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Baby boomers boost ski resorts

By Tom Kenworthy, USA TODAY

MISSOULA, Mont. — On a clear day in western Montana, residents here can look to the south and see what might be the future.

Looming 10 miles away is Lolo Peak, a getaway for hikers, fishers and hunters. But there's something new on the peak's horizon: a network of freshly cut trails for a resort that will boast 2,500 acres of skiing and snowboarding terrain, as well as the longest vertical drop of any ski hill in North America.

The proposed resort isn't so much about knee-deep powder as it is about real estate. If approved by the U.S. Forest Service — which owns much of the terrain — the Bitterroot Resort will succeed only if it appeals to the baby boom generation's desire for vacation property.

"Real estate subsidizes top-level skiing," says Tom Maclay, a fourth-generation rancher and Bitterroot Resort CEO. Under his plan, most of the skiing and snowboarding would happen on upper-elevation Forest Service land. But most of the profit would come from 2,200 homes and condos, restaurants, a golf course and a four-star hotel on land he owns near the floor of the Bitterroot Valley.

Bitterroot Resort is one of several new and planned Western developments that combine winter sports with vacation real estate. The developments promise new economic vitality to remote corners of the Rockies, but along with the benefits come problems.

Environmentalists and local residents fear the resorts will negatively affect pristine areas and change their communities' character by raising housing costs and straining services.

"A mega-ski area would be very hard socially on this community," says Orville Daniels, the former supervisor of the Lolo National Forest who was part of an economic development group that studied the issue in the 1980s. "It's affordable housing, living wages, high property taxes, conflicts with wildlife and open space. This project would have negative effects on all those issues."

Revival of snow sports

A decade ago, the Bitterroot Resort probably wouldn't have made it to the drawing boards. Skiing was stuck in a rut because baby boomers who fueled the sport's growth in the 1960s and '70s had drifted away to raise families and nurse their aging knees.

But snow sports are enjoying a revival. The rise of snowboarding has attracted younger customers, including teens willing to vacation with their parents. Better equipment has brought older skiers back to the slopes. Snowmaking has made the business more predictable. And most of all, real estate — combined with aggressive marketing by resorts that offer golf and other off-season activities — has been a major draw.

"There is a vibrancy we haven't seen in years," says Michael Berry, president of the Colorado-based National Ski Areas Association, which represents most of the nation's ski hills. Berry sums up the state of the industry in a PowerPoint presentation aptly titled: "Alive and Maybe Even Growing."

"It boils down to demographics," says Berry, citing strong population growth in the West and the baby boomers nearing retirement "wanting to stay active ... and trying to find their special place."

New resorts open

Since 2000, Berry says, skier visits have averaged 56.6 million per year, up from 54 million in the 1990s and 52 million in the 1980s. The industry's three best years ever have come since 2000.

Perhaps more telling is the renewed interest in developing new ski resorts and real estate projects near existing ski areas.

Within the past two years, two new destination resorts — Tamarack Resort in Idaho and Moonlight Basin in Montana — have opened for business, the first such major developments since Utah's Deer Valley in 1981.

Tamarack, about 100 miles north of Boise, is a \$1.5 billion development offering skiing, golf, vacation homes and boating on Lake Cascade. In a real estate offering in January, the resort sold 134 lots, condos, chalets and townhouses for \$91.5 million, an average price of about \$683,000. Lots for ski-in, ski-out homes topped out at \$875,000 apiece.

At Moonlight Basin, which opened adjacent to the Big Sky resort north of Yellowstone National Park in 2003, homes and penthouse suites are listed at \$2 million and up.

In southern Colorado, meanwhile, Texas billionaire Red McCombs, the founder of Clear Channel Communications and owner of the Minnesota Vikings pro football team, is moving ahead with a huge residential and commercial development near the Wolf Creek Ski Area.

Wolf Creek Village would include nearly 2,200 homes and condos and 220,000 square feet of commercial space on 287 acres of land McCombs obtained through a land exchange with the Forest Service.

The project is embroiled in a crosscurrent of lawsuits from environmentalists and operators of the ski area who at one time were McCombs' partner.

Discussion intensifies

Controversy is also swirling here in Missoula, a laid-back small city of 57,000 that is home to the University of Montana and where residents cherish the abundant outdoor recreation opportunities.

Maclay, the Bitterroot Resort CEO, sees a destination ski resort as a natural extension of the city's ambience.

"People don't want growth, but growth is coming," he says. "This brings growth in a recreational direction."

In a community that has confronted ski area proposals on Lolo Peak at least twice since the 1950s, the intense discussion has already begun.

Residents of Missoula, says University of Montana economics professor Steve Seninger, are extraordinarily protective of Lolo Peak, whose summit offers stunning views of the Bitterroot Valley and west into the Selway-Bitterroot Wilderness.

"It's one of the most spectacular wild areas immediately outside of Missoula," says Seninger, who belongs to an opposition group, Friends of Lolo Peak. "It's a magnificent spiritual part of our landscape."