

- new development at Northstar-at-Tahoe in California where all buildings will be certified by the U.S. Green Building Council as meeting its Leadership in Energy and Environmental Design (LEED) standards;
- development and environmental parameters put in place by Banff, Canada, to protect sensitive areas; and
- energy-efficient building design and retrofitting programs implemented by Scandic Hotels of Sweden and the Canada-based Fairmont Hotel chain.

**Recreational Opportunities.** Extensive recreational opportunities for all ability levels and interests contribute to the success of a resort. The Sun Valley Resort in Idaho, for example, offers 45 winter

activities and 60 summer activities for visitors, ranging from horse-drawn sleigh rides to music festivals. Bonita Bay, Florida, a 2,400-acre resort community, provides access to five golf courses, three water parks, a marina, a beach, tennis courts, fitness centers, and miles of jogging and biking trails. Also, multiple user types need to be satisfied to bridge the gap between visitors and residents; each has its own use patterns, expectations for quality and service, and price sensitivity. Residents can be accommodated with season or year-round passes, off-peak incentives, and discounted group instruction.

**Community Structure.** At the bottom line, basic needs, such as infrastructure, must be met. For instance, while a country like Brazil

## New from the Montana Slopes . . .

The top three publicly held operators of mountain resorts—Intrawest, Vail Resorts, and American Skiing Company—are involved in large-scale development efforts at their properties directed at reviving the stagnant ski market. Although the property locations are outside major metropolitan areas and are relatively small, the cost of these efforts can reach the hundreds of millions of dollars.

Following suit, Michigan-based Boyne USA Resorts is in the early stages of developing a master plan to add commercial space and beds at its 30-year-old Big Sky Resort, located in southwest Montana in the Gallatin Range of the northern Rocky Mountains. Big Sky is adjacent to two other large privately held resorts—the Yellowstone Club and Moonlight Basin Ranch; both Big Sky and Moonlight Basin Ranch are open to anyone willing to buy a lift ticket, while the Yellowstone Club is open to members only.

The ski area itself includes 3,600 skiable acres, with 500 more acres planned, and 4,350 vertical feet, the biggest drop of any mountain resort in the United States. Envisioned by late NBC newscaster Chet Huntley as a great mountain resort in Montana, it first opened for skiing in 1973 with the moniker Big Sky, taken from the state's nickname, "Big Sky Country." The resort was built for \$40 million with corporate partners that included Chrysler Motor Company, Conoco Oil, and Northwest Airlines.

In 1976, Boyne USA Resorts bought Big Sky from Huntley for about \$7 million. Despite the addition of ten new lifts from 1988 to 1998 and the construction of a \$20 million hotel and conference center in 1990, limited development led the mountain to become known more for its empty trails and nonexistent lift lines than for its abundance of powder and its steep slopes.



**Development at the base of Big Sky Resort in southwest Montana is limited, but there are plans to substantially increase retail and residential space. A 222-room, ten-story luxury condominium hotel, Summit at Big Sky (at the center of the photo), is located within 100 yards of the three main base area lifts.**

In 1996, Gallatin and Madison counties approved an overall development plan for Big Sky submitted by Boyne USA. Seven years later, the resort is about one-third of the way through a master plan that builds on Huntley's original vision. The biggest change will be increased retail and dining options, although a significant increase in the availability of accommodations is also part of the plan. Over the past five years, nearly \$100 million has been invested in Big Sky, including \$50 million to develop the ten-story Summit at Big Sky, a 222-room luxury condominium hotel completed in 2000 and located within 100 yards of the three main base area lifts. Other changes to the existing resort include expanded on-mountain dining options; new lifts; roads, utilities, and infrastructure to serve residential homes, some of which are already built; a 9,000-square-foot medical facility; a village fire station; and a hiking and biking trail system. Also included is housing for more than 200 employees. (See "The Uphill Battle," page 96, August 2002.) Also planned are:

- more than 100 shops and restaurants to create an active pedestrian village;
- 50,000 square feet of additional conference facilities;
- a 17,000-square-foot spa and exercise facility;
- six new high-speed chairlifts; and
- more than 400 new slopeside accommodations, most of which are for-sale condominiums.

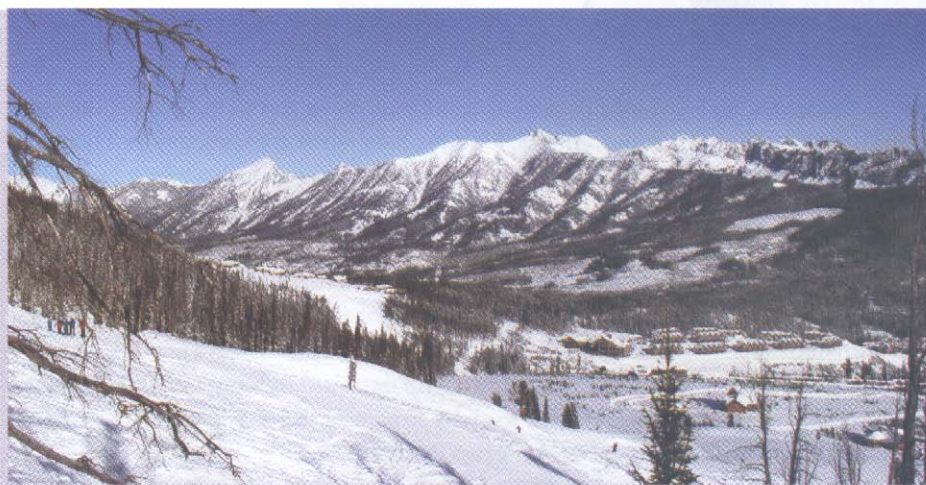
In all, the next two-thirds of the master plan, scheduled to be implemented during the next ten years, will see more than \$400 million in investments by Boyne USA and a number of other partners. The resort expects the number of annual skier visits to increase to 500,000 from 300,000.

Immediately adjacent to and visible from Big Sky is the Yellowstone Club, a 13,500-acre area with 2,000 skiable acres, 2,700 vertical feet, and seven chairlifts. At buildout, the resort will have 12 chairlifts, a gondola, and 4,000 acres of terrain. A private resort, the Yellowstone Club will admit no more than 864 families; currently, 70 families are members. The

has many scenic attributes, its population is growing so fast that basic services like sewer systems and potable water cannot be provided for many residents, let alone for tourists.

A successful resort needs to have a strong sense of place—an ambience that attracts tourists and makes the community a place they want to visit. The built form of the resort plays a part in this, as does the community's relationship with the natural environment. Another key element is the spirit, or attitude, of the community's residents. Fostering a positive outlook among those who live in the resort community year-round involves paying specific attention to the resort's workforce and issues such as affordable housing, health

and social services, and infrastructure. Aspen, for example, was the first ski resort to address the issue of affordable housing for its workers when the countywide housing authority secured deed-restricted housing for sale and for rent, currently numbering 1,800 units. That agency requires affordable housing to be built as part of new developments, or developers can pay cash-in-lieu as an impact fee. Without those efforts, the resort would have had to import its workforce from other communities. To ease demand on the public sector, many private developments are either partnering with the town or county or taking sole responsibility for the provision of public safety, street maintenance, and other services.



**The 1,400-acre Moonlight Basin Ranch, which has had a partnering relationship with Big Sky Resort, includes condominiums, townhouses, homesites, and cabins located adjacent to more than 15,000 acres that have been placed in conservation easements, protected corridors, and open space. It will begin operation as an independent ski mountain starting this winter.**

price of admission: \$250,000 at initiation, \$16,000 in annual dues, and a provable net worth in excess of \$3 million.

Tim Blixeth, who made his money in the timber industry with the Crown Pacific Company of Portland, Oregon, purchased 160,000 acres in 1990. He and his wife Edra are the sole members of the Yellowstone Club's admissions committee, and they alone decide which 864 families will inhabit the Yellowstone Club. Those who qualify will purchase homesites, most of which cost from \$650,000 to \$2 million for lots that range from two to 5.65 acres; there also are a few 900-square-foot lodge suites selling for about \$500,000 and some ten-acre homesites available for \$5 million. Additionally, 60 residential units will be created to provide housing for some of the eventual 100 employees at the resort.

Yellowstone Club also includes an 18-hole golf course, seven miles of private trout streams, 40 miles of private hiking and equestrian trails, and tennis courts. In addition, a members-only town called

Big Springs will be developed at the base of the mountain and will include retail businesses, restaurants, and a theater.

Also, in the neighborhood, the 1,400-acre Moonlight Basin Ranch (MBR), which has had a partnering relationship with Big Sky, will begin operation as an independent ski resort starting this winter. Previously seen as an upper-end alternative to complement and support the larger Big Sky resort, MBR includes condominiums, townhouses, homesites, and cabins located adjacent to more than 15,000 acres that have been placed in conservation easements, protected corridors, and open space.

MBR came about as a result of Big Sky's policy of partnering, a system by which the resort expands its skiable terrain through a joint investment with another entity. In this case, the developers of MBR bought and installed a new chairlift, Iron Horse, and the Big Sky resort cut the trails and managed the lift. This way the resort was able to get additional acreage and an essentially free chairlift, while MBR received ski-in/

ski-out access that can drastically increase land values and, thus, selling prices.

Now that MBR is trying to function as its own mountain, the general Big Sky public will be excluded from skiing on the new terrain without buying an MBR-specific lift pass. The newly configured resort will contain three ski lifts, including an 8,700-foot, six-passenger high-speed lift, which will be the largest lift in Montana.

There has been an evolution in the mountain resort industry. In many of these places, people were drawn to the area first by mining, logging, ranching, or other resource-extracting industries. Then the ski mountain became the main draw, and the larger economy became reliant on the ski industry, with the associated tourism helping to resurrect the economies of many small western mountain communities. To a great extent, the character of the mountain determined the character of the place. But today, many resort communities are defined by myriad activities that only sometimes relate to the mountain and often erode the area's original character. For example, on the other side of Yellowstone National Park, the town square of Jackson, Wyoming, now has retail stores like the Gap, as well as galleries displaying artwork priced in the tens of thousands of dollars.

As skier numbers remain stagnant, the mountain resort industry and its ski villages are being Disneyfied, while the mountain, once the iconic figure of the setting, is now an amenity, much as a golf course is for many master-planned communities. Just as celebrity-designed golf courses seemingly add instant credibility to a master-planned community, it may be only a matter of time before there is a Franz Klammer- or Hermann Maier-designed ski mountain.—Howard Kozloff, a project manager at New York City-based BRV Corp., which advises clients on urban redevelopment and public space improvement

AUGUST 2003 ■ \$15.00

# Urban Land



## In View

Costa Rica

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Heritage Trails

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African Safari

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Houston/San Antonio

