting green, roads, utilities, a clubhouse/pro shop, walking/hiking trails, RV park, a hotel, cross country ski trails, marina, and a day use recreation area.

4.3 Golf Course

An 18 hole golf course as illustrated on the attached concept plan will be constructed. The golf course and hotel will utilize on site water for the irrigation system. More specifically, the course will include:

- 18 holes with tees, fairways, bunkers, greens, etc.
- a practice driving range
- a practice putting green
- a gravel parking lot
- a network of narrow roads with paved and gravel surfaces for maintenance equipment, golf carts and golfers
- bridges for foot and cart traffic
- an underground irrigation system

4.4 Roads

Roads will be constructed throughout the development. They will be graded to Parks Canada standards.

4.5 Utilities

(i) Electrical/Telephone/Cable TV

Newfoundland Hydro will install all electrical services. Aliant will install all telephone systems. The resort will reserve utility easements

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and provide land for substations, switching, satellite receivers, etc. as required.

(ii) Water

Presently, the water is supplied by the Town of St. Paul's.

(iii) Sewer

The resort will be serviced by a Biogreen system. The existing system was developed and installed by EDM.

4.6 Walking and Cross Country Skiing Trails

A network of walking trails will be constructed within the developed areas of the resort. These trails will be accessible to people of all abilities and ages. Trails will be constructed with minimal impact to the environment and will be covered with a variety of natural and man made materials.

4.7 Clubhouse/Proshop

The Clubhouse/Proshop will be incorporated into the existing hotel depending on future development.

4.8 Hotel

The existing hotel is located just off the Viking Trail Route 430, approximately 2 kms from the town of St. Paul's.

4.9 RVPark/Campgrounds

The RV Park/Campgrounds will be provided in an area away from the hotel. It will consist of 150 fully serviced sites. A Biogreen system will be constructed to facilitate the campsite. The campground area is surrounded by water with an access road. The road is accessible from the highway to the campground and it will be maintained according to Parks Canada standards. It is a secluded area away from the hotel and the traffic of the Viking Trail. The RV

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Park/Campgrounds has a spectacular view of the Bay and the Long Range Mountains.

There are future plans of campground facilities throughout areas of the golf course. This area will provide the traveller with traditional campsites with limited services. It will be used mostly by tourists and travellers for one night visits to the area.

5.0 AREAS TO BE AFFECTED BY THE UNDERTAKING

The development area is in the enclave of the Gros Morne National Park.

In addition to the physical aspects of this development, the resort will have a positive social and economic impact on the surrounding area. It will provide employment opportunities as well as business opportunities. It will also promote continued growth in the tourism industry.

There has been a strong desire among municipal, provincial and federal leaders to promote tourism in the Gros Morne area while maintaining the environmental integrity of the very popular tourist destination. While promoting tourism in the area, we need to compliment this with the many amenities that the travelling public demand.

Maps and Concept Plan

You will find the above same attached.

6.0 Geology

The site is predominantly rock, shale, muskeg, bog and marshes.

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7.0 Vegetation

The site is predominantly spruce, birch, evergreen trees with areas of bog and marshes dispersed throughout.

8.0 Wildlife

Caribou, moose, rabbits and foxes frequent the property depending on time of year.

9.0 Human Activities

The area is accessible to the people in the area for various purposes.

CONSTRUCTION

The proposed construction timeline is 2004 – 2009.

Potential Resource Conflicts

Natural vegetation cover is an important integrated component of the overall development. It is the developer's goal to maintain as much of the natural surroundings, as that is the appeal of the area.

There is a man made pond in the area; and recreational fishing is carried on throughout the seasons.

Wildlife in the area will be minimally affected.

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OPERATIONS

The golf course is the main component of the resort. It will be an 18 hole championship course complete with clubhouse/proshop and it will be open to the general public. It will operate from mid May to mid October. Facilities for cross country skiing, hiking, snowmobiling and day use picnic area will be available for the residents and visitors to the resort.

RV Park/Campgrounds

RV park will be provided during the spring summer and fall.

Hotel

The hotel will be 'high end' and open year round.

Period of Operation

The resort will operate year round and seasonally as the activities dictate.

Potential Sources of Pollutants during operation Phase

Potential sources of pollutants during the operational phase are:

1. silt and sediment
2. dust
3. solid waste
4. fuel and oils
5. engine emissions
6. noise
7. sewage
8. fertilizers
9. pesticides

Mitigation Measures (for both construction and the operational stages)

The environment plans developed during the construction phase will be adhered to at all times.

Drainage, settling ponds and vegetation cover will be maintained to ensure that silt and sediment does not go directly into the body of water.

All roads within the resort area will be serviced and watered to reduce the amount of dust in the area.

Solid waste will be collected and taken to an approved disposal site and recycling

All fuels oils and pesticides will be transported, handled and stored in approved containers as required by law. Clean up equipment, tools, supplies will be maintained on site at all times. In the event a spill does occur, cleanup will be immediate and contaminants will be disposed in accordance with legislation.

Repairs and refuelling equipment will not be permitted within 30 meters of any body of water.

There will be no significant noise pollution either during construction or operation. Wildlife in the area should be accustomed to the limited noise that will be created during the stages of development.

The resort will be serviced with decentralized sewerage treatment and disposal systems in accordance with legislation. A biogreen system is already in place.

Site grading, ditching, culverts, bridges, and settling ponds will control storm water. The object will be to utilize the storm water to the maximum benefit of the environment and the resort.

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Occupations anticipated during construction and operations of the facility

Number of people	Job Title
1	General Manager
1	Golf Course Architect
1	Project Manager
1	Accountant
1	Bookkeeper
2	Green Keepers
2	Carpenter Supervisors
1	Construction Supervisor
1	Plumber
2	Carpenters
1	Brick layer
1	Cement finisher
1	drywall installer, plasterer
6	truck drivers
12	heavy equipment operators
1	pest controller
16	labourers
4	landscape specialists
1	golf instructor
2	chefs
4	cooks
6	sales clerks
6	receptionists
4	night watchmen
4	Night auditors
2	events coordinators
6	housekeeping staff
5	groundskeepers
6	gas bar attendants
3	RV Park attendants

FUNDING

Funding is being provided by private investor.

Date:

Signature of President