Feasibility of a summer/winter recreation complex in northwestern Montana

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FEASIBILITY OF A SUMMER/WINTER RECREATIONAL COMPLEX
IN NORTHWESTERN MONTANA

By

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the degree of

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CHAPTER I

PURPOSE AND BACKGROUND OF THIS STUDY

The intent of this study was to: (1) identify possible summer/winter recreational sites in northwestern Montana, (2) analyze the summer/winter recreational market in that area, (3) determine the feasibility of each proposed site, and (4) select the best site for a summer/winter recreational complex. Before the discussion of the above topics, some of the background information which made this study appropriate, will be discussed.

Throughout northwestern Montana, one of the key problems in land use development has been a lack of planning and effective feasibility analysis by developers. This is especially evident in the Flathead Valley. There is evidence in the Valley of commercial site location in private residential neighborhoods and evidence of otherwise poorly located and developed commercial sites. Mr. David Erickson, of the Lake County Planning Office, attributed the above situation to the fact that as recently as one year ago a business did not have to comply with any county planning or zoning requirements because a county planning office did not exist. Thus, any individual who wanted to start a business in the Flathead Valley could do so without meeting any minimum planning or zoning requirements. It is also significant to note that, of the three prime areas in the Flathead Valley--Swan Lake, Whitefish Lake, and Flathead Lake--only Swan Lake has had a U.S. Department of
Agriculture Environmental Statement\textsuperscript{1} prepared. Mr. Dick Smith, a member of the Department of Agriculture (Forest Service), indicated to Forest Service officials that an environmental statement would be completed on Flathead Lake no later than July 1977, and that currently there are no plans for an environmental statement on Whitefish Lake.

Because there has been very little planning or zoning in the past, there is now a real need for effective planning and zoning in the Flathead Valley. This area has so much natural beauty, recreational potential and historical value that the opportunities for tourism are obvious. There is an urgent need for a marketing study which would concentrate on how an entrepreneur could effectively use these resources.

Mr. Lee Forman, the Special Services Officer for Glacier National Park, indicated that approximately 1,620,000 people visited Glacier National Park in 1976. Mr. Forman and other individuals in the Flathead Valley with whom discussions were held, were not sure where visitors went after leaving the Park, but it was generally agreed that there was a great deal of drawing power in the area immediately surrounding the Park. For example, within a radius of forty miles of the Park there are Flathead, Whitefish and Swan Lakes, the Flathead Indian Reservation, and Big Mountain ski resort. Attractions such as the National Bison Range, the Bob Marshall Wilderness, and the Mission Mountains are also within a few hours drive of the Park. Yet, only the Big Mountain ski lodge at Whitefish attempts to draw the tourist through an extensive advertising program. In fact, none of the other areas attempt to encourage the

\textsuperscript{1}U.S., Department of Agriculture, Forest Service, \textit{Environmental Statement, Final, Multiple-Use Plan--Swan Lake Planning Unit}, Report No. USKA-FS-FES (Adm) 74-68, November 1, 1974.
tourist to spend his time and money doing such things as water/snow skiing, snowshoeing, snowmobiling, backpacking, hiking, horseback riding, sightseeing or swimming. It appears that there is a potentially large annual recreational market and a vast number of tourist attractions in the Flathead Valley; but no one is accommodating the tourists' needs.

From the previous discussion, it is evident that this study is extensive. Therefore, some limitations and assumptions must be made. The first limitation is that site locations have not been identified by lot number; rather, the sites were identified by the general area on their respective lakes. Although the sites are identified by general area, there is adequate summer/winter land available within the general site locations, and that the summer and winter locations will be as consolidated as possible. The second limitation deals with the architectural design of the facilities. It is suggested that the facilities blend in with the environment; but the architectural design of each facility will not be elaborated upon. Because the facility designs will be covered only on a square footage basis, the costs, too, will only be covered on a square footage basis.
CHAPTER II

THREE POSSIBLE SUMMER/WINTER RECREATIONAL LOCATIONS

Three possible summer/winter recreational locations have been identified near Glacier National Park, in northwestern Montana. The three general locations are Flathead Lake, Swan Lake, and Whitefish Lake. In the following discussion these possible recreational sites will be more specifically identified. Although these sites will not be identified by lot numbers, they will be identified by general location on their respective lakes and mountains.

**Flathead Lake**

Flathead Lake is approximately forty miles from the west entrance to Glacier National Park. Although Flathead Lake is the largest general location, it has many restrictions, limiting its final site location. The first restriction is the existence of the Flathead Indian Reservation (Figure 1). The reservation begins at Yellow Bay, on the east shore of Flathead Lake, then goes around the south end of the lake, up the west shore and ends at a point one mile south of Rollins. The Flathead Indians have indirectly indicated that they would not want to participate in any agreements involving reservation land. In fact, in the past few years the Flathead Indians have taken various actions attempting to prohibit outside economic developments. They recently lost a court battle with a Polson marina owner over water rights and the establishment of boat
Fig. 1.—Lake Locations.

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docks on the lake. The Flathead Indian spokesman indicated after the court loss that they fully intend to appeal the decision and that they would take legal action against other developments. The Flathead Indians have also tried to take advantage of their monopolistic position, as it pertains to the southern half of the lake. Approximately six years ago the Indians started requiring people who planned to use the Flathead waters in the reservation area to purchase special permits. Thus, it is evident that the Flathead Indians intend to reap the benefits from any development of the reservation land. It is also evident that in the next few years anyone owning land near reservation land can anticipate having legal action taken against them, either directly or indirectly, by the Flathead Indians.

Based on the above discussion, the only areas available for recreational use on Flathead Lake are within the zone starting at Yellow Bay, on the east shore, circling around the north end of the lake, then along the west shore to a point one mile south of Rollins. But these areas are not without their limitations. The remaining areas on the east shore do not have any mountainous areas with available ski slopes. The only areas remaining are on the west shore of Flathead Lake; and are from one mile south of Rollins to the north end of the lake. Mr. Robert O. Brandenberger, the Montana ski expert for the Forest Service Pacific Northwest Region, stated that the Forest Service has identified Blacktail and Kerr Mountains on the west shore of Flathead Lake as possible future ski areas. Both of these mountains are north of the Flathead Indian Reservation and are in the Flathead National Forest, (Figure 2). Kerr Mountain is approximately eight air miles from Rollins and Blacktail Mountain is approximately ten air miles from Rollins. Both of these locations
Fig. 2.—Flathead Lake.
are within approximately nine air miles of Table Bay, the most likely summer location. The main limitation of these areas is the limited amount of annual precipitation received. Mr. David Erickson, Lake County Planning Office representative, noted that the mountains on the west side of the lake receive an average of approximately twenty-three inches of annual precipitation. Mr. Brandenberger, however, pointed out that Mr. Erickson's figure is an average and that at an altitude of approximately 6,757 feet for Blacktail Mountain and approximately 6,500 feet for Kerr Mountain, their annual precipitations would be greater than the average. Mr. Brandenberger stated that Sel Hannah, a professional ski advisor from New Hampshire, performed a study of the Kerr/Blacktail area and found that both areas had adequate snow. Mr. Hannah concluded that a ski resort should use both hills and he felt that a good developer would succeed. Based on the above discussion, then, it is evident that the logical suggested Flathead Lake site location will be somewhere on the west shore, from one mile south of Rollins to the north end of the lake.

If Flathead Lake is chosen as the most feasible summer/winter recreational area, I would suggest that a developer attempt to lease Blacktail and Kerr Mountains, based on Mr. Hannah's study. It is also recommended, and the Forest Service according to Mr. Brandenberger would require any developer to make at least a two year study of snow depths on both mountains prior to entering any lease agreement. Some examples of depths of snow needed for a ski resort were recorded by the Tally Lake District of the Flathead National Forest. They recorded sixty-eight inches of snow in January, ninety-five inches in February, and ninety-nine inches in April of 1972, at the top of Big Mountain ski resort in Whitefish,
Montana. The least amount of snow, documented in this twenty-one year study, was twenty-eight inches in January of 1970. Both Mr. Erickson and Mr. Brandenberger stated that the minimum average amount of snow on the ground from mid-November through the end of April should be at least thirty-six inches. If in a two year study of snow depths on Blacktail and Kerr Mountains, a developer found that snow depths were below thirty-six inches between November and April of any year, he might consider locating elsewhere or extending his study of snow depths.

Before a developer attempts to use the Blacktail/Kerr area he will have to coordinate with the U.S. Air Force in order to get the road to a radar site, on Kerr Mountain, relocated. This road currently interferes with a proposed ski run and would have to be altogether eliminated. Mr. Hannah felt that the radar station road was the main restriction to the development of a ski resort. Thus, a developer should be prepared to pay for the construction of a new road for the Air Force.

The choice of the lake location is contingent upon the choice of Blacktail and Kerr Mountains as the snow ski location. Table Bay and Goose Bay are located within approximately nine air miles of Blacktail/Kerr Mountains. They both entered their development stages approximately twelve years ago and are very beautiful areas with pebble beaches. Although Table Bay and Goose Bay are being developed rather quickly, there is currently enough land available for the development of a summer resort on the shoreline between these two bays. There is land between Blacktail/Kerr Mountains and Table Bay/Goose Bay which is owned by the Flathead National Forest, the State and the Burlington Northern Railroad, which would be available for such things as horseback riding, cross-country skiing, and backpacking.
To summarize, Flathead Lake is a very large and beautiful lake with fantastic natural resources. The surrounding areas are also very beautiful, but the amount of snowfall received in the mountains is questionable. Another consideration is that the Flathead Lake suggested summer location will be in a fairly congested area, although enough land is presently available to give the development adequate privacy.

Swan Lake

Swan Lake, like Flathead Lake, is approximately forty miles from the west entrance to Glacier National Park. Although the Swan Lake area is much smaller than the Flathead Lake area, the restrictions, though different, are just as severe. This area is almost a total wilderness with very little development. The U.S. Department of Agriculture, Forest Service describes the Swan Lake Planning Unit in the following manner:

The 94,100 acre Swan Lake Planning Unit is located in the lower Swan River drainage, approximately 25 miles southeast of Kalispell, Montana. The community of Bigfork, Montana lies in the northwest corner of the unit. The Swan and Mission Mountain crests make up the east and west boundaries, and the Swan River State Forest constitutes the southern boundary of the unit. Land ownership in the area is as follows: National forest - 61,570 acres, state - 2,450 acres, other private - 26,900 acres, and lake area - 3,220 acres. State and private lands are located primarily in the northern portion of the unit.

Development on the east side of the unit has been largely confined to the lower one-third of the slope. Roading and timber harvest activities occurred over much of the unit west of Swan Lake. Swan Lake is located near the geographic center of the unit, and many of the land use patterns in the area are influenced by its existence. The community of Swan Lake is on the east shore of the lake on Highway #209. Elevations vary from 2,900 feet in the community of Bigfork to 7,800 feet at the top of Thunderbolt Mountain on the Swan Divide.¹

It has been stated that Swan Lake's restrictions were just as severe as those on Flathead Lake. The prime factor in determining a Swan Lake location will be the Multiple-Use Plan Environmental Statement,\(^2\) (Figure 3). Other influencing factors are the location of Highway 209, the size and present land ownership situation on the lake, and the lack of a road on the west shore.

The U.S. Department of Agriculture, Forest Service developed a Multiple-Use Plan Environmental Statement on the Swan Lake Planning Unit in November 1974. According to the developers of the plan, much of the expression of people's needs and desires was obtained from a series of listening sessions held approximately one year before the planning effort was started. As a result of these listening sessions the writers concluded: "The Swan Valley is experiencing a population increase, as well as changing use patterns and value systems of its residents. For a number of years many residents were employed in some segment of the timber industry or recreation industry. In recent years there has been an influx of people moving to this area, mainly to get away from urban living. These people do not accept the road building and timber harvesting of the areas as well as residents of the area once did."\(^3\) The following comments were gathered by the Environmental Statement writers from different sources throughout the entire state and indicate how the people feel about further development in the Swan Valley:

1. Representatives of the timber industry and Chamber of Commerce tended to favor a plan which emphasized economic values.

2. Representatives of the wildlife, wilderness, and environmental organizations favored a plan which emphasized environmental values.

\(^2\)Ibid.  \(^3\)Ibid., p. 3.
Fig. 3.—Swan Lake Planning Unit.
3. The Montana Fish and Game Department was interested in the protection of wildlife habitat and road closures. Water quality was also a matter of some concern.

4. Public comments were varied, but generally fell into one or more of the following areas:

a. Concern about pollution of Swan Lake resulting from:
   1) increased public recreation facilities and use.
   2) increased private development.
   3) siltation due to logging and road construction.

b. Concern about protection of grizzly bears and mountain goats habitat. Belief that degradation may result from:
   1) motorized recreational travel in high country.
   2) logging in North Lost-Bond Creek areas.
   3) potential ski area.
   4) increased public use of Swan Divide Area.

c. Concern about aesthetics - slopes above west shore of Swan Lake, Six-Mile-Hall Creek, and mid-slopes of Swan Mountains.

d. Concern about big game habitat and adverse impacts due to:
   1) increased road access.
   2) snowmobile and other off-road vehicles.
   3) developments, both public and private, related to recreational activities and subdivisions.
   4) increased logging resulting in less cover and greater vulnerability to hunters.

e. Concern about local and regional economy and its dependence on timber harvest. Specific concerns about:
   1) employment.
   2) small operator opportunity.
   3) availability of lumber for local and regional housing construction.
   4) over-reaction to recreationists and environmentalists.

f. Concern about influx of people into the Swan and Flathead Valley. Feel increased recreation facilities and publicity of the area may compound problem.

g. Concern about preservation of Swan River and adjacent environment in natural state. Feel adverse impacts may be due to:
   1) increased siltation and peak flows due to logging, specifically clearcutting.
2) Increase in public and private development along the Swan River. Wild and Scenic River classification desirable to some.4

These comments illustrate the conflict between the economic and environmental desires of the people. They also demonstrate the feelings of the new influx of people into the Swan Valley and illustrate the intense environmental concerns of society in 1974. These concerns were therefore the prime factors in developing a final multiple-use plan.

Prior to developing the final multiple-use plan the Forest Service developed three plans based on different concepts. Plan A emphasized economic values, recommending the development of a ski resort and the increase in harvesting of timber. Plan B emphasized environmental values, recommending the closure of various roads and the restriction of various recreational activities. Plan C was similar to Plan B, although it suggested that all inventoried roadless areas within the planning unit be studied as a potential addition to the National Wilderness Preservation System. After evaluating these plans the Forest Service decided to combine various facets from each plan and put them into one plan. About Plan A they stated:

Public reaction to Alternative A was that development was overemphasized. The impacts on aesthetics and wildlife would be too severe because of the road system, especially with the emphasis on loop roads; the potential winter sports area development on Six-Mile Mountain did not receive public support, and development (roads and logging) in and adjacent to the unroaded high country was to be greater than public response indicated favor for.5

About Plan B the Forest Service stated:

Public reaction to Alternative B was that development, including road and logging, was to restrictive. More road access was

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4Ibid., pp. 21-23.  
5Ibid., p. 19a.
thought to be needed in areas of medium and high timber productivity; more salvage logging was desired; road development to the unroaded high country would be limited making access difficult; the Six-Mile area would have been eliminated as a potential electronics site; and motor vehicle access to the Swan Divide would have been eliminated completely.\(^6\)

About Plan C the Forest Service said:

The primary reason for not selecting Alternative C was based on the low wilderness suitability rating of the area. Various items of this particular area contributed to a low rating: The area is quite narrow and is extremely vulnerable to outside developments, noise, and other influences; Six-Mile Mountain trail has established motor bike and snowmobile use; Six-Mile Mountain is a suitable electronic installation site and may be needed for such purpose; Six-Mile Mountain lookout still exists; due to heavy use in portions of the area, minimum facilities need to be constructed to protect areas of concentrated use; dozer firelines were constructed at the head of the North Fork of Lost Creek in 1963; a primitive road was constructed to the crest of the Swan Divide from the east in Conner Creek allowing four-wheel drive vehicles access - this road is now closed to use; and administrative cabin is located at Trinkus Lake.\(^7\)

Based on the above Forest Service interpretations of the public's feelings about the respective plans, the Forest Service developed a final "compromise" plan. This final plan contains elements of all three alternative plans. Basically, the final plan considers the following:

1. All publics expressed the needs and desires for a mix of environmental protection, recreational opportunities, and timber production.

2. Habitat for threatened or endangered species of birds and animals could be protected and, in our best estimate, maintained at present levels.

3. The possibility for future wilderness classification for that portion of the inventoried roadless area having the highest wilderness values would be protected.

4. Management could optimize range habitat for deer and elk on national forest lands. This would be especially appropriate in this unit since much of the winter range is located on private land. The private land is being rapidly developed and, in many cases, subdivided.\(^8\)

\(^6\)Ibid.  \(^7\)Ibid.  \(^8\)Ibid., p. 20.
It is evident from the previous discussion that there were more people in the Swan Valley concerned with the environmental issues than with economic issues. Thus, when the Forest Service developed the final plan they tended to concentrate on a more environmental plan. Appendix I compares the alternative plans.

The final plan compromises the Plan A extreme of developing a ski resort and increasing the exposure of the Swan Valley to recreationalists, and the Plan C extreme of dedicating the Swan Valley as a wilderness area. The final plan also encourages those recreationalists who use campgrounds, drive four-wheel vehicles, and know how to survive in the out-of-doors. This plan caters to the native Montanan who is equipped to take advantage of the natural Swan Lake environment; but it does not encourage any recreational developments that would allow the average Glacier Park tourist's participation.

The previous discussion makes the general Swan Lake location seem rather questionable. In the Environmental Statement, the Forest Service acknowledges as a favorable environmental impact, the area's ability "to provide a mix of recreation opportunities ranging from developed sites to dispersed experiences such as hiking in undeveloped areas." They also feel that we must "assure access to many forested areas for such activities as driving for pleasure, berry picking and hunting." The Forest Service also states that there are certain adverse environmental effects which cannot be avoided. Some of these environmental effects are as follows:

1. In undeveloped areas the proposal to build roads and harvest trees could result in adverse visual impact by markedly

\[^{9}\text{Ibid., p. 17.}\] \[^{10}\text{Ibid.}\]
changing the natural forest scene. This action could also disrupt small animal and bird habitat indigenous to mature and over-mature forest.

2. Increased use of the area is inevitable. Controls on areas of use are not proposed other than physical closure of some roads. Increased use of undeveloped areas might result in a lower quality backpacking experience. The same problem might occur in developed areas as more people utilize recreation opportunities.\(^{11}\)

Although the Forest Service has established rather restrictive criteria in their final plan, they also recognize that they cannot prohibit developments on private land and that with these developments, both good and bad environmental impacts can be expected.

Based on the previous discussion, it is evident that any developers in the Swan Lake area will be requested to meet rather tough environmental restrictions. Developers can anticipate a strong environmental reaction from the public; and they can anticipate the Forest Service and environmental groups continually monitoring their actions. Developers must be prepared to coordinate and fully cooperate with the public and the U.S. Forest Service. They must develop their facilities so that they blend in with and do not pollute the environment. They must also present their plans to the public and the Forest Service for approval. If a developer is willing to spend extra money on environmentally oriented facilities and is willing to cooperate with the public and the Forest Service, he will be able to successfully enter the market in the Swan Valley. If a developer reacts as described above, the U.S. Department of Agriculture, Forest Service Environmental Statement-Final would directly influence the developer's planning efforts, but it would not prevent the development.

\(^{11}\) Ibid., p. 18.
The environmental factors previously discussed, will restrict the development of a recreational complex no matter where it is located. The selection of the summer recreational site has even more restrictions than just the environment. The location of U.S. Highway 209 is one of the site restrictions. This highway parallels the east shore of the lake and is too close to the shoreline (200 feet to 500 feet at most points) for any type of development. Also, the few areas that are workable on the east shore already have summer homes or Forest Service campgrounds on them. So there is literally no land available on the east shore for a summer recreational development. Also, the lake is narrow, like a river, at the north and south ends and consists of swamp lands. Therefore, the only available lakeshore land is on the west shore of Swan Lake.

Another restriction that a developer would have to contend with is the lack of available private land. There are 64,020 acres of state and national forest land, compared to 26,900 acres of private land, in the Swan Valley. Most of the private land is at the south end of the lake and is not usable. Therefore, any developer will have to negotiate with the Forest Service and attempt to lease most of the land needed for any development.

The last restriction on a recreational development on Swan Lake is the lack of a major road or highway on the west shore. According to the National Forest Service there is only one road on the west shore of Swan Lake that would give a developer access to the lake. The road begins at the north end of Swan Lake, as a dirt road. After about three miles, the road becomes what the Forest Service calls a "primitive road" and continues south for approximately four miles. At Bug Creek the road ends and does not start again until Yew Creek; a distance of approximately four
miles. At Yew Creek a "primary route" road begins and continues south around the lake where it joins with U.S. Highway 209. According to the Forest Service, none of these road segments are any closer to Swan Lake than 500 feet. In the environmental impact statement, the Forest Service states that, "boating will remain the primary means of access." They also stated that there would be no road developments in this area. Thus, based on this discussion, a developer will have to negotiate with the Forest Service and attempt to have a road built; one which is environmentally hidden from the east shore and from the lake itself. The developer may also have to pay the entire bill for the road construction. If the Forest Service will not negotiate on this point, potential developers should then be prepared to comply with the Forest Service's statement that "boating will remain the primary means of access."

The following suggested locations are based on the above restrictions and the recommendations of the U.S. Forest Service. As was previously mentioned, the summer facility will be restricted to the west shore of Swan Lake. The west shore of Swan Lake, is described by the Forest Service in the following manner:

This unit consists of a narrow strip along the west shore of Swan Lake. The visual resource is a major consideration due to the direct view of the unit from the lake and Highway 209. The land is undeveloped with the exception of one recreation residence and has virtually unaltered shoreline along Swan Lake.

The unit is heavily forested with both young and old growth trees. Grand-fir, western larch, and Douglas-fir are the predominant species. The habitat type is western red cedar-clintonia occurring on a landform best described as a steep glaciated slope. Frequent rock outcrops occur on steep faces

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12 Ibid., p. 58.
while thicker soil deposits are present on small benches. The general aspect of the terrain is east with infrequent north or south-facing slopes. Elevations range from 3,066 feet at the lake shoreline to 3,400 feet along the western boundary.

Wyman Creek is the only live stream running through the unit. The north end of Wyman Lake is also included. A 25-acre parcel of undeveloped private land surrounds the south and west shoreline of Wyman Lake.

Directly across Swan Lake from the unit are about 30 houses on private property. These are primarily used as vacation or summer homes. The shoreline of Swan Lake to the north of the unit is also private land that is presently being logged but has very little residential development.

The unit abuts private property on the southern boundary near the inlet of Swan River. The Bureau of Sports Fisheries and Wildlife is attempting to purchase some of the land for a Waterfowl Refuge. The results of this effort are uncertain at this time. Osprey and eagles frequent the unit. No nests of these species have been identified though some may exist. A few deer, black bear, and smaller animal species use the area for summer range.\(^\text{13}\)

Thus, the entire west shore is an undeveloped, wilderness area; and as was previously mentioned, there is very little private land available. In fact, there is only one piece of private shoreline land available on the west shore of Swan Lake. This piece of land is located in the middle of the west shore and is also directly across the lake from Six-Mile Mountain, which will be the suggested winter recreational complex location. Because of its location and availability, it is recommended that a developer attempt to obtain this piece of private land and the pieces immediately surrounding it. The main piece of land is owned by the U.S. Plywood Company, and the land to the left and right of the primary piece is privately owned. The piece of land immediately to the rear of the primary piece is owned by the Burlington Northern Railroad.

\(^{13}\text{Ibid., p. 57.}\)
It is suggested that a developer attempt to obtain **all** these pieces of land. This would give him enough land to build on and still not be crowded. The developer would also be able to comply with the Forest Service's 500 foot distance from the shoreline requirement. The combined U.S. Plywood, privately owned, and Burlington Northern Railroad land is adequate for recreational activities such as backpacking, hiking, horseback riding, cross-country skiing, etc. This location, if obtained, would be ideal. The dirt/primitive roads end within this piece of land and a developer, as was previously mentioned, would have to negotiate with the Forest Service to modernize these roads. Because this piece of land is surrounded by national forests a developer would also have to negotiate with the Forest Service in an attempt to lease more land if it was needed.

The ski slope and winter recreational complex location was recommended by the U.S. Forest Service in their Environmental Statement and by Mr. Robert O. Brandenberger, the Montana ski expert for the Forest Service. They both suggest that Six-Mile Mountain be used as a ski slope. Six-Mile Mountain is described by the Forest Service in the following manner:

This is a highly scenic, almost totally undeveloped area along the Swan Divide. It is primarily high alpine non-commercial forest with numerous rock outcrops and rugged rocky terrain. Soils are thin with rock outcrop covering approximately 40% in some areas. Elevations range from 4,400 feet to 7,400 feet. The only existing maintained trails through the unit are Peterson Creek Trail and a short section of Six-Mile Mountain Trail. Wildlife in the area includes goat, grizzly bear, elk, deer, and small game. The unit is used primarily as a cross-country hiking area and as a viewing area.14

14 Ibid., p. 46.
Six-Mile Mountain is approximately six air miles from the Swan Lake suggested summer facility location. The Six-Mile Mountain is in the Flathead National Forest and would have to be leased from the Forest Service. Thus, the developer would have to spend extra money to meet the environmental requirements established by the Forest Service. He would also have to be willing to negotiate and cooperate with the public, as well as the Forest Service. About a Six-Mile ski area, the Forest Service states:

Development of the ski area would represent a significant departure from the non-alteration concept proposed for the remainder of the area. The development of ski runs, lifts and associated service buildings would be designed to blend with the surroundings as much as is practical, but some changes would occur.\textsuperscript{15}

The Six-Mile Mountain suggested ski area would have more annual precipitation and would be more reliable than Blacktail/Kerr Mountains, the Flathead Lake suggested ski area. According to Forest Service figures: "The annual precipitation varies from 20 to 80 inches per year, depending on elevation and exposure, a large percent of which is deposited in the form of snow."\textsuperscript{16} Since Six-Mile Mountain is approximately 7,406 feet above sea level it probably receives approximately 80 inches of precipitation per year; most of which is in the form of snow and would thus be ideal for a ski area. But on Six-Mile Mountain, like Blacktail/Kerr Mountains, it is suggested that a developer study the snowfall for two years prior to building.

To summarize, the Swan Valley has fantastic natural resources and is almost a total wilderness area which would be ideal for a summer/winter recreational complex. The suggested lake and ski locations are

\textsuperscript{15}Ibid., p. 64. \textsuperscript{16}Ibid., p. 7.
within approximately six air miles of each other. The area is almost totally undeveloped and would provide a private environment for a summer/winter recreational complex. Although the natural resources are ideal, the restrictions make the area difficult to enter. The environmental restrictions established by the U.S. Forest Service, will be hard to comply with and will make the development costs increase drastically.

**Whitefish Lake**

The final suggested general location is Whitefish Lake. This area is approximately twenty miles from the west entrance to Glacier National Park. The Whitefish Lake situation is much different than either Flathead Lake or Swan Lake. Whitefish Lake, unlike the other two lakes, already has most of the winter complex developed in the Big Mountain ski resort. Therefore, the Whitefish proposal will involve an expansion of the Big Mountain ski resort and the development of a summer facility on the lake. Before the summer and winter suggested sites are described, the restrictions which apply to Whitefish Lake must be discussed.

There are three restrictions which will directly influence the decision on where to locate the suggested summer portion and where to expand the winter portion of the Whitefish Lake recreational complex. The first restriction is the location of the Burlington Northern Railroad. The Burlington Northern Railroad Company owns almost all of the land along the west shore of Whitefish Lake. It also has railroad tracks that run parallel with the west shore, within approximately 100 feet of the shoreline at all points. This restriction, in essence, eliminates the west shore of Whitefish Lake from consideration for the
suggested summer location. The costs of obtaining this land from the Burlington Northern Company and the costs of relocating the railroad tracks at any point would be prohibitive. It is also questionable whether or not the Burlington Northern Company would want to sell any of their west shore land because of its outstanding visual attractions for Burlington Northern passengers. The west shore is also restricted by the lack of a road in the area. The south shore of Whitefish Lake is not available either, because the town of Whitefish is located at the south end of the lake and many small summer resort facilities already exist in this area. Therefore, the only areas with available land are on the north and east shores of Whitefish Lake.

The second restriction is a result of the successes and growth of the Big Mountain ski resort. Because of Big Mountain's consistent successes and economic importance to the community of Whitefish, investors have purchased much of the surrounding land in anticipation of either developing it themselves or selling it to developers for a big profit. Although the ski runs for Big Mountain are in the Flathead National Forest, the ski lifts and resort facilities are located on private land. Almost all of the land, from the ski lift and resort facilities to the bottom of the mountain, also belong to private investors. Many of these investors are developing their own facilities and many of the other investors are holding their land in anticipation of further development of the Big Mountain ski resort. Therefore, if a developer intends to combine the Big Mountain ski resort facilities with summer facilities and expand the winter facilities, they must anticipate expending a vast amount of money to obtain the necessary land from private investors.

The third restriction is partially caused by the second restriction.
That is, Winter Sports, Inc., (Big Mountain resort corporation) does not have enough immediate capital to undertake a rapid expansion project as outlined in this paper. According to Mr. Norm Kurtz, an executive staff member at Big Mountain, the corporation is made up mostly of local investors. The corporation does not have any large private or corporate investors, and that is one reason why Winter Sports, Inc., has designed their Master Plan\(^1\) to accommodate slightly less than their customers demand at all times. Mr. Robert O. Brandenberger, U.S. Forest Service, attributes Big Mountain's successes to an outstanding management effort. Mr. Brandenberger indicated that the average management efforts would have failed with the little amount of capital that has been available to the Big Mountain management. Even with their outstanding management organization, the Big Mountain ski resort does not currently have an adequate capital structure to enable them to develop at the rate that many major ski resorts do. Based on this analysis, a very large investor will have to invest in the Big Mountain— and the current Winter Sports, Inc., investors will have to want this outside assistance—before a summer/winter recreational complex can be developed. Thus, the rest of this analysis assumes that there are individuals willing to invest in Big Mountain and that Winter Sports, Inc., would be receptive to outside investors. The three restrictions are illustrated in Figure 4.

The winter portion of a recreational complex already exists (Big Mountain ski resort) at Whitefish Lake. Some of the history and a description of the Big Mountain ski resort is given in the Master Plan and Environmental Analysis, as stated below.

\(^1\) The Big Mountain Master Plan and Environmental Analysis, prepared by: Winter Sports, Inc., Whitefish, Montana, and Mark J. Behan, Ph.D., Department of Botany, University of Montana, Missoula, Montana, 1974.
Fig. 4.—Whitefish Lake

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The Big Mountain, owned and operated by Winter Sports, Inc., is located five miles north of Whitefish, Montana. Whitefish, on the main line of the Burlington Northern Railway, is located on North-South U.S. Highway 93 and is just ten miles from East-West U.S. Highway 2.

The Big Mountain is a mountain resort located on the slopes of the Whitefish Range. The business of the Big Mountain is that of rendering all services pertinent to ski and summer resort operations. Included in these services are ski lifts and slopes, public day use facilities, public and restricted overnight facilities, and maintenance, utility and storage areas.

As early as 1936, Flathead Valley skiers utilized the area, and in 1937, the Whitefish Lake Ski Club, through a special use permit issued by the U.S. Forest Service, built cabins, slopes and trails in the Hell Roaring area of the mountain on national forest lands. Despite the lack of lifts, the area was a favorite weekend rendezvous for skiers. Forest fires in 1910 and 1929 contributed to clearing the upper half of the mountain, and their effects can still be clearly seen today. In 1947, Winter Sports, Inc., was organized, and in December of that year, a T-Bar lift, ski slopes, day lodge, and parking lot were opened to the public using lands owned by the Corporation and public lands under special use permit. The growth of the resort was slow but steady in those early years. In 1949, the Chalet was built; in 1957 the T-Bar capacity was increased, the Poma-Lift built, and new slopes added. In 1960, the first major expansion program was effected with the completion of Chair Lift #1, expansion of the Lodge, and approximately 15 miles of new ski slopes and trails added. 1968 saw the second major expansion under way with Chair Lift #2 replacing the old T-Bar, a new T-Bar lift near the Poma, more ski slopes, and construction of the Alpinglow Inn, a 54 unit condominium.

From its inception, the Big Mountain has run on a seven-day-a-week basis, has provided overnight accommodations, and identified itself as a resort rather than a weekend ski area.18

The Big Mountain Resort is later described in the analysis in the following manner:

Today, the Big Mountain boasts some 23 miles of ski slopes and trails served by 5 lifts with a combined daily capacity of 1,840 skiers. The base area includes overnight accommodations for 345 people in the Chalet, Lodge, and Alpinglow Inn, plus additional accommodations for 160 people in privately owned residences. Five food service facilities, an

18Ibid., p. 3.
28

820-car parking lot, a complete ski shop and school, liquor and Bierstube facilities, children's day care service, and professional ski patrol facilities are also included in the base area. The area is served by its own water system and has a self-sufficient sewage treatment plant. 19

The analysis also outlines the land ownership situation in the following manner:

The present-day resort consists of 1,160 acres of Flathead National Forest land under special use permit, and 440 acres of private land located in and around the base area. Twenty-one and one-tenths acres of national forest land are under a 20-year term special use permit for the purpose of constructing and maintaining the Heron (Chair #1) and the Hall (Chair #2) Chair Lifts. The remaining 1,138.9 acres under permit are for the purpose of maintaining and developing ski slopes, trails, and roads in conjunction with the facilities specified under the term permit. Of the 440 acres of private ground in the existing base area, Winter Sports, Inc., owns approximately 409.5 acres; subdivisions, roads and easements account for the remaining 30.5 acres. Additional public and private lands are contiguous to the resort complex. 20

Based on the previous information it is evident that Big Mountain is a fairly well-developed small ski resort. It will be necessary, though, to first discuss the precipitation situation and expansion possibilities of Big Mountain before discussing the proposed summer location.

In its twenty-six years of operation the Big Mountain ski resort has had both early- and late-season snows to guarantee operations every year. In the last sixteen years Big Mountain's skiing season has averaged 144 days a year, with a minimum of 114 days in the 1969-1970 season and a maximum of 178 days in the 1960-1961 season. With these conditions, and because of the increasing popularity of skiing, the resort's expansion program, the Big Mountain location, and the quality of skiing, skier visits have increased steadily through the years. For example, based on

19 Ibid., p. 7. 20 Ibid., p. 6.

Because Big Mountain has been so successful, Winter Sports, Inc., has been able to look to the future with optimism. In their Master Plan, the feasibility of the Big Mountain expansion program is based on the following premises:

1. That the Big Mountain resort can be developed into a medium-sized national resort.

2. That the accessibility of the Whitefish recreational area will be improved in the future, with better air, rail, and highway facilities.

3. That the development envisioned in the Master Plan can be accomplished by using the public lands currently within the boundaries of the U.S.F.S. special use permit and private lands adjacent to the existing base area.21

Also in the Master Plan, Winter Sports, Inc., outlines their intentions by stating that they "intend to expand the resort's facilities in order to meet the public's anticipated demands within the next 10 to 15 year period.22 Winter Sports, Inc., states that their primary and secondary objectives, as they pertain to future growth, are:

A. To expand the existing resort into one having national status, year-around use, and a daily capacity of 5,000 to 6,000 people.

B. To protect and enhance the existing environment by designing all segments of the expansion to minimize, to the smallest extent possible, any detrimental impacts upon the ecology of the area, and to correct, where possible, any existing detrimental impacts.

C. To comply with all Federal, state, and local regulations that may apply now or in the future.

D. To divide the total development into feasible stages or phases dependent upon financial limitations and ensuring that

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21 Ibid., p. 14.  
the resultant net facilities are as proportionately balanced as possible.

E. To ascertain that, for the scheduling of each phase, time shall not be the only primary governing factor, but that public demand and financial feasibility shall have equal importance.

F. To build as much of the base area as possible on lands currently owned by Winter Sports, Inc.23

Note that Objective "D" mentions dividing the "total development into feasible stages or phases" because of the overall cost and size of the expansion program. Winter Sports, Inc., divided their final plan into two phases; the first phase covering a one- to five-year period and the second phase covering a six- to ten-year period. The contents of Phase I and Phase II are outlined below as taken from the "Master Plan and Environmental Analysis of The Big Mountain Ski Resort."

PHASES OF BIG MOUNTAIN EXPANSION

PHASE I

1. Install Chair Lift #A and remove Poma Lift (Lifts)
2. Develop new ski slopes and trails serviced by Chair #A (Terrain Analysis)
3. Develop parking lot at base of Chair #A (Parking & Roads)
4. Install day use building at base of Chair #A (Public Day Use)
5. Install sewage line to the city or a new treatment plant and connect to existing lines and new construction (Utilities)
6. Install Chair Lift #B (Lifts)
7. Develop new ski slopes and trails in Chair #B area (Terrain Analysis)
8. Install additional day use facilities in main base area (Public Day Use)
9. Expand main parking lot capacity (Parking & Roads)
10. Develop underground water source and connect to existing system (Utilities)
11. Develop main loop road from the East end of the existing parking lot to main county road (Parking & Road)
12. Install rest room facilities at the base of the existing T-Bar, Poma, and Chair #1 areas (Public Day Use)
13. Remove existing Rope Tow and Mitey Mite and possibly relocate (Lifts)
14. Install radio communication system and update phone service (Communications)
15. Expand overnight accommodations (Public Overnight)

23 Ibid.
16. Install new ticket sales-administration building, and remove existing patrol headquarters building (Public Day Use)
17. Bury all overhead wires within the existing base area (Utilities)
18. Develop additional commercial, condominium, and residential sites (Public Day Use, Public Overnight, and Exclusive Overnight)
19. Relocate maintenance and storage area (Maintenance & Storage)
20. Develop a new signage program for all roads, base areas, and ski slopes (Communications)
21. Institute a landscaping program for base area and scars on mountainside (Public Day Use, and Terrain Analysis)
22. Install tennis courts and other summer recreational facilities (Public Day Use)
23. Install bridle and bicycle paths in base area and below, that can be used as cross country ski trails in winter (Public Day Use)

**PHASE II**

1. Install Chair Lift #C and possible remove or relocate the existing T-Bar (Lifts)
2. Install Chair Lift #D (Lifts)
3. Develop new ski slopes and trails serviced by Chair #D (Terrain Analysis)
4. Develop parking lot at base of Chair #D and additional "Satellite" lots as necessary (Parking & Roads)
5. Install Hi-House day use facility near the intermediate station of Chair Lift #1 (Public Day Use)
6. Develop additional commercial, condominium, and residential sites (Public Day Use, Public Overnight, and Exclusive Overnight)
7. Expand water and sewage collection systems (Utilities)
8. Finish landscaping base area and mountainside (Public Day Use, and Terrain Analysis)
9. Expand bridle and bicycle trails (Public Day Use)

Should Big Mountain ever be desirous of expansion beyond that which is covered in the Master Plan, Winter Sports, Inc., has identified the Big Creek area as a logical choice. The Big Creek area is adjacent to the summit of Big Mountain, on its northeastern side. According to the Big Mountain Master Plan, "the area is comprised of approximately 400 acres of Forest Service land and approximately 160 acres of privately owned ground. The area runs from the summit of the Big Mountain, at an elevation of approximately 7,000 feet to the valley floor at an elevation of approximately 5,300 feet."^[ibid., p. 57.](#)
Based on the previous discussion, it is obvious that Winter Sports, Inc., fully intends to expand their facilities within their financial capabilities. It is also obvious that they wish to use national forest land as much as possible. Based on the earlier discussion on the cost of land, this would appear to be a wise decision; although it restricts them from developing land between the lake and the lift since most of this land is private. But this restriction does not adversely affect a development that concentrates on winter recreational activities, as Winter Sports, Inc., currently does. Mr. Norm Kurtz, executive staff member at Big Mountain, stated that by offering alpine skiing, cross-country skiing, snowshoeing, and snowmobiling in the winter; and hiking, backpacking, conference facilities, and lift rides in the summer, Winter Sports, Inc., is attempting to operate throughout the entire year. He indicated that they intend to expand their summer activities by building tennis courts, swimming facilities, and offering courses in painting. But Mr. Kurtz also indicated that because of the high cost, Winter Sports, Inc., does not plan to develop summer facilities on Whitefish Lake. The Big Mountain management's attitude toward summer facilities is demonstrated in the following statement: "Although the public's use of the Big Mountain is envisioned to be one of all seasons, the skiing potential and capacity, is the most important determining factor for the over-all size of the resort."25 They also stated, "In order to financially justify the expansion of public overnight accommodations within the base area, year around use is a must. Winter Sports, Inc., has been successful in utilizing their existing facilities on a year-around basis, and it is contemplated

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25 Ibid., p. 17.
that this usage will increase as the resort expands."26 Therefore, before a summer/winter recreational complex could be developed in the Whitefish area, the Winter Sports, Inc., would have to modify their Master Plan goals and attitudes and would need more capital in order to develop the expanded summer facility.

Assuming that Winter Sports, Inc., would be interested in developing an expanded summer facility and assuming that they would welcome large investors with the available capital; a summer/winter recreational complex would be feasible. The suggested summer complex location is contingent upon the restrictions discussed earlier along with the location of the Big Mountain ski resort. Based on these criteria, the best location for the summer facility would be on the east shore of Whitefish between Monks Bay to the south and Brush Bay to the north. Since the road to Big Mountain is near Monks Bay, a developer should attempt to obtain summer lake land as close to Monks Bay as possible. The developer should attempt to purchase the large strip of land that runs from the summer lake location, northeast to the Big Mountain base facilities. This land would provide the complex with summer and winter land for such things as water skiing, snowskiing, fishing, snowshoeing, swimming, hiking, and sledding. The land is available, but as mentioned earlier, the current land owners expect a high return on their investment. Therefore, to purchase the above mentioned land, a developer must be prepared to expend a great deal of capital.

In summary, the Big Mountain ski resort, under the leadership and direction of its Board of Directors, has grown into a quality ski resort

26 Ibid.
of regional status. The town of Whitefish and the Big Mountain resort are recreation oriented and have an alpine personality about them. The Big Mountain management has designed a Master Plan which programs the growth of the Big Mountain according to the skier demand and availability of capital. This Master Plan is designed to eventually make the Big Mountain a medium-sized, national, winter resort. Also, in order to financially justify the expansion of public overnight facilities within the base area, year-around use is a must. Therefore, the Big Mountain management has undertaken, on a secondary basis, the establishment of limited summer activities using the winter facilities. Because the costs of additional land are prohibitive, Winter Sports, Inc., does not currently plan to expand their facilities to accommodate strictly summer activities. Thus, if a summer/winter recreational complex is to be developed in the Whitefish area, using the Big Mountain facilities for winter activities, Winter Sports, Inc., will have to accept large investors with available capital. They also will need to broaden and expand their plans to include summer facilities.
CHAPTER III

THE NORTHWESTERN MONTANAN'S REACTION TO A SUMMER/WINTER RECREATIONAL COMPLEX

Through their actions and feelings the populace of different suggested locations can either aid or hinder a developer's efforts in building his development. They can also create problems for him by taking legal actions or by sabotaging his efforts. A developer can usually avoid community problems by communicating, compromising, and cooperating with the populace. But, before the developer can successfully communicate, compromise, or cooperate with a community, he must understand what the community's feelings, goals, and priorities are. One of the most popular and accurate methods of determining what a community's feelings, goals and priorities are, is to conduct surveys. Therefore, in an effort to determine how the populace of the northwestern Montana communities involved in this project feel about a summer/winter recreational complex, two surveys were designed.

In making up the survey, the first item to be determined was the specific information a developer would want to obtain from the survey. The proposed summer/winter resort/recreational complex would attract tourists from everywhere, and a small percentage of these tourists would decide to establish summer residences in the area—a side effect of tourism. Therefore, a developer would need to know how residents of northwestern Montana feel: about out-of-state people moving into Montana, and
about non-residents establishing summer residences here. Answers to these two questions were thought to be dependent upon how long a person had lived in Montana. That is, it was theorized that an individual who had lived in Montana all his/her life would most likely oppose population increases in Montana; whereas, an individual who had just entered the state would probably favor population increases. In order to confirm or deny the above theory, a survey question which determined how long each respondent had lived in Montana, was included. After a developer discovered how the populace felt about the side effect of tourism, he would want to know how they feel about his proposed development; hence a question concerning the development of a resort/recreational complex in northwestern Montana. After the developer determined whether the populace would oppose or favor the complex, he would probably like to know whether the people would use the development. The question, on the people's use of the facility, was included mainly for those residents living in Missoula and Great Falls, because a key point of interest for a developer would be how much participation he could anticipate from the people living in larger Montana communities. Two questions, tying the tourism and resort/recreational complex topics together, were also included. The first question attempted to determine whether the community felt that a resort/recreational complex would deter non-residents from establishing summer homes in Montana, or encourage them. The second question attempted to determine whether the community felt that there are enough natural resources which, when combined with a resort/recreational complex, would attract tourists from Glacier National Park. The answers to this question tell the developer whether the populace feels that he would have a successful market. The last question in the survey asks the respondent...
to indicate which of the three locations, outlined in Chapter II, he would prefer. An individual's answers would be influenced by his survey area. For example, a Whitefish resident might prefer the location of Whitefish Lake because he wants the economic input. But, on the other hand, he might choose Swan Lake as the development's location because he does not want the development in his area and Swan Lake's location is the farthest from him. This concludes the discussion on the questions used in this survey. The following discussion will outline the best means of dispersing these questions to the appropriate residents.

The second item to be determined was the method of conducting the survey. Due to the number of questions and to the limited amount of time in which to conduct the survey, the survey was broken into two parts. The first part was a telephone survey illustrated in Figure 5, conducted in Missoula, Polson, Kalispell, and Whitefish, Montana. Philip Kotler, in his book, *Marketing-Management Analysis, Planning, and Control*, discusses the telephone interview in the following manner: "... telephone interviewing stands out as the best method ... for gathering quickly needed information. It has the advantage over a mail questionnaire of permitting the interviewer to talk to one or more persons and to clarify his questions if they are not understood. The response rate for telephone interviewing seems to be a little better than for mail questionnaires. The two main drawbacks of telephone interviews are that only people with telephones can be interviewed (this used to be a more serious disadvantage) and only short, not too personal, interviews can be carried out."\(^1\)

Although the first drawback, mentioned by Mr. Kotler, was not considered

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TELEPHONE QUESTIONNAIRE

Hello. My name is Steve Watt. I am a graduate student at the University of Montana, working on my MBA. I am in the process of writing a professional paper on the feasibility of developing a summer/winter resort/recreational complex in northwestern Montana. As part of this paper, I am conducting a telephone survey to determine the feelings of northwestern Montanans toward a summer/winter complex in the Flathead, Whitefish, or Swan Lake areas. Would you be willing to take a few minutes to answer a few questions?

Yes ____  No ____

1. How long have you lived in Montana?
   (a) 3 years or less  (c) 11 years to 15 years
   (b) 4 years to 10 years  (d) Longer than 15 years

2. How do you feel about out-of-state people moving into Montana?
   (a) In favor of it  (c) Do not care one way or the other
   (b) Opposed to it

3. Would you favor the development of a resort/recreational complex in northwestern Montana?
   (a) Yes  (b) No

4. If a recreational complex were developed, would you like it to be built on Swan Lake, Flathead Lake, or Whitefish Lake?
   (a) Swan Lake  (c) Whitefish Lake
   (b) Flathead Lake

This completes my survey. Thank you for your time and assistance. It is deeply appreciated.

Fig. 5.—Telephone Questionnaire
to be a major factor in developing this survey; the second drawback, that of short, non-personal questions, was. Note that in the earlier discussion, eight questions were developed but only four questions were used in the telephone survey. If all eight questions had been included in the telephone survey, approximately ten to fifteen minutes would have been required to answer each questionnaire. With only four questions, the telephone interviews averaged approximately four to six minutes each. Even though only four questions could be used in the telephone survey, it was used because of the limited amount of time available to obtain the necessary information and because of the telephone survey's ability to gather quickly needed information. These four questions as shown in Figure 5, were considered to be the "heart" of the entire survey.

Missoula, Polson, Kalispell, and Whitefish, Montana were the cities in which the telephone survey was conducted. The reasons for choosing these particular cities are stated below. Polson, which has approximately 3,000 citizens and is a major community on Flathead Lake, was chosen because of its close proximity to Flathead Lake— one of the suggested complex locations. The city of Whitefish, which has about 3,500 citizens and is the only community on Whitefish Lake, was chosen because of its close proximity to Whitefish Lake and the Big Mountain ski resort— another of the suggested complex locations. Kalispell, which has approximately 11,000 citizens and is the only major Montana community in the Flathead/Whitefish/Swan area, was chosen because of its close proximity to all three suggested complex locations. Missoula, which has approximately 62,000 people in its metropolitan area and is the major Montana community in northwestern Montana, was selected because of its size and the fact that so many residents from Missoula use one of these
three suggested complex areas for recreational purposes. Within the cities questioned, the survey was conducted on a systematic sample basis. This survey was conducted in each city, on separate dates, between 6:00 p.m. and 9:00 p.m. The survey was conducted in Polson on Friday, December 10, 1976, in Kalispell on Saturday, December 11, 1976, in Whitefish on Sunday, December 12, 1976, and in Missoula on Monday, December 13, 1976. For each letter of the alphabet in each city's telephone book, a name was selected and that person was questioned. If the selected number, under a particular letter, was a business or the individual was not at home or refused to answer, then another telephone number under that same letter was selected. This procedure was continued until an individual, under the selected letter, was successfully interviewed. If a letter of the alphabet was missing from the telephone book, then another letter and name were selected. Because time was such a critical factor, only one name under each letter of the alphabet, in each city, was selected; thus limiting the telephone survey sample size to twenty-six people in each community. A total of one hundred and four residents in northwestern Montana were questioned via the telephone survey.

The second part of the survey was a personal interview survey (Figure 6) conducted in Kalispell, Missoula, and Great Falls, Montana. The personal interview, according to Mr. Kotler, "... is the most versatile. ... The personal interviewer can ask more questions and can supplement the interview with personal observations. These advantages come at a high cost, however. Personal interviewing is the most expensive method and requires much more technical and administrative planning and supervision. In a real sense, companies turn to telephone
PERSONAL INTERVIEW QUESTIONNAIRE

My name is Steve Watt. I am a graduate student at the University of Montana, working on my MBA. I am in the process of writing my professional paper on the feasibility of developing a summer/winter resort/recreational complex in northwestern Montana. As part of this paper, I am conducting a survey to determine the feelings of northwestern Montanans toward a summer/winter complex in the Flathead, Whitefish, or Swan Lake areas. Would you be willing to take a few minutes to answer the following questions?

1. How long have you lived in Montana?
   (a) 3 years or less  (c) 11 years to 15 years
   (b) 4 years to 10 years  (d) Longer than 15 years

2. How do you feel about out-of-state people moving into Montana?
   (a) In favor of it  (c) Do not care one way or the other
   (b) Opposed to it

3. How do you feel about out-of-state people establishing summer homes in Montana?
   (a) Opposed to it  (c) Do not care one way or the other
   (b) In favor of it

4. Would you favor the development of a resort/recreational complex in northwestern Montana?
   (a) Yes  (b) No

5. Would you consider personally using a resort/recreational complex in northwestern Montana?
   (a) Yes  (b) No

6. In your opinion, would a resort/recreational complex in northwestern Montana deter out-of-state people from establishing summer homes in Montana?
   (a) Yes  (b) No

7. In your opinion, would a resort/recreational complex attract tourists coming from and going to Glacier National Park?
   (a) Yes  (b) No

8. If a recreational complex were developed, would you prefer that it be built on Swan Lake, Flathead Lake, or Whitefish Lake?
   (a) Swan Lake  (c) Whitefish Lake
   (b) Flathead Lake

This completes my survey. Thank you for your time and assistance.

Fig. 6.--Personal Interview Questionnaire
interviewing or mail questionnaires as a second choice for reasons of cost. The personal interview survey was conducted because eight questions were too many questions for a telephone survey. So in order to receive answers on the four questions not used in the telephone survey and to expand on the four questions that were used in the telephone survey, the personal interview survey was developed. The three communities surveyed with the personal interview questionnaire—Great Falls, Missoula, and Kalispell—are major communities in Montana not located directly on one of the lakes and therefore have residents who might desire the use of a resort/recreational complex on one of the suggested lake locations. That is why one of the eight questions inquired whether the residents of these communities would use a resort/recreational complex in northwestern Montana.

The personal interview survey (Figure 6) was conducted on a systematic sample basis. It is worth noting that the telephone survey and the personal interview survey were conducted on weekends and during the Christmas shopping season. Therefore, almost as many men as women were available for answering the questionnaire. Forty residents in each of the aforementioned communities were personally interviewed. The surveys were conducted between 10:00 a.m. and 3:00 p.m. in each city. In Great Falls the personal interview was conducted on December 4, 1976, at the Holiday Village shopping center and in downtown Great Falls. The survey was conducted in Kalispell on Saturday, December 11, 1976 at the Kalispell Shopping Mall on U.S. Highway 2 West. In Missoula the survey was conducted on Saturday, December 18, 1976 at the Holiday Village shopping

\[2\] Ibid.
center on the 93 Strip and in downtown Missoula. In each of these shopping areas shoppers were selected and interviewed.

The third item was to determine whether the sample size, as outlined above, was adequate. About the sample size, Mr. Kotler states:

In general, larger samples give more reliable results than smaller samples. However, it is not necessary to sample the whole universe or even a substantial part of it to achieve satisfactory precision. Samples amounting to less than 1% of the whole population can often give good reliability, given a credible sampling procedure. In exploratory research, very small samples suffice. Much insight about marketing processes and attitudes can be gained from a sample of fewer than 100 persons. In motivation-research studies, where the objective is to probe latent product and company attitudes, fewer than 30 in-depth interviews usually suffice to uncover the full range of product meanings.³

Thus, based on Mr. Kotler's statements, the telephone survey sample size of twenty-six respondents in each city--Missoula, Polson, Whitefish, and Kalispell--and the personal interview sample size of forty respondents in each city--Great Falls, Missoula, and Kalispell--appears to be adequate. According to Mr. Lawrence L. Lapin,⁴ the adequacy of the sample size should be determined by using the following formula:

\[
 n = \frac{z\pi(1-\pi)}{e^2}
\]

The letter \( n \) is the number of observations in the sample, \( z \) is the standard normal random variable which is associated with the risk, \( \pi \) is the estimated proportion of a population having a particular characteristic, and \( e \) is the tolerable error level. According to Mr. Lapin, \( z \), \( \pi \), and \( e \) are all subject to the judgment of the decision maker. Thus, it was the

³Ibid., p. 324.
author's judgment and contention that a general indication of how northwestern Montanans felt toward a summer/winter recreational complex in the Flathead Valley was all that was desired. Therefore, the risk and tolerable error were higher, for this decision, than it would have been for a more critical decision. The risk factor was set at two percent and the tolerable error was set at five percent. Thus, a desired estimate that differs from the true mean by five percent with a risk of two percent was used. Before the risk factor of two percent could be used in the aforementioned formula, it had to be converted into the standard normal random variable (z) by dividing the risk factor (2%) by two and then finding that number in the "Areas Under the Standard Normal Curve Table." By using the above procedure a standard normal random variable figure of 2.33 was derived. The estimated proportion of people in northwestern Montana who will be against the proposed summer/winter recreational complex was set at 40 percent. These assumed values were based on observations made by this writer, who has lived in northwestern Montana for twenty-nine years. Therefore, based on the above formula and on the above assumed figures, a sample size (n) of 223.68 was derived. The actual number of people surveyed was 224. Thus, based on Mr. Kotler's and Mr. Lapin's methodology, this survey sample size was very adequate.

The telephone interview survey results are listed in Figure 7. Approximately 76.9 percent of the individuals interviewed had lived in Montana longer than fifteen years. Missoula had the highest percentage of respondents living in Montana longer than fifteen years (92 percent) and Whitefish had the lowest percentage (69 percent). Most of the

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Ibid., p. 722.
TELEPHONE INTERVIEW SURVEY RESULTS

1. Length of time the respondent has lived in Montana.

<table>
<thead>
<tr>
<th></th>
<th>3 yrs. or less</th>
<th>4-10 yrs.</th>
<th>11-15 yrs.</th>
<th>Longer than 15 yrs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Polson</td>
<td>3 (11.5%)</td>
<td>1 (3.9%)</td>
<td>3 (11.5%)</td>
<td>19 (73.1%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>2 (7.7%)</td>
<td>4 (15.4%)</td>
<td>1 (3.9%)</td>
<td>19 (73.1%)</td>
</tr>
<tr>
<td>Whitefish</td>
<td>2 (7.7%)</td>
<td>3 (11.5%)</td>
<td>3 (11.5%)</td>
<td>13 (69.2%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>0 (0.0%)</td>
<td>1 (3.9%)</td>
<td>1 (3.9%)</td>
<td>24 (92.3%)</td>
</tr>
<tr>
<td>Total</td>
<td>7 (6.7%)</td>
<td>9 (8.7%)</td>
<td>8 (7.7%)</td>
<td>80 (76.9%)</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th></th>
<th>Favor it</th>
<th>Oppose it</th>
<th>Do not care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Polson</td>
<td>5 (19.2%)</td>
<td>8 (30.8%)</td>
<td>13 (50.0%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>8 (30.8%)</td>
<td>15 (57.7%)</td>
<td>3 (11.5%)</td>
</tr>
<tr>
<td>Whitefish</td>
<td>7 (26.9%)</td>
<td>13 (50.5%)</td>
<td>6 (23.1%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>4 (15.4%)</td>
<td>14 (53.9%)</td>
<td>8 (30.8%)</td>
</tr>
<tr>
<td>Total</td>
<td>24 (23.1%)</td>
<td>50 (48.1%)</td>
<td>30 (28.9%)</td>
</tr>
</tbody>
</table>

3. How the respondent feels about the development of a resort/recreational complex in northwestern Montana.

<table>
<thead>
<tr>
<th></th>
<th>Favor it</th>
<th>Oppose it</th>
<th>Uncertain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Polson</td>
<td>17 (65.4%)</td>
<td>6 (23.1%)</td>
<td>3 (11.5%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>12 (46.2%)</td>
<td>14 (53.9%)</td>
<td>0 (0.0%)</td>
</tr>
<tr>
<td>Whitefish</td>
<td>12 (46.2%)</td>
<td>13 (50.0%)</td>
<td>1 (3.9%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>11 (42.3%)</td>
<td>12 (46.2%)</td>
<td>3 (11.5%)</td>
</tr>
<tr>
<td>Total</td>
<td>52 (50.0%)</td>
<td>45 (43.3%)</td>
<td>7 (6.7%)</td>
</tr>
</tbody>
</table>

4. Where the respondent prefers a recreational complex should be developed (even if he feels there should not be one or is uncertain).

<table>
<thead>
<tr>
<th></th>
<th>Swan Lake</th>
<th>Whitefish Lake</th>
<th>Flathead Lake</th>
</tr>
</thead>
<tbody>
<tr>
<td>Polson</td>
<td>6 (23.1%)</td>
<td>16 (61.5%)</td>
<td>4 (15.4%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>10 (38.5%)</td>
<td>10 (38.5%)</td>
<td>6 (23.0%)</td>
</tr>
<tr>
<td>Whitefish</td>
<td>2 (7.7%)</td>
<td>15 (57.7%)</td>
<td>8 (30.8%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>6 (23.1%)</td>
<td>9 (34.6%)</td>
<td>7 (26.9%)</td>
</tr>
<tr>
<td>Total</td>
<td>24 (23.1%)</td>
<td>50 (48.1%)</td>
<td>25 (24.0%)</td>
</tr>
</tbody>
</table>

NOTE: 1 (3.9%) of the Whitefish respondents and 4 (15.4%) of the Missoula respondents wanted none of the above location. Total = 5 (4.8%).

Fig. 7.—Telephone Interview Survey Results.

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individuals who have lived in Montana longer than fifteen years, were either opposed to out-of-state people moving into Montana (49 percent) or they were neither in favor nor opposed (28 percent). Of the respondents who have lived in Montana less than fifteen years, most felt that they could not justify opposing the move of out-of-state people into Montana because they had moved to Montana themselves. Twenty-three percent favored the move of out-of-state people into Montana. Many individuals with no preference and many of the individuals favoring out-of-state moves qualified their responses by stating that individuals moving into Montana must have jobs before they come. This response was especially prevalent in Polson, where a sawmill had just closed and the local economy is suffering. The current economic situation in Polson also influenced many respondents' answers to the question on how they felt about the development of a resort/recreational complex in northwestern Montana. Sixty-five percent of the Polson respondents favored the development; whereas, only 42 percent of the Missoula respondents and 46 percent of the Kalispell and Whitefish respondents favored the development. Many of the Polson residents said that they favored anything that would create additional jobs and would not adversely affect the environment. Because so many people in the city of Polson favored the development, the overall percentage of people favoring the development reached 50 percent. Also, on an overall basis, 43 percent of the respondents opposed the resort/recreational development while 7 percent of the people interviewed were uncertain as to how they felt about the development. The uncertain answers, although not included on the survey, were included on the tally sheets because so many respondents did not want to commit themselves. Most of those uncertain respondents desired more
detailed information and wanted more time to reach a final decision. Many people, of which Missoula had the most, did not want to be restricted in their answers to the question of a recreational complex location. The Missoula respondents' answers were also more evenly dispersed among the three suggested locations than the other surveyed cities. The Missoula survey results were different than the other communities for the following reasons. The Missoula resident, unlike the residents of the other cities, does not live in the immediate vicinity of any of the suggested locations, so he travels approximately an equal distance to any one of the suggested locations. The Missoula resident also has other recreational areas, not included in the survey, which are available for his use. Therefore, the Missoula answers to the question of a complex location were: 34.6 percent for Flathead Lake, 26.9 percent for Whitefish Lake, 23.1 percent for Swan Lake, and 15 percent for none of the above. The Polson residents' responses strongly supported the Flathead Lake location because of the development's possible economic impetus. Their responses were: 61.5 percent for Flathead Lake, 23 percent for Swan Lake, and 15.3 percent for Whitefish Lake. Most of the Whitefish respondents felt that Big Mountain was a large enough resort development; they did not want a summer/winter recreational complex in or near Whitefish. So they chose Flathead Lake for the development's location. Those Whitefish residents favoring the expansion of the Big Mountain resort did so for one reason—they wanted to concentrate the recreational activities all in one area. That way there would be no adverse effects on the undeveloped Flathead Lake and Swan Lake locations. The Whitefish responses were: 57.7 percent for Flathead Lake, 30.8 percent for Whitefish Lake, 7.7 percent for Swan Lake, and 3.8 percent for none
of the above. The Kalispell responses were: 38.5 percent for Swan Lake and Flathead Lake, and 23 percent for Whitefish Lake. Many of the Kalispell residents chose the Swan Lake location because it is the farthest location from Kalispell; yet the same percentage of residents chose Flathead Lake as those who chose Swan Lake. Those favoring Flathead Lake did so because of its size. Those favoring Whitefish Lake did so because it already has the beginnings of a summer/winter recreational complex at Big Mountain. The overall percentages, on the question of a resort/recreational complex location, were: 48.1 percent for Flathead Lake, 24 percent for Whitefish Lake, 23 percent for Swan Lake, and 5 percent for none of the above. The majority of the respondents felt that Flathead Lake was the only lake large enough to support a resort/recreational complex.

In summary, the telephone survey interviews revealed: (1) that the majority of people interviewed had lived in Montana longer than fifteen years; (2) most respondents were opposed to any influx of out-of-state people moving into Montana; (3) fifty percent of the respondents favored the development of a resort/recreational complex in northwestern Montana; and (4) the majority of the respondents preferred Flathead Lake as the location for a resort/recreational complex.

The personal interview survey results are listed in Figure 8. The responses to four of the questions on the personal interview survey, which were similar to the four questions on the telephone survey, had basically the same results as the telephone survey. Most of the differences were caused by: (1) the larger sample size of the personal interview, (2) the personal contact used in the personal survey, (3) the greater amount of time available for each personal interview response,
PERSONAL INTERVIEW SURVEY RESULTS

1. Length of time respondent has lived in Montana.

<table>
<thead>
<tr>
<th></th>
<th>3 yrs. or less</th>
<th>4-10 yrs.</th>
<th>11-15 yrs.</th>
<th>Longer than 15 yrs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Falls</td>
<td>8 (20.0%)</td>
<td>8 (20.0%)</td>
<td>2 (5.0%)</td>
<td>22 (55.0%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>4 (10.0%)</td>
<td>8 (20.0%)</td>
<td>2 (5.0%)</td>
<td>26 (65.0%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>5 (12.5%)</td>
<td>5 (12.5%)</td>
<td>3 (7.5%)</td>
<td>27 (67.5%)</td>
</tr>
<tr>
<td>Total</td>
<td>17 (14.2%)</td>
<td>21 (17.5%)</td>
<td>7 (5.8%)</td>
<td>75 (62.5%)</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th></th>
<th>Favor it</th>
<th>Oppose it</th>
<th>Do not care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Falls</td>
<td>11 (27.5%)</td>
<td>19 (47.5%)</td>
<td>10 (25.0%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>12 (30.0%)</td>
<td>17 (42.5%)</td>
<td>11 (27.5%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>8 (20.0%)</td>
<td>22 (55.0%)</td>
<td>10 (25.0%)</td>
</tr>
<tr>
<td>Total</td>
<td>31 (25.8%)</td>
<td>58 (48.3%)</td>
<td>31 (25.8%)</td>
</tr>
</tbody>
</table>

3. How the respondent feels about out-of-state people establishing summer homes in Montana.

<table>
<thead>
<tr>
<th></th>
<th>Favor it</th>
<th>Oppose it</th>
<th>Do not care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Falls</td>
<td>10 (25.0%)</td>
<td>18 (45.0%)</td>
<td>12 (30.0%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>16 (40.0%)</td>
<td>14 (35.0%)</td>
<td>10 (25.0%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>5 (12.5%)</td>
<td>25 (62.5%)</td>
<td>10 (25.0%)</td>
</tr>
<tr>
<td>Total</td>
<td>31 (25.8%)</td>
<td>57 (47.5%)</td>
<td>32 (26.7%)</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th></th>
<th>Favor it</th>
<th>Oppose it</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Falls</td>
<td>26 (65.0%)</td>
<td>14 (35.0%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>25 (62.5%)</td>
<td>15 (37.5%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>30 (75.0%)</td>
<td>10 (25.0%)</td>
</tr>
<tr>
<td>Total</td>
<td>81 (67.5%)</td>
<td>39 (32.5%)</td>
</tr>
</tbody>
</table>

5. Would the respondent consider using a resort/recreational complex?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Falls</td>
<td>22 (55.0%)</td>
<td>18 (45.0%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>21 (52.5%)</td>
<td>19 (47.5%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>27 (67.5%)</td>
<td>13 (32.5%)</td>
</tr>
<tr>
<td>Total</td>
<td>70 (58.3%)</td>
<td>50 (41.7%)</td>
</tr>
</tbody>
</table>

Fig. 8.—Personal Interview Survey Results.

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6. Does the respondent feel that a resort/recreational complex in northwestern Montana would deter out-of-state people from establishing summer homes in Montana?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Falls</td>
<td>8 (20.0%)</td>
<td>32 (80.0%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>7 (17.5%)</td>
<td>33 (82.5%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>9 (22.5%)</td>
<td>31 (77.5%)</td>
</tr>
<tr>
<td>Total</td>
<td>24 (20.0%)</td>
<td>96 (80.0%)</td>
</tr>
</tbody>
</table>

7. Does the respondent feel that the Glacier National Park tourist would be attracted to a northwestern Montana resort complex?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Falls</td>
<td>35 (87.5%)</td>
<td>5 (12.5%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>32 (80.0%)</td>
<td>8 (20.0%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>36 (90.0%)</td>
<td>5 (10.0%)</td>
</tr>
<tr>
<td>Total</td>
<td>103 (85.8%)</td>
<td>18 (14.2%)</td>
</tr>
</tbody>
</table>

8. Where the respondent prefers a recreational complex to be located (even if he feels there should not be one or is uncertain).

<table>
<thead>
<tr>
<th></th>
<th>Swan</th>
<th>Flathead</th>
<th>Whitefish</th>
<th>None of the locations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Falls</td>
<td>6 (15.0%)</td>
<td>11 (27.5%)</td>
<td>20 (50.0%)</td>
<td>3 (7.5%)</td>
</tr>
<tr>
<td>Kalispell</td>
<td>13 (32.5%)</td>
<td>21 (52.5%)</td>
<td>4 (10.0%)</td>
<td>2 (5.0%)</td>
</tr>
<tr>
<td>Missoula</td>
<td>10 (25.0%)</td>
<td>19 (47.5%)</td>
<td>8 (20.0%)</td>
<td>3 (7.5%)</td>
</tr>
<tr>
<td>Total</td>
<td>29 (24.2%)</td>
<td>51 (42.5%)</td>
<td>32 (26.7%)</td>
<td>8 (6.7%)</td>
</tr>
</tbody>
</table>

Fig. 8.—Continued.

and (4) the inclusion of Great Falls and the elimination of Whitefish and Polson in the personal interview survey. For example, the overall results on the length of time the respondents had lived in Montana were quite similar. In both surveys the majority of the respondents had lived in Montana longer than fifteen years. The second largest category, in answer to that same question, was four to ten years, the third largest category was three years or less, and the smallest category was eleven to fifteen years. The use of Great Falls in the personal survey, rather

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than Polson and Whitefish which had been used in the telephone survey, brought the percentage of people who had lived in Montana under 10 years up because of the influx of military people. On this question the main difference between the personal survey and the telephone survey results was the degree of support for each category. For example, 77 percent of the telephone respondents had lived in Montana longer than fifteen years; whereas, 63 percent of the people personally interviewed had. Nine percent of the telephone respondents had lived in Montana from four to ten years; whereas, 18 percent of the people personally interviewed had. Thus, in the two surveys the trend for this question was identical, although the larger sample size of the personal interview survey made the results more explicit. The results of the question, how respondents feel about out-of-state people moving into Montana, were almost identical on each survey. Forty-eight percent of the telephone respondents opposed the idea of out-of-state people moving into Montana, 23 percent favored the move, and 29 percent did not care. The corresponding personal interview figures were 48 percent opposed, 26 percent in favor, and 26 percent not caring. The survey question concerning the respondents' feelings toward the development of a resort/recreational complex in northwestern Montana also had similar results in both surveys. The trends again were identical, although the personal interview survey results were more explicit. The impersonal basis of the telephone survey encouraged some of the respondents to give an uncertain answer; whereas, the personalism of the personal interview survey encouraged the respondents to stick to the answers on the questionnaire. Because there were only two answers (yes/no) given in the personal interview survey and because the sample size was larger, the final results were more definitive. The telephone
survey results were: 50 percent in favor of the complex, 43 percent opposed, and 7 percent uncertain; whereas, the personal interview results were: 68 percent in favor and 33 percent opposed. Note that with the larger sample size used in the personal interview survey the Missoula and Kalispell percentages, favoring the complex, increased commensurate with the Polson telephone survey results. This was because, with the larger sample size, the proportion of the population interviewed in Missoula and Kalispell increased and became similar to the proportion of people surveyed in Polson. The comparative results on the question dealing with the respondents' preference for a complex location were similar to the results of the previous questions. That is, the trend was the same on both surveys, although the personal interview survey results were again more explicit. In the telephone survey, 48 percent favored Flathead Lake, 24 percent favored Whitefish Lake, 23 percent favored Swan Lake and 5 percent desired no development at all; whereas, in the personal interview, 43 percent favored Flathead Lake, 27 percent favored Whitefish Lake, 24 percent favored Swan Lake, and 7 percent desired no development. The inclusion of Great Falls in the personal interview noticeably affected the results of this question. Fifty percent of the Great Falls respondents favored Whitefish Lake, 28 percent favored Flathead Lake, 15 percent favored Swan Lake, and 8 percent wanted no complex at all. The Great Falls results showed a marked deviation from the trend. This is because the people of Great Falls tend to use the Flathead/Swan areas for their recreational activities; whereas, they do not use the Whitefish area. Therefore, they prefer the recreational complex be located somewhere other than their main recreational areas.

The four additional questions included on the personal interview
survey were expansions of the four questions from the telephone survey.
The results of the question dealing with out-of-state people establishing
summer homes in Montana are as follows: approximately 48 percent were
opposed, 26 percent favored it, and 27 percent did not care. But 80 per­
cent of the respondents did not think that a summer/winter recreational
complex would deter out-of-state people from establishing summer homes,
while 20 percent felt that it would deter them. The vast majority of the
respondents felt that exposing northwestern Montana to more people,
through the development of a recreational complex, would increase the
number of out-of-state people coming into Montana. And in turn, the
tourist with money and time, who wanted to regularly use the area, would
purchase a summer cottage rather than regularly use a resort/recreational
complex. On the question of the Glacier Park tourist, the general con­
sensus of the people questioned was that the Glacier National Park
tourist would definitely be attracted to a northwestern Montana resort/
recreational complex. Eighty-six percent of those surveyed felt that
the Glacier Park tourist would be attracted to a local resort/recreational
complex; whereas, 14 percent felt he would not. The majority of
the respondents (58 percent) also indicated that they would personally
consider using a resort/recreational complex in northwestern Montana.
It is interesting to note that 53 percent of the Kalispell respondents,
55 percent of the Great Falls respondents, and 68 percent of the Missoula
respondents stated that they would consider using a resort/recreational
complex in northwestern Montana. The percentage of Kalispell respondents
was lower because they live in such close proximity to the suggested
development areas and would tend to visit a friend's lake home or a public
campground, rather than a resort/recreational complex. The Great Falls
percentage was lower than the Missoula percentage because many of the Great Falls residents felt that the suggested locations were too far for weekend use. The percentage of Missoula people indicating that they would personally consider using the resort/recreational complex was higher than Kalispell or Great Falls because Missoula is not surrounded by the suggested locations, yet the people are close enough to the complex to go there on a weekend.

In summary, the previous discussion has pointed out the need for, the design of and the results of the surveys. Based on the results obtained in the telephone interview and the personal interview surveys, a developer must anticipate the following residents' reactions and be prepared to take the following actions. First, the vast majority of northwestern Montanans have lived in northwestern Montana longer than fifteen years and resent the influx of outsiders who may be considering summer residence here. They consider northwestern Montana to be their territory. Two main reasons many respondents gave for living in northwestern Montana were: (1) the beauty of the area; and (2) the lack of people. Therefore, based on the survey results, a developer should expect approximately 50 percent of the residents in northwestern Montana to be fearful of population increases and adverse environmental affects caused by a resort/recreational development. The developer will also find it hard to convince many of these residents that the resort/recreational complex will give the summer tourist a viable alternative to establishing a summer home in Montana. Rather, the average resident feels that the tourist who has money, time and enjoys the area (once exposed) will establish a summer residence; and most respondents felt that the complex would only increase the exposure of the area. The potential developer
cannot eliminate the northwestern Montanan's apprehensions toward population increases, but he can aid them in the control of population movement, thus, joining their "side." The developer should help the communities establish strict zoning regulations and environmental controls, and then attempt to participate constructively in all efforts dealing with population and environmental controls. He should also point out that vast population increases and adverse environmental actions are disadvantages to the development, too. That is, the resort/recreational complex is dependent on beautiful, wilderness areas which must be maintained. If the potential developer coordinates his own population and environmental controls with that of the public and if he participates in establishing strict population, zoning, and environmental controls, the developer will effectively counteract the adverse public feeling toward a resort/recreational complex. Although the survey results indicated that the public would be concerned about the population and environmental affects of the complex, they also indicated that they desire the complex and feel that it would succeed. Approximately two-thirds of the residents interviewed favored the development of a resort/recreational complex. Most of the residents interviewed also indicated that they would be interested in personally using the complex and they thought the development would have the necessary natural resources available to attract the average Glacier National Park tourist. In essence, the residents desired a resort/recreational complex for their use, although they feared its use by outsiders. Most of the residents interviewed chose Flathead Lake as the best location for a recreational complex because of its size; as compared to the other suggested locations.

Therefore, based on the above analysis, a developer can anticipate
public concern over the population and environmental effects of the complex; and at the same time he can anticipate a certain amount of support for the complex because of the average resident's personal desire for a resort/recreational complex. The developer should take advantage of the average resident's desire for a resort/recreational complex, but at the same time, he must cooperate with and aid the public in the control of population and environmental effects. Based on these interpretations of the survey results, a developer should understand what the average northwestern Montanan's feelings, goals, and priorities are. These results will aid the potential developer in communicating, cooperating, and compromising with the northwestern Montana communities.
CHAPTER IV

THE NATIONAL FOREST SERVICE'S REACTION TO A SUMMER/WINTER RECREATIONAL COMPLEX

The National Forest Service controls many acres of land at each proposed site. A lease must be obtained by any individual or group who wishes to build any facility on National Forest Service land. Therefore, a developer would be required to apply for a lease for any segments of National Forest Service land that he wanted to use for the development. The following discussion will cover the application procedures and the impressions of one National Forest Service officer toward the leasing of the suggested National Forest Service lands.

The lease application procedures are outlined in the U.S. Forest Service Manual. According to the manual, applications for permits may be made orally, by letter, by bid in response to a prospectus, by form 2700-3 or by some other specially prescribed form. Oral applications for a permit should be confirmed in writing. Form 2700-3 is the preferred method of applying for a lease; and any individual, corporation, association, municipality, or agency, of local or state governments, can apply. Only members of Congress and resident Commissioners are prohibited, by law, from holding certain types of special-use permits. The application

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has to contain enough information to fully describe the use requested. It must also include an "exact description" of the tract of land, the extent and nature of the use, the acreage of land, and a list of government improvements involved, if any. The developer should state how often and for what length of time he intends to use the land. If the Forest Service feels that approval is likely, it may request supporting data in the form of financial statements, records of experience, maps, surveys, designs, and layouts. This information should be limited to only that which is essential for evaluation of the proposed use of the land. This information does not have to be in final form. If the above information is requested, the developer should be careful not to construe it as approval for the development. The U.S. Forest Service Manual also outlines the following points to be included in the application, as they are helpful in analyzing the qualifications of any applicant.

1. The kind and quality of the service to be offered.

2. The financial resources of the applicant. This may require an extensive review of the applicant's credit reference and financial responsibility. The applicant should have in cash or readily convertible assets at least 25% of the estimated development cost of the project.

3. The business experience and qualifications of the applicant in relation to the proposed use.

4. The fee offered for concession permit privileges.2

After a potential developer, of a summer/winter recreational complex, submits his lease application, as outlined above, the Forest Service may then have to issue a prospectus. A prospectus is an advertisement for bids for the development of a particular parcel of U.S.

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2 Ibid., par. 2711.53.
Forest Service land. According to the Forest Service Manual: "No concession special-use permit will be issued involving a total planned investment of more than $100,000 without first issuing a prospectus and soliciting bids, unless the necessary private lands involved are controlled by the applicant and the development cannot be logically located entirely on National Forest lands."\(^3\) The Swan Lake suggested location is the only proposed site which could be logically located entirely on Forest Service land. Because the Swan Lake development will cost many millions of dollars and will be located primarily on Forest Service land, the developer of a Swan Lake complex cannot avoid a prospectus. The Swan Lake prospectus, in draft form must also be submitted by the local Forest Service office to the U.S. Forest Service office in Washington, D.C. for review, since the total planned investment will exceed $1 million for winter sports developments and $250,000 for other concession developments. According to the Forest Service Manual, "Prospectuses in draft form will be submitted to the Washington Office for review whenever total planned investment exceeds $1 million for winter sports developments and $250,000 for other concession developments."\(^4\) This statement applies only to applicants who will use primarily Forest Service land. The applicant who already possesses private land, who desires some Forest Service land, and whose investment exceeds the above criteria, must still submit his proposal to the Washington Office for review before negotiations on the lease can take place. Note that a prospectus is not required. Therefore, if the developer of a Flathead Lake or Whitefish Lake complex is confident that the lease application would be accepted by the Forest Service and

\(^3\)Ibid., par. 2712.2  \(^4\)Ibid.
if he is willing to assume the risk of a Forest Service lease disapproval, it would be advisable for him to purchase the necessary private land prior to applying for the lease. He would thus avoid a great deal of paperwork and the chance of losing the complex to a different developer, through the bidding process.

The following prospectus procedures would apply for any developer desiring Forest Service land, who does not possess the necessary private lands, does not have an investment of less than $100,000 and who could logically locate the development entirely on Forest Service land. According to the Forest Service, the purpose of the prospectus is to "make every effort to obtain the best qualified permittee as well as an equitable return to the United States." Thus, the Forest Service describes the desired project, then requests bids. The prospectus consists of sample permits that establish the minimum facilities and services to be furnished, construction requirements, and time limits. In the case of a recreational development, the prospectus would be given adequate publicity, including a public notice in a newspaper of wide local circulation. This advertising period sometimes takes six months or more. The prospectus would state clearly that all Forest Service estimates of costs, expected use, snow conditions, and other business factors are only of a general nature, and it will be the applicant's responsibility to make his own estimates the basis for his proposal. The Forest Service would also include, in the prospectus, all types of developments which they feel might be approved for public use. The last item, included in the prospectus, would be directions on what to include in the bid, when to submit the bid and where

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5 Ibid., par. 2711.53.
to submit it. To summarize then, the prospectus consists of: a general
description of the area, an offering, an outline of the expected develop­
ment program, sample permits, and directions on submitting bids.

After the prospectus has received sufficient publicity, the Forest
Service will enter into the bid selection process. The bid must contain
any material which was requested in the prospectus, a proposed develop­
ment plan, a proposed operational plan, schematic plans for structures
and other improvements, cost estimates, expected sales and number of users,
a financial statement, plans for financing and business and personal refer­
ences. For a winter sports complex, lift plans should be schematic, but
such things as topographic maps, exact tower locations, lift line and snow
profiles will not be necessary. The estimates of the number of users and
the expected sales should be provided for at least five years of operation,
because this serves as an indication of the public's needs being met and
helps the Forest Service in its evaluation of the bid. According to the
Forest Service, the estimates on the number of users and the expected
sales analysis should be in the following format:

1. Number of users by type
   (day visitors or overnight visitors).

2. Number of users by season.

3. Number of users by facility used.

4. Sales by type of facility or service.⁶

The Forest Service will evaluate all of the above information,
from each of the respective bids, and then make its decision. According
to the Forest Service, the analysis will primarily consider four criteria:

1. Kind and quality of service proposed in terms of meeting
   public need.

⁶Ibid., par. 2712.3.
2. Applicant's experience in this or related fields and the qualifications he possesses to fully satisfy the public need for service.

3. Verification of financial resources.

4. Return to the government.\(^7\)

The Forest Service is not obligated to accept the highest bid; since its main objective is to select an applicant whose proposal will best serve the public's needs.

The previous discussion has outlined the procedures which the Forest Service will require a potential Swan, Flathead, or Whitefish recreational complex developer to comply with when applying for a lease. From that discussion it is evident that a developer could lose the Swan Lake development through the bidding process, which is required by a prospectus. On the other hand, the potential developer of a Flathead or Whitefish recreational complex can avoid the bidding process by first acquiring the necessary private land. Thus, the following discussion will outline the feelings of one Forest Service official toward the location of a summer/winter recreational complex. This discussion will help the developer determine whether the Swan Lake development is worth the effort and risk, or whether he should purchase private land at the Flathead Lake or Whitefish Lake suggested locations.

Mr. Robert O. Brandenberger, Forester, Division of Natural Resources, Region 1, stated that the Forest Service would base its decision on whether to approve or disapprove the application for a development on Forest Service land on the content of each development's respective Environmental Impact Statement. He stated that the feelings of the public toward

\(^7\)Ibid.

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the development at their respective locations would also influence the Forest Service's decision. Mr. Brandenberger feels that, right now, the Forest Service would favor the Flathead Lake development, but a developer would have to demonstrate, in his Flathead Lake environmental impact statement, that he planned on protecting the environment. In the Flathead area a developer would not have to justify use of present or future Forest Service designated wilderness areas because they do not exist, according to Mr. Brandenberger; and there would be no public opposition to a Flathead Lake summer/winter recreational complex. Thus, in Mr. Brandenberger's words: "There would be no great argument, by the Forest Service, against a Flathead Lake summer/winter recreational complex."

Mr. Brandenberger indicated that the Forest Service would probably approve the expansion of the Big Mountain resort, at Whitefish, into the Big Creek area, but would insist that the developers continue to concentrate on environmental controls. Public support, for an expansion of Big Mountain, would not be as strong as the public support for Flathead Lake; and according to Mr. Brandenberger, developers of Big Mountain could anticipate less Forest Service approval for a Big Mountain development than for the Flathead Lake development. That means that the Forest Service would advocate a Flathead Lake development over the expansion of Big Mountain because the Flathead area needs the economic boost and it has the greater public support.

Mr. Brandenberger and the U.S. Forest Service would not enthusiastically support a Swan Lake development. A Swan Lake developer would have to comply with the Environmental Plan, as described in Chapter II, and it is the Forest Service's opinion that a developer would not be able to comply with the Environmental Plan and restrictions applicable to the
Swan Valley. For example, the construction of lift lines, for ski runs, would not be in compliance with the guidelines given in the Environmental Plan because the lift lines would ruin the aesthetic and wilderness value of the area. Mr. Brandenberger also indicated that the Six-Mile Mountain would not give good, all-around skiing. In a report on the potential Six-Mile/Weed Lake ski area, Mr. Brandenberger states:

It is not difficult to see why this mountain would create interest for the development as a ski area. As one approaches from the south, on the Swan Highway, the 4,000 ft. vertical mountain is the most prominent feature in the primary viewing zone for several miles. The proximity of the mountain to Swan Lake, the highway, and other recreation attractions would make it very attractive for winter-summer resort development, if there were suitable ski terrain.8

The key phrase in this quotation is, "if there were suitable ski terrain."

It is Mr. Brandenberger's opinion that the ski terrain is not suitable.

Mr. Brandenberger states:

My observation was that the terrain is steeper than desirable for a developed ski area. This is confirmed by contour map analysis. Ski terrain is evaluated in terms of steepness as it relates to the ski level of skiers:

<table>
<thead>
<tr>
<th>SLOPE</th>
<th>CLASSIFICATION</th>
<th>DESIRABLE DISTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%-25%</td>
<td>Novice</td>
<td>20% of area</td>
</tr>
<tr>
<td>25%-40%</td>
<td>Intermediate</td>
<td>40% of area</td>
</tr>
<tr>
<td>40%-60%</td>
<td>Advanced</td>
<td>20% of area</td>
</tr>
<tr>
<td>over 60%</td>
<td>Expert</td>
<td>20% of area</td>
</tr>
</tbody>
</table>

The contour map shows that it is not possible to ski from the top of this mountain without exceeding 40 percent slopes. A 'high intermediate' run could be developed on the ridges by utilizing traverse or cat trails on steeper sections, but most longer ski trails would have to be classified as advanced or expert. I rate this area marginal for ski area development. The lack of sufficient intermediate terrain outweighs the plus factors of good vertical (2,600 ft.), and a location that has potential for winter-summer resort development.9

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9Ibid.

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Thus, in Mr. Brandenberger's words, "the Swan Valley development would have a lot harder argument than the Flathead or Whitefish developments.

In summary, it is obvious that the Swan Lake development is not very feasible at this point. It is also obvious that a developer would be well advised to first purchase the necessary private land, at the suggested locations on Whitefish Lake or Flathead Lake, thereby avoiding the risk of a prospectus. This risk, however, would be less for a Flathead Lake developer than for a Whitefish Lake developer. The Forest Service would probably lease land to a developer at either location, though.
CHAPTER V

ENVIRONMENTAL IMPACT OF A SUMMER/WINTER
RECREATIONAL COMPLEX

The Forest Service criteria for requiring environmental impact statements on ski areas has been described as: "development of a new ski area, expansion of an existing ski area beyond its present special-use boundary, and when development within the permitted boundary is considered significant or highly controversial."\(^1\) Therefore, the developer of a proposed Flathead Lake or Swan Lake recreational development would be required to prepare an environmental impact statement, since either complex development would be considered "development of a new ski area." The proposed expansion of the Whitefish Lake facilities would also require an environmental impact statement because it would be an "expansion of an existing ski area beyond its present special-use boundary," and it would also be a significant development within the permitted boundary. Environmental impact statements, on Swan Lake or Flathead Lake, would be based on their respective Multiple-Use Plans which were published by the U.S. Department of Agriculture, Forest Service. These Multiple-Use Plans provide the respective District Rangers with management direction and guidance for their respective areas. Presently, there is no Multiple-Use Plan available for the Whitefish Lake area. Therefore,

\(^1\)Big Mountain Master Plan and Environmental Analysis, Winter Sports, Inc., and Mark J. Behan, 1974.
the Whitefish Lake environmental impact statement will be based on
National Forest Service criteria. No matter what information the res-
pective environmental impact statements are based on, however, their
format will be identical.

Section 102(2)(c), of the National Environmental Policy Act of
1969 (NEPA), requires a detailed statement concerning environmental
impacts for any Federal action significantly affecting the quality of
the human environment. The Montana Environmental Policy Act of 1971
(MEPA) requires similar environmental statements for state agencies.
Both of these environmental impact statement processes have been in effect
for less than seven years and the procedures are still being refined, as
agencies learn to effectively utilize the process. In fact, most devel-
opers find that they are unfamiliar with the procedures. They also find
that these procedures tend to place added requirements and constraints
on any proposed actions they wish to initiate.

Environmental impact statements must be prepared in two stages.
The first stage consists of a draft statement, which is circulated for
review by Federal, state, and local environmental agencies and the public.
The second stage consists of the final statement, which incorporates
comments received on the draft and indicates how significant issues
raised during the process have been resolved. According to Mr. Robert O.
Brandenberger, forester; "each environmental impact statement must in-
clude:

1. Description: Provide a detailed description of the proposed
action including information and technical data adequate to per-
mit a careful assessment of the environmental impact.
2. Purpose: Describe the purpose of the proposed action.
3. Relation to Land Use Plans: Describe how the proposed action
relates to land use plans for the area.
4. **Environmental Impacts**: Identify, analyze, and discuss the full range of social, physical, and biological factors which change as a result of direct or indirect effects of the proposed action.

5. **Favorable Environmental Effects**: Discuss the beneficial aspects of the environmental changes described in (4) above.

6. **Adverse Environmental Effects Which Cannot be Avoided**: Identify and discuss the nature and extent of probable adverse effects and explain why they cannot be avoided.

7. **Secondary Environmental Effects**: Discuss secondary environmental effects likely to result from the proposed action.

8. **Alternatives to the Proposed Action**: Describe and present alternatives that might avoid some or all of the adverse environmental effects including analysis of costs and environmental impacts of these alternatives. Alternatives which would significantly conserve energy must be considered.

9. **Federal Policy**: Discuss what other interests and considerations of Federal policy are thought to offset the proposed actions adverse environmental effects.

10. **Relationship Between Local Short-Term Uses of Man's Environment and the Maintenance and Enhancement of Long-Term Productivity**: Assess the action for cumulative, long-term effects.

11. **Irreversible or Irretrievable Commitment of Resources**: Identify the extent to which the action curtails the range of beneficial use of the environment.

12. **Consultation with Others**: (a) **Draft** - List agencies, groups, and individuals consulted in preliminary phases and summarize comments received. Also list agencies and groups to whom the draft will be sent. (b) **Final** Discuss reviews and comments received on the draft statement.

In his paper, Mr. Brandenberger also outlines the environmental impact statement steps in the following manner:

1. Individual agency and public inputs and preliminary consultation leading to development of a draft environmental statement.

2. Development of a draft statement (for ski areas this usually is based on the operator's master plan).

3. Filing the draft statement with the President's Council on Environmental Quality (CEQ).

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2 U.S., Department of Agriculture, Forest Service, Environmental Impact Statements and Ski Area Planning, by Robert O. Brandenberger, Forester, Division of Natural Resources, Region 1, Missoula, Montana, for 1973 Fall Meeting of Montana Ski Area Operators, Great Falls, Montana, September 21, 1973, p. 3.
4. Review of draft statement by appropriate agencies and the public (a minimum of 45 days must be allowed from the date the CEQ publishes a notification of public issuance of the statement in the Federal Register).

5. Preparation of final statement.

6. Filing final statement with CEQ (copies must be sent to all parties who filed substantive comments on the corresponding draft statement).

7. Decision on proposed actions.

8. Public notification.3

The above environmental impact statement requirements and steps will be significant to the developer of a recreational complex, at any of the three suggested locations, because the burden of producing the relevant studies and reports belongs to the applicant (developer). But realistically, the design of environmental studies, for environmental impact statements, should be developed jointly by the applicant and Forest Service Supervisor. According to the Forest Service, the details on "who will do what" should be agreed to in writing. Also, the applicant must realize that the Forest Service will not be committed to any form of favorable action on a proposal, through cooperation in the study.

The Forest Service recommends that an approved master development plan be used as a conceptual framework for the development. According to Mr. Brandenberger, "the development of a master plan is an overall narrative and graphic presentation of the area operator's concept of how he intends to develop the area.4 The purpose of a master development plan is to consider more than just the alternatives of no further development and the final development plan. As Mr. Brandenberger states: "planning considers alternatives of design, layout, type, and extent of

3Ibid., p. 4. 4Ibid., p. 7.
development." These alternatives, in turn, must appear in the environmental impact statement.

Figure 9, which was reproduced from a report by Mr. Brandenberger, summarizes the developer's requirements and steps which are to be used in writing an environmental impact statement. Figure 10, which was also reproduced from Mr. Brandenberger's report, illustrates how the master plan and environmental impact statements relate to each other; and how they can be written from the same source material. It is imperative that a potential developer strictly adhere to the environmental impact statement guidance given in this chapter because, according to Mr. Brandenberger, the Forest Service's decision on whether to approve or disapprove a developer's lease application will be primarily based on the environmental impact statement.

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\(^5\) Ibid., pp. 6-7.
MASTER DEVELOPMENT PLANNING AND ENVIRONMENTAL IMPACT STATEMENT PROCESS FOR SKI AREAS
(Where a prospectus will not be required)

Operator's Concept

Economic Feasibility
Market Study
Preliminary Planning

Application for Special Use Permit or Extension of Permitted Area *

Review
Conformance with F.S.
Multiple Use Plans, Policies
and Objectives

GO (tentative)

Design study for Master Plan and Environmental Review Process

Feasibility Studies
Market Studies
Socio-economic Studies

Public Involvement

Development Plan Alternatives

Draft Environmental Statement

Public Involvement and Review

Final Environmental Statement (tentative)

Development Plan Approval

Approval or Partial Approval and Permit Issuance

For
New Area

Offsite Environmental Studies
Onsite Environmental Studies
Consult Other Agencies

Applicant submits development plans, operating plans, financial plans, qualification statements as required for special use application. (FSM 2712)

Fig. 9.—Planning and Environmental Statement Process.
SKI AREA PLAN APPROVAL PROCEDURE

APPROVED MASTER DEVELOPMENT PLAN AND FINAL ENVIRONMENTAL IMPACT STATEMENT

Conceptual - How - When
- Where - Why

SITE PLAN
Specific locative
- Lifts and runs 1" = 300'
- Base area and lift termini 1" = 50'
- Roads and parking (P line)

F.S. ENVIRONMENTAL ANALYSIS AND APPROVAL

CONSTRUCTION PLANS*
Detailed designs
- Runs, clearing, erosion control
- Lifts
- Water
- Sewage
- Architectural
- Road and parking design

APPROVALS - F.S. & OTHER AUTHORITIES

CONSTRUCTION -- INSPECTION

CERTIFICATION BY PERMITTEES ENGINEER/ARCHITECT

F.S. & OTHER GOVERNING AUTHORITY APPROVAL FOR PUBLIC OPERATION

*Plan approval expedited by consultation with Forest Service specialists during planning and prior to final submission.

Fig. 10.—Complex Plan Approval Procedure.
CHAPTER VI

TOURISM IN THE FLATHEAD, SWAN, AND WHITEFISH AREAS

The following chapter will include a discussion of tourism in northwestern Montana, based on a Visitor Use report for Glacier National Park.\(^1\) It will also cover a discussion on the economic importance of tourism in Montana, based on a booklet written by Dr. Polzin and Dr. Schweitzer.\(^2\)

One of the main reasons for proposing a summer/winter recreational complex in northwestern Montana was because of the location of Glacier National Park and the Big Mountain ski resort. Approximately 1,620,000 people visited Glacier National Park in 1976 and approximately 120,000 people visited Big Mountain in that same year. Thus, it was theorized (Chapter I) that a summer/winter recreational complex would be able to capitalize on this market and succeed; provided the complex would be located on one of the three proposed locations. Table 1 shows the annual Glacier Park market on which the complex could capitalize. Since the Park would supply the recreational complex with a major portion

\(^1\)U.S., Department of Interior, National Park Service, "1975 Travel Year--Visitor Use Summary," (1975), for Glacier National Park.

\(^2\)U.S., Department of Agriculture, Forest Service, Economic Importance of Tourism in Montana, by Dr. Paul E. Polzin, Bureau of Business and Economic Research, University of Montana, and Dr. Dennis L. Schweitzer, Intermountain Forest and Range Experiment Station, (Forest Service Research Paper INT-171, July 1975).
## TABLE 1

### GLACIER NATIONAL PARK TRAVEL BY MONTH

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>405</td>
<td>1,376</td>
<td>579</td>
<td>1,971</td>
</tr>
<tr>
<td>February</td>
<td>731</td>
<td>2,486</td>
<td>698</td>
<td>2,376</td>
</tr>
<tr>
<td>March</td>
<td>1,739</td>
<td>5,912</td>
<td>1,031</td>
<td>3,501</td>
</tr>
<tr>
<td>April</td>
<td>2,965</td>
<td>10,081</td>
<td>2,783</td>
<td>9,463</td>
</tr>
<tr>
<td>May</td>
<td>12,231</td>
<td>41,587</td>
<td>19,853</td>
<td>67,500</td>
</tr>
<tr>
<td>June</td>
<td>72,546</td>
<td>246,658</td>
<td>75,841</td>
<td>257,860</td>
</tr>
<tr>
<td>July</td>
<td>129,106</td>
<td>438,961</td>
<td>146,272</td>
<td>497,324</td>
</tr>
<tr>
<td>August</td>
<td>123,965</td>
<td>421,481</td>
<td>123,628</td>
<td>420,333</td>
</tr>
<tr>
<td>September</td>
<td>48,571</td>
<td>165,140</td>
<td>66,180</td>
<td>225,011</td>
</tr>
<tr>
<td>October</td>
<td>15,106</td>
<td>51,359</td>
<td>15,456</td>
<td>52,552</td>
</tr>
<tr>
<td>November</td>
<td>5,748</td>
<td>19,542</td>
<td>7,608</td>
<td>25,868</td>
</tr>
<tr>
<td>December</td>
<td>606</td>
<td>2,060</td>
<td>2,245</td>
<td>7,634</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>413,719</strong></td>
<td><strong>1,406,643</strong></td>
<td><strong>462,174</strong></td>
<td><strong>1,571,393</strong></td>
</tr>
</tbody>
</table>


of their non-resident market from May through November of any year, it would be considered a major source of support for the recreational activities at the complex. But the skiing market, which is popular in the Flathead Valley because of the Big Mountain ski resort, will supply additional tourists during the Park's off season.

In a report written by Mr. Robert O. Brandenberger, the winter market is described as follows: "Increasing numbers of out-of-state skiers, which amount to more than one-third of the use at major Montana..."
areas will continue to come and necessitate expansion of facilities."³

A 1973 survey found that "39 percent of Big Mountain skiers were from out-of-state, about half from the northwest, one-quarter from Minnesota and the Dakotas, and 11 percent from Canada."⁴ Mr. Norman Kurtz, the Big Mountain manager, stated that the percentage of skiers from Canada has been increasing rapidly. Thus, the low Glacier National Park winter market is supplemented by a rapidly growing winter sports market in Montana (Table 2).

### TABLE 2

**BIG MOUNTAIN SKI SEASONS AND SKIER VISITS**

<table>
<thead>
<tr>
<th>Ski Season</th>
<th>Days of Operation</th>
<th>Opening Date</th>
<th>Closing Date</th>
<th>Skiers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1964-65</td>
<td>150</td>
<td>Nov. 26</td>
<td>Apr. 24</td>
<td>49,000</td>
</tr>
<tr>
<td>1965-66</td>
<td>160</td>
<td>Nov. 11</td>
<td>Apr. 19</td>
<td>54,000</td>
</tr>
<tr>
<td>1966-67</td>
<td>145</td>
<td>Nov. 24</td>
<td>Apr. 17</td>
<td>65,400</td>
</tr>
<tr>
<td>1967-68</td>
<td>129</td>
<td>Dec. 16</td>
<td>Apr. 21</td>
<td>58,000</td>
</tr>
<tr>
<td>1968-69</td>
<td>130</td>
<td>Dec. 7</td>
<td>Apr. 20</td>
<td>71,300</td>
</tr>
<tr>
<td>1969-70</td>
<td>114</td>
<td>Dec. 2</td>
<td>Apr. 12</td>
<td>82,100</td>
</tr>
<tr>
<td>1970-71</td>
<td>145</td>
<td>Nov. 25</td>
<td>Apr. 18</td>
<td>112,600</td>
</tr>
<tr>
<td>1971-72</td>
<td>139</td>
<td>Nov. 25</td>
<td>Apr. 16</td>
<td>123,400</td>
</tr>
<tr>
<td>1972-73</td>
<td>127</td>
<td>Dec. 15</td>
<td>Apr. 22</td>
<td>114,600</td>
</tr>
</tbody>
</table>

**SOURCE:** The Big Mountain Master Plan and Environmental Analysis, prepared by: Winter Sports, Inc., Whitefish, Montana, and Mark J. Behan, Ph.D., Department of Botany, University of Montana, Missoula, Montana, 1974.

**NOTE:** The above figures are skier use only, based on lift tickets issued. They do not include spectators in the winter or tourists in the summer. Annual records on the year-around use have not been kept.

³U.S., Department of Agriculture, Forest Service, Alpine Skiing Potential in the Northern Region, by Robert O. Brandenberger, Forester, Division of Natural Resources, Region 1, Missoula, Montana, December 1975, p. 3.

⁴Ibid., p. 9.
Many Montana residents have the necessary knowledge and outdoor equipment to stay overnight in the woods or at a public campground. But many non-residents, visiting Glacier National Park or a Montana ski area, are not that knowledgeable of the outdoors, nor do they have the proper equipment to stay in the woods or at a public campground. Therefore, these out-of-state people, visiting either of the aforementioned areas, would be considered a major portion of the market segment for a summer/winter recreational complex. In the 1974-75 season there were 3,197 Big Mountain visitors from out-of-state, (Table 3), and 1,318,680 out-of-state visitors to Glacier Park in 1976, (Table 4). The impact of the Glacier Park and Big Mountain visitors is compounded by their length of stay. According to the Visitor Use report for Glacier Park, "there was an average of 3.4 persons per vehicle and the average length of stay in the Park was 25 hours.\(^5\) The 25-hour length of stay is an overall average and was lowered by the inclusion of Montana visitors (who usually stay in the Park for the shortest amount of time). Glacier National Park officials have published camper and overnight accommodation figures; and a total of 231,796 camper days were recorded in 1975. Included in this total were 129,352 recreational vehicle camper days and 102,444 tent camper days. A total of 97,024 overnight visits, using private accommodations, were recorded in 1975. The Big Mountain figures, compared to the Glacier Park figures, are based strictly on overnight visitor accommodations since the Big Mountain does not have any overnight camping/camper facilities. There was a composite of 8,280 groups, individuals, and regions who spent a total of 32,141 guest days (using Big Mountain

\(^5\)"1975 Travel Year--Visitor Use Summary," 1975.
TABLE 3
OUT-OF-STATE VISITORS TO BIG MOUNTAIN
1974-75 SKI SEASON

<table>
<thead>
<tr>
<th>State</th>
<th>Numbers</th>
<th>State</th>
<th>Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>1</td>
<td>New Mexico</td>
<td>3</td>
</tr>
<tr>
<td>Alaska</td>
<td>22</td>
<td>New York</td>
<td>5</td>
</tr>
<tr>
<td>Arizona</td>
<td>18</td>
<td>North Carolina</td>
<td>12</td>
</tr>
<tr>
<td>Arkansas</td>
<td>1</td>
<td>North Dakota</td>
<td>54</td>
</tr>
<tr>
<td>California</td>
<td>148</td>
<td>Ohio</td>
<td>36</td>
</tr>
<tr>
<td>Colorado</td>
<td>159</td>
<td>Oklahoma</td>
<td>---</td>
</tr>
<tr>
<td>Connecticut</td>
<td>14</td>
<td>Oregon</td>
<td>222</td>
</tr>
<tr>
<td>Delaware</td>
<td>---</td>
<td>Pennsylvania</td>
<td>16</td>
</tr>
<tr>
<td>D.C., Washington</td>
<td>---</td>
<td>Rhode Island</td>
<td>---</td>
</tr>
<tr>
<td>Florida</td>
<td>23</td>
<td>South Carolina</td>
<td>---</td>
</tr>
<tr>
<td>Georgia</td>
<td>4</td>
<td>South Dakota</td>
<td>8</td>
</tr>
<tr>
<td>Hawaii</td>
<td>1</td>
<td>Tennessee</td>
<td>2</td>
</tr>
<tr>
<td>Idaho</td>
<td>153</td>
<td>Texas</td>
<td>13</td>
</tr>
<tr>
<td>Illinois</td>
<td>47</td>
<td>U.S. Government</td>
<td>3</td>
</tr>
<tr>
<td>Indiana</td>
<td>10</td>
<td>Utah</td>
<td>18</td>
</tr>
<tr>
<td>Iowa</td>
<td>7</td>
<td>Vermont</td>
<td>1</td>
</tr>
<tr>
<td>Kansas</td>
<td>1</td>
<td>Virginia</td>
<td>31</td>
</tr>
<tr>
<td>Kentucky</td>
<td>4</td>
<td>Washington</td>
<td>845</td>
</tr>
<tr>
<td>Louisiana</td>
<td>1</td>
<td>West Virginia</td>
<td>---</td>
</tr>
<tr>
<td>Maine</td>
<td>---</td>
<td>Wisconsin</td>
<td>45</td>
</tr>
<tr>
<td>Maryland</td>
<td>4</td>
<td>Wyoming</td>
<td>21</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>13</td>
<td>Canada</td>
<td></td>
</tr>
<tr>
<td>Michigan</td>
<td>15</td>
<td>Alberta</td>
<td>1,818</td>
</tr>
<tr>
<td>Minnesota</td>
<td>227</td>
<td>British Columbia</td>
<td>281</td>
</tr>
<tr>
<td>Missouri</td>
<td>---</td>
<td>Manitoba</td>
<td>57</td>
</tr>
<tr>
<td>Nebraska</td>
<td>2</td>
<td>Nova Scotia</td>
<td>3</td>
</tr>
<tr>
<td>Nevada</td>
<td>11</td>
<td>Ontario</td>
<td>10</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>6</td>
<td>Quebec</td>
<td>3</td>
</tr>
<tr>
<td>New Jersey</td>
<td>24</td>
<td>Saskatchewan</td>
<td>333</td>
</tr>
</tbody>
</table>

### TABLE 4

**OUT-OF-STATE VISITORS TO GLACIER NATIONAL PARK, 1976**

<table>
<thead>
<tr>
<th>State</th>
<th>Percent of First Entry</th>
<th>State</th>
<th>Percent of First Entry</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>9.44</td>
<td>Georgia</td>
<td>0.30</td>
</tr>
<tr>
<td>Minnesota</td>
<td>6.41</td>
<td>Tennessee</td>
<td>0.30</td>
</tr>
<tr>
<td>Washington</td>
<td>4.67</td>
<td>New Mexico</td>
<td>0.27</td>
</tr>
<tr>
<td>Illinois</td>
<td>4.67</td>
<td>Kentucky</td>
<td>0.27</td>
</tr>
<tr>
<td>Michigan</td>
<td>3.57</td>
<td>Louisiana</td>
<td>0.21</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>3.51</td>
<td>Alabama</td>
<td>0.19</td>
</tr>
<tr>
<td>Oregon</td>
<td>2.42</td>
<td>New Hampshire</td>
<td>0.17</td>
</tr>
<tr>
<td>Ohio</td>
<td>2.40</td>
<td>Alaska</td>
<td>0.12</td>
</tr>
<tr>
<td>Colorado</td>
<td>2.35</td>
<td>Maine</td>
<td>0.12</td>
</tr>
<tr>
<td>New York</td>
<td>2.28</td>
<td>Vermont</td>
<td>0.09</td>
</tr>
<tr>
<td>Iowa</td>
<td>2.10</td>
<td>Mississippi</td>
<td>0.09</td>
</tr>
<tr>
<td>Texas</td>
<td>1.86</td>
<td>South Carolina</td>
<td>0.08</td>
</tr>
<tr>
<td>North Dakota</td>
<td>1.70</td>
<td>Rhode Island</td>
<td>0.07</td>
</tr>
<tr>
<td>Idaho</td>
<td>1.58</td>
<td>West Virginia</td>
<td>0.07</td>
</tr>
<tr>
<td>Utah</td>
<td>1.48</td>
<td>Delaware</td>
<td>0.06</td>
</tr>
<tr>
<td>Arizona</td>
<td>1.43</td>
<td>Hawaii</td>
<td>0.06</td>
</tr>
<tr>
<td>Florida</td>
<td>1.40</td>
<td>Dist. of Columbia</td>
<td>0.03</td>
</tr>
<tr>
<td>Missouri</td>
<td>1.27</td>
<td>Arkansas</td>
<td>0.02</td>
</tr>
<tr>
<td>Indiana</td>
<td>1.10</td>
<td>Canada</td>
<td></td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>1.06</td>
<td>Alberta</td>
<td>9.40</td>
</tr>
<tr>
<td>Nebraska</td>
<td>1.04</td>
<td>British Columbia</td>
<td>1.36</td>
</tr>
<tr>
<td>New Jersey</td>
<td>0.99</td>
<td>Saskatchewan</td>
<td>1.15</td>
</tr>
<tr>
<td>South Dakota</td>
<td>0.83</td>
<td>Ontario</td>
<td>0.68</td>
</tr>
<tr>
<td>Kansas</td>
<td>0.78</td>
<td>Manitoba</td>
<td>0.65</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>0.78</td>
<td>Quebec</td>
<td>0.18</td>
</tr>
<tr>
<td>Maryland</td>
<td>0.76</td>
<td>Nova Scotia</td>
<td>0.03</td>
</tr>
<tr>
<td>Wyoming</td>
<td>0.62</td>
<td>Northwest Territories</td>
<td>0.03</td>
</tr>
<tr>
<td>Connecticut</td>
<td>0.61</td>
<td>Other Foreign</td>
<td>0.58</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>0.48</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nevada</td>
<td>0.45</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Virginia</td>
<td>0.39</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North Carolina</td>
<td>0.34</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

resort facilities) at the Big Mountain resort. The average guest stay was 3.88 days. This overall average guest stay, at Big Mountain, was also adversely affected by the inclusion of Montana visitors. Note that in Table 5, the average guest stay for out-of-state guests and Canadian guests at Big Mountain, is 4.75 days and 5.40 days, respectively. Again out-of-state tourists play a significant role in the Montana resort business.

**TABLE 5**

**AVERAGE GUEST STAY SURVEY 1974-75 SKI SEASON**

<table>
<thead>
<tr>
<th>Composite of Groups, Individuals, and Regions</th>
<th>Guest Days</th>
<th>Average Guest Stay (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>8,280</td>
<td>32,141</td>
<td>3.88</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Out-of-State Guests</th>
<th>Guest Days</th>
<th>Average Guest Stay (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,875</td>
<td>13,652</td>
<td>4.75</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Montana Guests</th>
<th>Guest Days</th>
<th>Average Guest Stay (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>860</td>
<td>2,171</td>
<td>2.52</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Canadian Guests</th>
<th>Guest Days</th>
<th>Average Guest Stay (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,711</td>
<td>9,234</td>
<td>5.40</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Group Guests</th>
<th>Guest Days</th>
<th>Average Guest Stay (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,833</td>
<td>8,045</td>
<td>3.19</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Out-of-State Group Guests</th>
<th>Guest Days</th>
<th>Average Guest Stay (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,131</td>
<td>4,312</td>
<td>3.81</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Montana Group Guests</th>
<th>Guest Days</th>
<th>Average Guest Stay (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>177</td>
<td>435</td>
<td>2.46</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Canadian Group Guests</th>
<th>Guest Days</th>
<th>Average Guest Stay (days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,525</td>
<td>4,298</td>
<td>2.82</td>
</tr>
</tbody>
</table>

**SOURCE:** The Big Mountain Master Plan and Environmental Analysis, 1974.

**NOTE:** All figures include only Big Mountain registered guests, not downtown or day drop-in skiers.
Based on the previous discussion it is evident that the tourist market in northwestern Montana is already very large. The Big Mountain and Glacier National Park markets combine to produce an average monthly tourist market of 144,550 visitors. The out-of-state visitors tend to use resort accommodations more often than campgrounds. Approximately 81.4 percent of the Glacier visitors and 39 percent of the Big Mountain visitors are from out-of-state. It is evident, then, that there is a very large annual recreation market in northwestern Montana, and that a developer must develop a vacation resort which is a large, year-around operation that can offer the range of amenities sought by the vacationing tourist. The feasibility of the resort is therefore somewhat dependent upon its potential for year-around recreation.

In the previous discussion, the tourist market in northwestern Montana was described as very large and in need of more recreational activities. The following discussion will outline what this large tourist market means to Montana, from an economic point of view.

The natural beauty and many outdoor recreational activities available in Montana bring thousands of visitors to the state each year. The Montana Highway Department estimates that during 1971 approximately 3,770,000 out-of-state tourists spent, on the average, $40 per visit within the state. Total expenditures exceeded $150 million. Dr. Paul E. Polzin and Dr. Dennis L. Schweitzer state that, "these figures must be tempered with the recognition that only a fraction of tourist dollars are spent mainly on items such as food, equipment, and curios; most of which are not produced in Montana. Consequently, a significant portion of merchants' receipts quickly leave the state in payment for imported
Therefore, the economic importance of tourism to Montana is dependent, not only upon the number of tourists and the number of dollars they spend, but also on how they spend their money. To quantify the economic importance of tourism to Montana, Dr. Polzin and Dr. Schweitzer examined how non-resident visitors distribute their expenditures among purchases of lodging, food, transportation, and all other items. After they developed "benchmark" estimates for the average Montana tourist, they made similar estimates for three subgroups, campers, hunters, and fishermen, whose spending patterns might be expected to differ. They then used these figures to estimate the proportion of tourist expenditures that accrue to Montanans, as direct income. The following discussion will outline Dr. Polzin's and Dr. Schweitzer's assumptions and findings at each step, as outlined above.

Dr. Polzin and Dr. Schweitzer stress, throughout their paper, that the information for Montana is severely limited. Thus, they drew heavily on studies conducted in other states. About the "average tourist," Dr. Polzin and Dr. Schweitzer outlined their analysis as follows: "A 1964 survey of outbound non-resident motorists indicated that 28 percent had Montana as their primary destination; the remainder were simply passing through the state (Wallace and Blake, 1966, p. 84). Of the non-residents staying at Montana lodging facilities, 52 percent were there for pleasure and the remainder were on business or some combination of business and pleasure. These are average figures for the entire year; during the summer, the proportion visiting for pleasure or to see relatives

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6Polzin and Schweitzer, Economic Importance of Tourism, p. 1.
and friends rose to 73 percent.\textsuperscript{7} The average distribution of the expenditures of all non-resident visitors in 1964 is summarized in Table 6.

<table>
<thead>
<tr>
<th>Category</th>
<th>Proportion of Expenditures (Percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodging</td>
<td>27</td>
</tr>
<tr>
<td>Food</td>
<td>33</td>
</tr>
<tr>
<td>Transportation</td>
<td>26</td>
</tr>
<tr>
<td>All Other</td>
<td>14</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>


The figures for campers, as compared to the average tourist, differ basically in two of the categories. The camper naturally spends less on lodging since he has his own lodging facility; but he spends more on transportation because of the type and size of vehicle usually used. Doctors Polzin and Schweitzer arrived at their figures (Table 7), by comparing Montana data from a 1964 study to 1970 Georgia and Arizona studies. About the 1964 study they stated: "The Montana data reflect dollars spent by those tourists who chose to stay in established campgrounds in 1964. At that time, camping fees were much less common than today. The more recent studies in Arizona and Georgia led us to adjust these 10 year old estimates as indicated."\textsuperscript{8} Doctors Polzin and Schweitzer found that there was no data available on how non-resident fishermen in

\textsuperscript{7}Ibid., p. 2. \textsuperscript{8}Ibid., p. 3.
Montana spent their money. Therefore, they estimated non-resident fisherman expenditures in Montana based on published studies in Colorado, Arizona, and Wisconsin. (See Table 8)

**TABLE 7**

**DISTRIBUTION OF EXPENDITURES BY NON-RESIDENT CAMPERS**

<table>
<thead>
<tr>
<th>Category</th>
<th>In Published Studies (percent)</th>
<th>Estimated for Montana in this Study</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Montana</td>
<td>Georgia</td>
</tr>
<tr>
<td>Lodging b</td>
<td>3</td>
<td>11</td>
</tr>
<tr>
<td>Food</td>
<td>50</td>
<td>29</td>
</tr>
<tr>
<td>Transportation</td>
<td>32</td>
<td>36</td>
</tr>
<tr>
<td>All Other</td>
<td>15</td>
<td>24</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>


aLodging and all other expenditures could not be derived from study.

bIncludes camping and admission fees.

They found conflicting results in the studies. For example, the Colorado survey reports that a large share of expenditures by fishermen were for lodging; whereas, the Arizona and Wisconsin surveys reported a lower percentage of expended money for lodging. Discrepancies also occurred in the "Transportation" and "All other" categories. Polzin and Schweitzer attribute the lodging discrepancy to differences in defining expenditure categories. About the "Transportation" and "All other" discrepancies, they state: "Probably because more than four out of five
The distribution of expenditures by non-resident fishermen (excluding license fees) is shown in Table 8. The table includes categories such as lodging, food, transportation, guides, and all other expenditures, with data from Colorado, Arizona, and Wisconsin studies and an estimate for Montana.

<table>
<thead>
<tr>
<th>Category</th>
<th>Colorado</th>
<th>Arizona</th>
<th>Wisconsin</th>
<th>Estimated for Montana in this Study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodging</td>
<td>33</td>
<td>18</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Food</td>
<td>23</td>
<td>23</td>
<td>24</td>
<td>23</td>
</tr>
<tr>
<td>Transportation</td>
<td>29</td>
<td>34</td>
<td>12</td>
<td>30</td>
</tr>
<tr>
<td>Guides</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>All Other</td>
<td>13</td>
<td>24</td>
<td>40</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>


Of the respondents were from neighboring Illinois or Minnesota, the Wisconsin study showed a far smaller proportion was spent for transportation than the other studies. As a consequence, a larger percentage was left over for "all other" expenditures. Dr. Polzin and Dr. Schweitzer explained their Montana values in the following manner:

For Montana we assume that non-resident fishermen allocate 22 percent of their spending (excluding licenses) to lodging, which is somewhat less than the average tourist. We estimate $0.23 of every dollar is spent in the 'All other' category—mostly, fishing equipment and supplies—which all three studies reported to be significant. Correspondingly, the values for food and transportation are assumed to be below those of average tourists; food constitutes 23 percent of total spending, transportation 30 percent. Finally, a fifth expenditure category—fishing guide—has been added for this analysis. Guide

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9 Ibid., p. 3.
services can vary from showing clients where and how to fish to also providing lodging, food, and tackle. The studies report that payments to guides represent only a small portion of total spending by fishermen; we assume that only 2 percent is so spent in Montana.

Polzin and Schweitzer also found that there were no comprehensive studies of hunters' expenditures in Montana. So again, they relied on data from other states as a guide to estimating values for Montana. They found that due to definitional differences, the "All other" and "Guide" categories, for the surveyed states, differed. For Montana, Polzin and Schweitzer assumed that lodging, for hunters, accounted for 13 percent of the total expenditures. This low percentage reflects the tendency of hunters to camp, use cabins, or even to sleep in their cars. The "All other" category was estimated to account for about 30 percent of the expenditures, because both the Colorado and the Arizona studies had reported significant expenditures for equipment and supplies. Also, Montana has a law which requires non-resident big game hunters, in certain areas, to be accompanied by a licensed resident—often a guide or outfitter. Thus, the "Guide" category was set at 10 percent. Because of the high percentages used in the other categories, Polzin and Schweitzer assumed the "Food" percentage to be 22 percent and the "Transportation" percentage to be 25 percent. Table 9 consolidates the hunter percentages arrived at by Dr. Polzin and Dr. Schweitzer.

So far, the tourist market has been divided into four portions; (1) average tourist, (2) campers, (3) fishermen, and (4) hunters. This analysis is significant because Montana caters to all four categories and because each category of tourist spends his money differently.

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10 Ibid., pp. 3-4.
TABLE 9

DISTRIBUTION OF EXPENDITURES BY NON-RESIDENT BIG GAME HUNTERS
(Excludes License Fees)

<table>
<thead>
<tr>
<th>Category</th>
<th>In Published Studies (Percent)</th>
<th>Estimated for Montana in this Study</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Colorado</td>
<td>Arizona</td>
</tr>
<tr>
<td>Lodging</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>Food</td>
<td>23</td>
<td>18</td>
</tr>
<tr>
<td>Transportation</td>
<td>26</td>
<td>28</td>
</tr>
<tr>
<td>Guides</td>
<td>13</td>
<td>3</td>
</tr>
<tr>
<td>All Other</td>
<td>26</td>
<td>37</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

SOURCES: Colorado, Rohdy and Lovegrove (1970, Table 1); Arizona, Davis 1967, p. 34; quoted in Economic Importance of Tourism in Montana, by Paul E. Polzin and Dennis L. Schweitzer, (USDA, Forest Service, July 1975).

Only a portion of the dollars spent by these tourists ever ends up in the pockets of Montanans. The size of Montana's portion is dependent upon the category of the tourist, thus limiting where the dollars go. Table 10 shows the 1967 receipts and earnings for selected industries that cater to tourists. According to Polzin and Schweitzer, "these data show that in-state earnings per dollar of receipts vary significantly among industries: for each dollar spent in hotels, $0.39 is retained by Montanans as personal earnings, but for each dollar spent in food stores only $0.10 goes into the pockets of residents. Although the data were taken in 1967, we do not believe the ratios of earnings to receipts have changed."¹¹ These ratios show the portion of tourist dollars that

¹¹Ibid., p. 5.
TABLE 10
RECEIPTS AND EARNINGS IN SELECTED MONTANA INDUSTRIES, 1967

<table>
<thead>
<tr>
<th>Industry Category</th>
<th>Receipts</th>
<th>Earnings Including Proprietors</th>
<th>Earnings per dollar of Receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>a, b</td>
<td></td>
</tr>
<tr>
<td>Lodging</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hotels</td>
<td>14,862</td>
<td>5,813</td>
<td>.39</td>
</tr>
<tr>
<td>Motels</td>
<td>14,914</td>
<td>3,175</td>
<td>.21</td>
</tr>
<tr>
<td>Trailer Parks</td>
<td>1,154</td>
<td>101</td>
<td>.09</td>
</tr>
<tr>
<td>Sporting &amp; Recreational Camps</td>
<td>1,440</td>
<td>394</td>
<td>.28</td>
</tr>
<tr>
<td>Food</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eating &amp; Drinking Places</td>
<td>95,694</td>
<td>25,391</td>
<td>.27</td>
</tr>
<tr>
<td>Foodstores</td>
<td>247,524</td>
<td>24,829</td>
<td>.10</td>
</tr>
<tr>
<td>Transportation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Auto Repairs</td>
<td>13,180</td>
<td>3,879</td>
<td>.29</td>
</tr>
<tr>
<td>Gas Stations</td>
<td>101,594</td>
<td>11,601</td>
<td>.11</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Merchandise:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Merchandise</td>
<td>104,936</td>
<td>18,869</td>
<td>.18</td>
</tr>
<tr>
<td>Apparel &amp; Accessories</td>
<td>47,311</td>
<td>7,821</td>
<td>.17</td>
</tr>
<tr>
<td>Sporting Goods</td>
<td>5,882</td>
<td>866</td>
<td>.15</td>
</tr>
<tr>
<td>Amusements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motion Pictures</td>
<td>4,810</td>
<td>1,579</td>
<td>.33</td>
</tr>
<tr>
<td>Amusements</td>
<td>7,555</td>
<td>2,341</td>
<td>.31</td>
</tr>
</tbody>
</table>

a In thousands of dollars.  


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accrue to Montanans, as direct income, in the form of employees' wages and salaries and income of proprietors owning the business. Polzin and Schweitzer caution that the ratios do not reflect certain payments to local utilities or manufacturers, portions of which accrue to Montanans. Thus, the ratios underestimate income retained in the state.

Given the earnings-to-receipts ratios and the distributions of spending, Polzin and Schweitzer developed a method of determining the share of tourist expenditures that accrue to Montanans in each of the four tourist areas (lodging, food, transportation, all other). The following is an outline of the rationale used by Dr. Polzin and Dr. Schweitzer in determining the Montana earnings from "average" tourist dollars.

Of those utilizing commercial accommodations, approximately two-thirds stayed in motels; most of the others utilized hotels or campgrounds (Wallace & Blake 1966, p. 60). So we estimate the earnings per dollar of receipts for lodging from 'average' tourists was $0.25, slightly above the ratio of $0.21 reported for motels and for small than the ratio of $0.39 for hotels in Figure 6-10.

The earnings per dollar of receipts in the 'Food' category is assumed to be $0.25, because the information available suggests that out-of-state visitors spent about 90 percent of their food money in restaurants.

We also know that about 15 percent of the non-residents staying in Montana overnight did not arrive by automobile (Wallace & Blake 1966, p. 24). Unfortunately, data on income to Montanans from tourists' transportation expenditures are available only for sales of automobile-related goods and services. We simply do not know the earnings-receipts ratio for expenditures on bus, train, or airplane travel. We estimate that Montana earnings per dollar of receipts for all transportation expenditures is $0.15. The reasoning is that most spending is for gasoline rather than auto repairs and that commercial transportation does not significantly change this value.

The Montana study also suggests that other expenditures were evenly divided between recreation and merchandise. The earnings-receipts ratio in the "All other" category is estimated
to be $0.23—the approximate midpoint between the values for merchandise and amusements in Figure 6-10.12

Based on the above outline of the rationale used by Polzin and Schweitzer to determine earnings per dollar for the respective categories as applicable to the "average" tourist, and based on the proportion of the dollar spent on the respective categories, the following formula was developed:

\[
(\text{Montana earnings for "average"})^{13} = \left( \begin{array}{c}
\text{tourist dollar} \\
\hline
\text{(Proportion spent for lodging)} \times \text{(Earnings per $ for lodging)} \\
\text{(Proportion spent for food)} \times \text{(Earnings per $ for food)} \\
\text{(Proportion spent for transportation)} \times \text{(Earnings per $ for transportation)} \\
\text{(Proportion spent for all others)} \times \text{(Earnings per $ for all others)}
\end{array} \right)
\]

Using the above rationale and the above formula, Dr. Polzin and Dr. Schweitzer concluded that the average dollar spent by tourists yields $0.22 in direct wages and income for Montanans. Using different rationale, on the other three tourist areas and using the same formula, Polzin and Schweitzer came up with the following average dollars spent by camping tourists, fishing tourists, and hunting tourists:

- Campers: $0.17 per dollar spent
- Fishermen: $0.20 per dollar spent
- Hunters: $0.21 per dollar spent14

About these figures, on a comparative basis, Polzin and Schweitzer state: "Although these numbers should not be taken too seriously, we believe that the overall ranking is accurate; the Montana income per dollar of expenditure is lower for out-of-state outdoor recreationists than for

12 Ibid., pp. 5-6. 13 Ibid., p. 7. 14 Ibid., p. 9.
the more inclusive category of out-of-state tourists.¹⁵ That is, campers, fishermen, and hunters spend a smaller percentage of their dollars on categories with high earnings-receipts ratios (such as motels, restaurants and amusements) and spend relatively more on transportation, groceries, and merchandise that brings low earnings-receipts ratios.

Most of the Glacier Park tourists, and all of the Big Mountain skiers, spend a greater percentage of their dollars on categories with high earnings-receipts ratios (such as motels, restaurants, and amusements). These tourists fall into the "average" tourist category, and the Montana State Highway Commission (in unpublished data) estimated that the average tourist spent about $40 per visit in 1971. This figure is very conservative because of inflation and because it includes hunters, fishermen, and campers in its computation. That means, the average tourist of 1977 would spend more than the average tourist of 1971 because of inflation. The Glacier Park tourist and the Big Mountain skier would also spend more than hunters, fishermen, and campers. Thus, using the conservative $40 figure and multiplying it by the total number of visitors to Glacier National Park and Big Mountain (1,740,000 people) then multiplying that figure by the estimated percentage of direct income per dollar spent which will be derived by Montanans (22 percent), a conservative figure, for wages, salaries, and proprietorial income, to Montanans of $15,312,000 per year was calculated.

In summary, the following discussion has illustrated that Glacier National Park and the Big Mountain ski resort produce an average monthly tourist influx, to northwestern Montana, of 144,550 visitors. Using the

¹⁵Ibid., p. 10.
figures cited by Polzin and Schweitzer, in the above study, these monthly visitors would supply a conservative income figure of $1,272,040, which would be derived by Montanans, and in a twelve month period, tourists would supply at least $15,312,000. These figures are probably underestimated because of the 1971 figures used by Polzin and Schweitzer and because the Glacier National Park and Big Mountain tourists tend to spend more at motels, hotels, and restaurants. This contributes more to the direct income of Montanans than do equal numbers of dollars spent by outdoor-oriented tourists, such as campers, hunters, and fishermen.

Dr. Polzin and Dr. Schweitzer conclude that "it would be most desirable to try to develop tourism as a complement to, not a substitute for, timber production."16

16 Ibid., p. 18.
A key factor in determining where to locate a recreational complex is its accessibility to the main sources of transportation (airports, highways, etc.). People must be able to get to the recreational complex easily. Dr. Larry D. Redinbaugh, in his book Retailing Management--A Planning Approach, claims that "if customers cannot easily go to a place of business, they probably are not potential customers, and their purchases will be made elsewhere." Therefore, the following analysis will outline the trade area for a recreational complex in the Flathead Valley, sources of transportation available to a tourist entering this area, and the most common source of tourist transportation in the Flathead Valley at this time. Because the three suggested locations are in such close proximity to each other, and because they are primarily dependent upon the same transportation sources; the transportation topic will be discussed as it applies to the general area, rather than the specific suggested locations.

There are definite differences in the size of the markets for Glacier National Park and for the Big Mountain ski resort. For example, Glacier National Park has a national market, whereas Big Mountain has a

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regional one; and Big Mountain attracts more Canadians than Glacier National Park (four Canadian provinces could be included in the top eight areas supporting Big Mountain with tourism). But, even with the differences in market size, there are some similarities. Both recreational facilities have, as common factors in their primary trade areas, people from northern California, and the northwestern and north central United States. Also, nine of the twelve leading states, which support Glacier National Park with tourism, also support the Big Mountain ski resort. By combining the differences and similarities of the Glacier National Park market and the Big Mountain markets, conclusions can be reached about the recreational complex's probable trade area. The summer market, which is primarily created by the presence of Glacier National Park, has northern California, the northwestern and extreme north central United States as its primary trade area. The secondary and fringe trade area, for the summer market, consists of the remainder of the United States. The winter market, which is chiefly created by the presence of the Big Mountain ski resort, also has northern California and the northwestern and extreme north central United States, as its primary trade area. But with the inclusion of the Canadian provinces; Alberta, Saskatchewan, British Columbia, and Manitoba, the winter primary trade area is larger than the summer trade area. Although this trade area is larger the number of people from their respective areas supporting the winter activities is much less due to the exclusiveness of the winter activities and winter road and weather conditions. Mr. Robert Brandenberg, forester and U.S. Forest Service ski expert, summarizes the Big Mountain market situation as follows:
A limited 1973 survey found that 39 percent of Big Mountain skiers were from out-of-state, about half from the northwest, one quarter from Minnesota and the Dakotas, and 11 percent from Canada.²

Mr. Brandenberger also states that

The Big Mountain ski area serves a local market, weekend and vacation markets for Montana, North Idaho and Canada, and a vacation market for the Pacific Northwest and Lake States.³

In the Big Mountain's Master Plan, the trade area situation is outlined in the following manner:

Market concentration has therefore been carried out in the seven states best served by public transportation, along with three neighboring Canadian provinces to the north. All statistical evidence points up the resort's potential of drawing from a market of more than two million active skiers in these areas. With expansion, however, plans are already being implemented to add the northern California markets to the Big Mountain's growing guest list.⁴

Based on this analysis, a potential developer can consider the complex's summer trade area to be the same as the Glacier National Park trade area, since the summer portion of the complex would be dependent upon the Park's market. The developer can also consider the complex's winter trade area to be the same as Big Mountain's market because of the close proximity of the three proposed locations to Big Mountain.

It is evident that an extensive transportation network is necessary to enable a summer/winter recreational complex to cater to its primary trade area. This extensive transportation network is particularly important during the winter months, when driving can be difficult because of the snow. The Big Mountain management claims that

²Alpine Skiing Potential, p. 9.
³Ibid., p. 9.
⁴Big Mountain Master Plan, by Winter Sports, Inc., and Behan, p. 12.
The prime factor in the Big Mountain's continued growth is found in its easy access from markets via high volume public transportation.\(^5\)

Fortunately, the suggested Flathead Lake and Swan Lake complex locations are close enough to the same transportation facilities, as those of Glacier and Big Mountain, to capitalize on their availability. For example Glacier Park International Airport is located approximately 19 miles north of Big Mountain, approximately 21 miles north of the suggested Flathead Lake location, and approximately 30 miles north of the suggested Swan Lake location. It is the only jet airport within 125 miles of the area. Glacier International Airport is served by Hughes Airwest and Frontier Airlines. Both airlines have regularly scheduled east and west shuttles to and from Glacier Park International Airport. The airport has experienced a 250 percent increase in air-vacationer arrivals, since 1959.

The Flathead Valley is also one of the few resort areas in the United States with transcontinental rail service. The AMTRAK's Empire Builder has daily service, from the east and west, to the town of Whitefish. This is approximately 8 miles from Big Mountain, and approximately 32 miles from the suggested Flathead and Swan Lake locations. The AMTRAK Corporation has also been willing to make joint marketing arrangements with different resort organizations. The Big Mountain management claims that the AMTRAK Empire Builder "continues as the single most important public transportation factor the resort enjoys."\(^6\)

The last main transportation inlets into the Flathead Valley are the highways. The suggested Flathead Lake location and Big Mountain are

\(^5\)Ibid., p. 11. \(^6\)Ibid.
both serviced by U.S. Highway 93. The Swan Lake general location is serviced by Montana State Highway 209.

In the past, a supplemental transportation source to the Flathead Valley has been charter bus service. Charter bus companies, including Pacific Western, Canadian Greyhound, Trailways, Moose Mountain, Northern, Empire, and Glacier Stages have participated in group programs from Calgary, Edmonton, Regina, Saskatoon, Spokane, Seattle, and Great Falls during the 1975-76 season.

A second supplemental transportation source, which will have to be developed by the respective resort developments, are resort shuttle services from the airport, AMTRAK depot, and/or bus depot to the respective resorts. This service could consist of rental cars, resort taxis and bus service.

The majority of the public transportation sources, previously discussed, are used by tourists more heavily in the winter than in the summer. The average summer tourist to northwestern Montana usually drives his private automobile in order to tour Glacier National Park and see other sights along the way. The private automobile is the only private and personalized means of touring the Park; and the tourist usually prefers to direct himself through the Park. A Glacier National Park report states that 462,174 cars, with 1,571,393 passengers, visited the Park in 1975; and 12,336 bus passengers also visited the Park in 1975. Thus, a developer can expect the primary means of travel during the spring, summer and fall months, to be by private automobile.

The winter tourists' travel habits have changed since the 1970-71 ski season. In the 1970-71 ski season, 61.77 percent of the overnight guests arrived by train, whereas 25.56 percent arrived by private
automobile. But in the last four seasons the travel trends have changed. In the 1974-75 ski season only 20.88 percent of the overnight tourists arrived by train, while 64.68 percent arrived by private automobile. The percentage of people arriving by air has also been cyclical; with a high of 9.52 percent in the 1972-73 season and a low of 1.10 percent in the 1971-72 season. The tourist's transition from rail transportation to private automobile, is partially caused by the milder winters of the last five years. Thus, when the roads are clear of snow, the tourist prefers the privacy and convenience of his car. The developer should then anticipate the average tourist will drive to the development if the winters are mild enough, although other public transportation sources are available if needed.

In summary the previous discussion has stated that a developer can anticipate a summer trade area which encompasses northern California, and the northwestern and north central United States. He can also anticipate that the winter trade area will expand past the summer trade area, by including four Canadian provinces. Although the winter trade area is larger than the summer area, the summer trade area will furnish more tourists, to the Flathead Valley, because of weather conditions. There are many different sources of transportation, which can bring tourists from these trade areas into the Flathead Valley, such as airplanes, trains, busses, and private automobiles, and these sources are all located near the proposed complex sites. But, currently the prime means of travel, in both summer and winter, is the private automobile.
CHAPTER VIII

AVAILABILITY AND COSTS OF LAND AT THE
SUGGESTED LOCATIONS

Two of the key factors affecting the decision process on where to locate a summer/winter recreational complex, are: the availability and cost of land. Therefore, the following discussion will outline the Forest Service's method of determining the annual lease rate to a lessee. The discussion will then outline the availability and cost of both Forest Service and private land at each of the suggested locations.

When Mr. Robert Brandenberger outlined the Forest Service's pricing procedures for leasing Forest Service land, he continually warned that the current procedures were very complex and subject to change in the near future. He stated that he would not want to speculate on how the new pricing procedures would function, but he was sure they would be much less complex than the current method.

The Forest Service currently uses a "graduated pricing" structure, which means that they start out with a base fee, which is one-tenth of one percent of the total resort investment. This base fee is considered the minimum fee which can be charged. It is based on investments, which are made on both Forest Service and private lands to produce the complete resort. From this point, the gross earnings of a resort are apportioned between the fund earning facilities on private and Forest Service lands. The Forest Service then charges an additional
fee of one to five percent on the gross earnings of the facilities which are located on Forest Service land. The exact fee percentage is dependent upon the relationship of the investments made on Forest Service land to the return from the investments on Forest Service land. That is, the fee will be about five percent if the developer has a small investment on Forest Service land, but has a high rate of return on his investment. And if a developer has a large investment on Forest Service land but his rate of return on his investment is low, the fee will be close to one percent. The total fee, owed to the Forest Service, is then computed by adding the base fee to the apportioned fee. Because so many factors in this formula are unknown, it will be impossible to estimate the cost at each suggested location. But assuming a developer intends to invest the same amount of money in a complex—no matter where it is located, and assuming the rate of return on the investment would be the same at any of the three suggested locations; a developer can determine whether he will pay higher lease fees at one location as opposed to another location by analyzing the amount of Forest Service land required at each location. This method will be used in studying the costs of developing a summer/winter recreational complex at the suggested locations.

The availability of land at the suggested Flathead Lake location is contingent upon the developer's negotiating skills. According to Trails West Realty of Bigfork, Montana, there is currently no land listed for sale in the Goose Bay/Table Bay area (suggested summer complex location). They indicated that there is land available; but it was bought for speculative purposes. That means, a developer would have to contact the various investors and negotiate with them in order to obtain the
desired summer complex property. Trails West Realty and Mr. David Erickson, of the Polson Planning Commission, both stated that lake frontage is currently selling for $250 to $300 a frontage foot. Trails West Realty gave an example of a one-acre parcel of land with 300 feet of lake frontage, on the west shore of Flathead Lake, which was selling for $75,000. A developer would also have to negotiate with the State, Burlington Northern Railroad, and private landowners in order to obtain the necessary land between the lakeside location and the alpine skiing location. According to Trails West Realty, a developer can anticipate paying approximately $1,200 for each acre of land, if bought in ten acre parcels.

The suggested alpine skiing location is on the remaining one-third of the suggested Flathead general location. This area is owned by the U.S. Forest Service. According to Mr. Robert Brandenberger, forester, a potential developer would probably be able to acquire the necessary property on a lease. However, the approval would be contingent upon an adequate environmental impact statement. The leasing costs would be less than those required for a Swan Lake complex, and about the same as those for Big Mountain, after Big Mountain obtains the Big Creek area.

The private land situation at Swan Lake is similar to that at Flathead Lake. According to Trails West Realty, the private land on Swan Lake is very limited; thus a developer would most likely have to negotiate with the U.S. Plywood Company and the Burlington Northern Railroad, in order to obtain the private land recommended in Chapter II. According to Trails West Realty, the private lakeshore land will cost from $100 to $150 a frontage foot. The private land, which is not on the
lakeshore, can be obtained for $1,000 per acre, if bought in ten acre parcels. The remaining land, recommended in Chapter II, is on U.S. Forest Service land. According to Mr. Robert Brandenberger, even with a good environmental statement it is doubtful that the Forest Service would approve the lease application because of wanting to maintain the area in its natural state. Even if the Forest Service approved the lease application, they would probably insist that the entire development be on Forest Service land since there is very little private land available. Based on this condition (as was pointed out in Chapter V), a developer would have to risk losing the project through the prospectus bidding process. Also, if a developer's lease application were approved, he would find his Forest Service lease expense much higher than in other areas.

The private land that Winter Sports, Inc., would have to purchase in order to expand and develop into a summer/winter recreational complex would also have to be negotiated. As was mentioned in Chapter II, most of the private land, not currently being developed, is being held by investors for speculative purposes. According to Mr. Martin Hale, Fish & Game Warden and a Big Mountain ski instructor, and Mr. Norm F. Kurtz, assistant general manager of Big Mountain, the lake frontage on Whitefish Lake is worth approximately $500 to $600 a frontage foot. The private land not having lake frontage, but which is located in the suggested recreational areas, is worth approximately $6,000 to $7,000 an acre. The Forest Service lease costs on the present Big Mountain resort have increased 295 percent from 1973 to 1975. According to Mr. Kurtz, the lease fee, for 1975, was $13,000; and according to Mr. Brandenberger, the 1976 Forest Service lease fee for Winter Sports, Inc., was $17,000.
With the proposed growth changes, mentioned in Chapter II, the Big Mountain ski resort would almost double its use of Forest Service land, thereby increasing the lease fees, provided the ratio of investment to returns stayed the same. Mr. Brandenberger indicated, that with a good environmental impact statement, the Forest Service would probably approve the expansion of Big Mountain, onto more Forest Service land.

To sum up the previous discussion, it can be said that a developer, at any of the suggested complex locations, will have to negotiate for any private land desired. The lake frontage land will cost from $100 a frontage foot on Swan Lake, to $600 a frontage foot on Whitefish Lake. The cost of private land, not located on the shoreline, will cost from $1,000 an acre, for a ten acre parcel in the Swan Lake area, to $7,000 an acre in the Whitefish area. The Swan Lake development would have to pay the Forest Service the highest amount of lease fees, because of the amount of Forest Service land required; and it is doubtful that the Forest Service would lease the needed land to a Swan Lake developer, because of the public's desire to maintain the Swan Valley in its natural state. Since each of the Flathead and Whitefish complexes require about the same amount of Forest Service land, their lease fees would be similar, but based on the previous discussion, it is questionable whether a developer would want to spend the necessary money to expand the Big Mountain ski resort.
CHAPTER IX

CURRENT RECREATIONAL FACILITIES IN THE FLATHEAD VALLEY

The degree of competition, for a summer/winter recreational complex, is also a major factor in determining the recommended site and the overall feasibility of this project. Therefore, the following discussion will concentrate on the competing summer and winter facilities at the different suggested locations. This discussion will also analyze large resort competitors within the State of Montana.

In the Flathead and Swan Lake areas the Big Mountain ski resort is the only facility that could be considered competition in the summer/winter recreational market. Based on the discussion of Big Mountain in Chapter II, it is evident that Big Mountain is a very high quality, winter ski resort. Some examples of Big Mountain's laurels are: the resort hosted the United States Ski Association Senior Championships two separate years, they also hosted the USSA Junior National Championships in 1952 and 1955, and in 1969 they hosted the Western States Junior Championships. According to the Big Mountain Master Plan:

Abby Rand, nationally known ski and travel writer for "ski" and "Holiday" magazines, has listed the Big Mountain as one of the top 23 ski resorts in the national picture, regardless of size, in her book Ski North America. Ezra Bowen, former senior editor of "Sports Illustrated" magazine, has listed the Big Mountain as one of the nation's top 13 powder snow ski areas in various articles in that publication. Also, Sports Illustrated has brought nationwide publicity to the Big Mountain with a front cover photo and an interior two-page photo spread, all in color.¹

¹Big Mountain Master Plan, by Winter Sports, Inc., and Behan, P. 9.
Thus, in the first three to five developing years, a Flathead Lake or Swan Lake winter facility will have to take a back seat to the Big Mountain ski resort. Although they will have to take a back seat, it is doubtful that they would go out of business. A Flathead or Swan Lake winter facility would naturally draw a certain percentage of the Big Mountain's daily clientele due to crowding conditions at the Big Mountain, caused by their conservative expansion program. Also, according to Mr. Brandenberger, U.S. Forest Service, the Flathead or Swan Lake winter facility and the Big Mountain ski resort would most likely complement one another and have a synergistic effect in developing a market. That is, a skier might spend two days at one facility and two days at another facility; and with two ski resorts available within a forty mile distance the total number of skiers would increase because of the opportunity to use two different ski areas in one outing. Mr. Brandenberger also indicated that this synergistic effect has been very effective in Colorado. For example, when the Vail ski area was proposed, the Forest Service was concerned about the effect on other Colorado ski areas. When Vail was opened in 1962-63 season, they had 55,000 skier visits, and the total Colorado skier visits increased 46 percent. Based on this discussion and the fact that there are no other winter facilities in the Flathead Valley, it appears that a Flathead or Swan Lake winter facility would have a good chance of succeeding if the natural resources are available and if the developer does an exceptional job of designing the complex.

In the summer recreational market, the Big Mountain ski resort is not nearly as competitive. They are attempting to penetrate the Flathead Valley summer market by operating their main chair-lift for
sightseers. In their Master Plan, Phase I, the Big Mountain management indicated that they plan on installing tennis courts, bridle paths, bicycle paths and other summer recreational facilities, within the next five years. The Big Mountain management also indicates that the main purpose in entering the summer market is "to financially justify the expansion of public overnight accommodations within the base area." Thus, as Mr. Kurtz stated in an interview with this writer, Winter Sports, Inc., is primarily interested in expanding the Big Mountain's winter facilities; and to financially justify this expansion, they must utilize their existing facilities on a year-around basis. However, Winter Sports, Inc., does not currently plan on developing summer facilities on Whitefish Lake. Therefore, the Flathead Lake or Swan Lake summer/winter complex would have two advantages over the present Big Mountain facility. First, they would be managed as a year-around operation with neither the summer market nor the winter market given preference. Secondly, the Flathead or Swan Lake complex would be able to simultaneously offer the tourist a mountain environment, similar to that of Big Mountain, and at the same time, a lakeside environment. That way a tourist could ride on the chair-lift or play tennis, at the winter facility, in the morning, and in the afternoon swim or water ski at the summer facility.

Other than Big Mountain, there are no other large summer/winter complexes, in the Flathead Valley, which would compete with either a Flathead Lake or a Swan Lake complex. Although neither area has any winter facilities, both the Flathead and Swan Lake areas have public camping facilities and summer cabins which can be rented. On Flathead

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2 Ibid., p. 17.
there are numerous cabins on both the east and west shores which can be rented for a week, a month, or an entire season; but recreational materials, such as boats, water skis, fishing poles, etc., cannot be rented at most of these locations. Organized activities, such as backpacking, horseback riding, and sightseeing are usually not available, either. Very few of the cabin owners advertise outside the State, because they cater primarily to the native Montanan who has used the facilities before, and who has his own recreational equipment. The tourist can also use private camping facilities, such as Blue Bay, Yellow Bay or various KOA campgrounds. But again, very few of these areas rent recreational equipment or have organized recreational activities. Rather, the tourist has to seek out independent recreational equipment companies and recreational activity organizers; and on Flathead Lake, they are very scarce. Therefore, from this discussion, it is evident that a Flathead Lake summer/winter complex would be in a market by itself. That is, they would offer both summer and winter activities in the respective seasons, they would rent recreational equipment and have organized activities, they would advertise nationwide, and still cater to the native Montanan who does not have his own recreational equipment, and they would cater to the average tourist who just drives his car into the area. In essence, the Flathead Lake complex, as compared to other Flathead Lake facilities, would be a complete resort offering all recreational activities appropriate to the area and to the season.

The Swan Lake area, like the Flathead area, has cabins and camping facilities which are restricted in their offerings. For example, cabins are available at Birch Glen and Elk Horn Lodge; and there is a
Forest Service campground on the east shore. But these cabins and campgrounds, like the Flathead cabins and campgrounds, are very limited in their offering of recreational equipment and activities. Therefore, a Swan Lake complex would be in a market by itself. The proposed Swan Lake development would also be a complete resort, offering all recreational activities appropriate to the area and to the season.

Based on the previous discussion, it is evident that the Big Mountain ski resort is currently the only winter facility in the Flathead Valley. Right now, Big Mountain has an outstanding winter business; but the summer situation is quite different. As was explained earlier, they are in the process of entering the summer market, on a limited basis, so they can justify an expansion of their overnight accommodations. Although many people have foreseen the opportunities available in a summer development on Whitefish Lake, the Big Mountain management currently has no plans to develop any land on the lake. There are more than 158 firstclass guest vacation and overnight housing facilities which have been built in the last four years. They have been built in the residential and resort community of Whitefish, along the shores of Whitefish Lake, and on the lower slopes of Big Mountain. These facilities are of a much higher class than the cabins and campgrounds on either Flathead or Swan Lake. But like the Flathead and Swan facilities, the Whitefish facilities do not meet all of the tourist's needs. This is the only reason why Winter Sports, Inc., would have a chance of successfully entering the summer market on Whitefish Lake. That is, if a summer facility, of the same quality as the other Whitefish facilities were constructed by Winter Sports, Inc., and if they offered the same program as was described for Flathead Lake and Swan Lake, they could successfully enter and probably
control the summer/winter recreational market in the Flathead Valley.

The last topic to be discussed, is other resort facilities in Montana. Mr. Brandenberger has stated that "Montana has 15 National Forest and six private ski areas. Only Big Mountain and Big Sky (Bozeman) are resorts, but Bridger Bowl and Red Lodge receive considerable numbers of out-of-state skiers who utilize lodging in nearby communities." The fact that Big Mountain has continued to prosper, at approximately the same rate as it did prior to the construction of Big Sky, indicates that the two areas do not directly compete with each other. An expert Montana skier told this writer that, currently Big Mountain has better skiing, but Big Sky has more complete and better facilities. Note that the synergistic effect seems to be working in the Big Sky area. That is: Big Sky, Bridger Bowl and Red Lodge are all successfully competing in the same area.

In conclusion, the above discussion has illustrated that there is not a summer/winter resort complex in the Flathead Valley at this time. In fact, the Big Mountain ski resort is the only existing winter development in the area. According to most of the experts, another ski resort would prosper in this area because the two resorts would complement each other (the synergistic effect). The only current summer facilities are cabins and campgrounds. There are no facilities which rent recreational equipment or have organized recreational activities. Therefore, a summer/winter recreational complex would not have any competition from similar facilities.

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In Chapter IX, it was stated that a summer/winter complex must offer both summer and winter activities in their respective seasons, furnish recreational equipment, organize recreational activities, and appeal to a nationwide market. The summer/winter complex must be able to attract, for example, the tourist from New York who plans on touring Glacier National Park; but who would not be towing a boat. The facility must then be able to offer the tourist a boat if he desires it. This tourist cannot be expected to obtain his own backpacking equipment either. Nor can he be expected to find his own way in the backcountry. Therefore, the summer/winter complex would have to also supply the backpacking equipment, the guides, and any other equipment or activities desired. The following discussion will outline many of the other amenities that a recreational development must offer, in order to qualify as a summer/winter complex.

When Bill Janss purchased Sun Valley, he was quoted as saying:

I realized that one problem with Sun Valley was that the village had to have a certain size. You had to have enough people to support five or six good restaurants, and more than one night spot.¹

In this quotation, Mr. Janss is describing the minimum requirements needed to become a large winter resort area. Today, the Big Mountain ski resort barely meets Mr. Janss' minimum requirements. Big Mountain has overnight

¹Alpine Skiing Potential, by Brandenberger, p. 11.
accommodations for 345 people in the Chalet, Lodge and Alpinglow Inn; plus additional accommodations for 160 people in privately owned residences. They also have five food service facilities, and an 820-car parking lot, a complete ski shop and school, liquor and bierstube facilities, children's day care service and professional ski patrol facilities. The area is also served by its own water system and has a self-sufficient sewage plant. But these minimum requirements qualify Big Mountain only as a winter ski resort, not a summer/winter resort. Mr. Brandenberger describes a summer/winter resort as "a large year-around operation that can offer the range of amenities sought by vacationing skiers."

Mr. Brandenberger has also stated that "the feasibility of a ski resort depends as much on its potential for year-around recreation as its skiing potential." Therefore, in order to qualify as a summer/winter resort, the developer of a Flathead Valley recreational complex must have more facilities than Big Mountain presently has. Farwell summarized the characteristics of vacation (summer/winter) ski areas in the 1974 industry survey, this way:

Vacation areas tended to have a lot of beds at the base and even more within a ten mile radius. They offered more recreational amenities than the other types of areas with over half offering golf, two-thirds offering tennis, three-fourths having swimming, half offering ice skating and over 90 percent offering ski touring.

This quotation gives a potential developer an idea of what he must do to aid his complex in obtaining national recognition as a vacation area. Other than the usual alpine skiing facilities, such as those at Big Mountain, the winter portion of a recreational complex should offer all, or a mixture, of the following facilities and activities:

2 Ibid. 3 Ibid. 4 Ibid.
saunas, steam baths, weight rooms, game rooms, night spots, small shopping facilities, full-time nursery, convention centers, ice skating rinks, indoor tennis courts, indoor swimming pools, chair-lift rides, sightseeing, backpacking, hunting, wildlife observation, ski touring, snowmobiling, sledding and cross-country skiing. Note that these activities are not limited to just winter skiing or outdoor "winter" sports, although that is the primary function of the winter portion of the development. In offering these varied activities, the resort should be capable of supporting tourists with any equipment or services one needs to be able to use any of the available facilities or participate in any of the activities.

The summer part of the recreational complex must also have a composite of tourist facilities and activities. The minimum requirements for a summer resort are similar to those of the winter resort: large overnight accommodations, five or six restaurants, and more than one night spot. But, the developer of a summer/winter resort will need to expand on the facilities and activities of the summer portion in order to make it both a summer and a winter recreational complex. Even though the summer activities are the primary function of the summer portion of the complex, it cannot offer facilities and activities that are only used during the summer, just as the winter portion cannot. Therefore, the summer part should offer all, or a mixture, of the following facilities and activities: five or six restaurants, 400 to 600 bed accommodations, two or three nightclubs, saunas, steam baths, lakeside swimming areas, power boat docks, fishing boat docks, water skiing docks and areas, sail boat docks, 24-hour nursery, weightlifting facilities, tennis courts, dude ranch facilities, game rooms, picnicking areas, backpacking
areas, small shopping facilities, convention centers, a large golf
course and clubhouse, archery facilities, camping facilities, horse-
back riding, fishing, and hiking areas. Note that neither the winter nor
the summer facility and activity listings are inclusive of all possible
facilities and activities. Also, many of the facilities and activities
would require guides or expert supervision; but these are part of sup-
porting the tourist with any equipment or service required to partici-
pate in the available activities.

The previous discussion has described a summer/winter recrea-
tional complex as the combination of a summer resort and its activities
with a winter resort and its activities. Each facility has its primary
seasonal activities; for example, alpine skiing at the winter facility
and water skiing at the summer facility. But, in order to attract the
average tourist and in order to financially justify expanded facilities,
the primary seasonal activities should be supplemented with secondary
activities. In order to prevent management from concentrating solely on
the primary activities of the complex there should be a board of directors
as the general management, with respective facility managers responsible
to the board. The facility managers would be responsible for the finan-
cial and managerial effectiveness and efficiency of their respective
facilities and activities. Management would also be wise to have fluc-
tuating rates at the respective facilities, which means that during the
winter months the mountain facilities would have higher lodging rates than
the summer facilities and during the summer months the lake facilities
would have higher lodging rates than the winter facilities. These
fluctuating rates would stimulate the off-season accommodation market
at the respective facilities. With the increased incentive for the tourist
to stay at the off-season facilities, it becomes even more imperative for the complex to have regular, efficient transportation to each of the in-season facilities.

A summer/winter recreational complex, as outlined above, will be a very expensive endeavor for the developer. Facility costs, service costs, and equipment costs will all be very high. Dick Pew of Pew Construction in Missoula, Montana, estimates that the average, overall building cost for the winter facilities would be $45 per square foot and that the average overall building costs for the summer facilities would be $37 per square foot. The equipment costs would be compounded by the purchase of power boats and land transportation vehicles. The service costs would be compounded by the inclusion of guides and special instructors added to the usual list of cooks, bartenders, maids, etc. In summary, this development should be considered only by a developer who has access to many millions of dollars for investment.
CHAPTER XI

EVALUATION OF THE THREE SUGGESTED COMPLEX LOCATIONS

In this chapter, each of the three suggested locations will be evaluated against the information contained in Chapters II through X. These evaluations will be based on a chart of ratings that were given to each of the suggested locations based on the information discussed in each chapter. The discussion will begin with an explanation of the chart, which will be followed by an analysis of the evaluations.

Figure 11 summarizes the evaluation of each of the three suggested locations, by chapter. The ratings that were given each suggested location, for each chapter, are based on how well each of the locations met the criteria listed in the respective chapters. In order to quantify the evaluations, the ratings were assigned points; the better the rating, the higher the points and the poorer the rating, the lower the points. The chapter topics were subjectively rank ordered as to their importance in the decision process of selecting a final location. It should be noted that all nine chapter topics were considered critical to the decision process, but some were more so than others. In order to quantify the subjective rank order process, the rank order was reversed and applied as a weight. For example, the chapter that was rank ordered number one received a weight of nine. The weights were subsequently multiplied by the applicable points in the respective matrix boxes. Since the weights are subjective, the logic used in assigning them must be explained. The
<table>
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<tr>
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<td>6</td>
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<td>5</td>
<td>V (Environment)</td>
<td>1st Preference, 15</td>
<td>3rd Preference, 4</td>
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<tr>
<td>9</td>
<td>VI (Tourism)</td>
<td>Good, 27</td>
<td>Good, 27</td>
<td>Good, 27</td>
</tr>
<tr>
<td>2</td>
<td>VII (Transportation)</td>
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<td>Good, 6</td>
<td>Outstanding, 8</td>
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<tr>
<td>3</td>
<td>VIII (Land Costs and Availability)</td>
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<td>7</td>
<td>IX (Competition)</td>
<td>Low, 21</td>
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</tr>
<tr>
<td>1</td>
<td>X</td>
<td>Good, 3</td>
<td>Good, 3</td>
<td>Outstanding, 4</td>
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| 135 | 102 | 125 |

**Ratings & Points:**

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<th>Points</th>
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<tr>
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</tr>
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<td>Moderate</td>
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</tr>
<tr>
<td>High</td>
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</table>

Fig. 11.—Suggested Complex Location Evaluation.
chapter on tourism was weighted the highest (9) because a recreational complex must have a market from which to draw. If tourism was low in the Flathead Valley a developer would not have a market in which to function. Thus, there would be no reason to build or even consider the complex. There has to be a public need for a facility before it can be considered for development. But even if the public has a need or desire for a development, they will not utilize it unless it meets their minimum requirements. The recreational complex must have the natural resources to attract the public and satisfy their needs. Thus, Chapter II, which described the suggested locations and indicated how desirable each proposed location was, received a weight of eight. Chapter IX, like Chapters II and VI, would aid a developer in determining if a summer/winter recreational complex could succeed. A developer has to discover whether the proposed area receives many tourists and if the average tourist would consider using his facility. But he must also determine whether there are already other established complexes to which the average tourist could go; because the public's need would be lowered by a market already saturated with similar complexes. Thus, the chapter on competition was given a weight of seven. If a potential developer discovers that there is a market with natural resources present at the specific location and he finds the competition level to be moderate to low, he should investigate the situation further.

The next area of interest to the potential developer would be the attitudes of the residents living in the areas close to the potential development site. If the residents do not approve of the project they can create managerial hardships for the developer and, in many cases, they can prevent the developer's acquisition of the necessary permits and
land. Thus, because the residents can adversely affect a development, Chapter III was given a weight of six. Another factor, which is influenced by the residents of an area, is the degree of environmental alteration which will be permitted. If a developer's plans do not coincide with the environmental multiple-use plan and the people's desires, he will probably be unable to receive the necessary permits and leases from the Forest Service. The environmental chapter (Chapter V) was thus assigned a weight of five. It was rated lower than the chapter on a Montanan's reaction to the complex because the native Montanan's reaction greatly influences the environmental multiple-use plan. Chapter IV, which was on the Forest Service's reaction to a recreational complex at the suggested locations, was assigned a weight of four. It was assigned a lower weight than either Chapter III or V because the people's feelings and the environmental issues would, to a great extent, dictate the actions of the Forest Service. Chapters VII, VIII and X were assigned the lowest weights because they dealt with topics that would not prevent a developer from building the complex, provided he had the necessary funds. For example, Chapter VIII, which deals with land costs and land availability, was only given a weight of three because a developer, considering a project of this size, would usually be able to obtain the necessary funds to acquire the desired land. Chapter VII, on transportation, was also assigned a lower weight because the developer would probably have the necessary resources to resolve any transportation problems. Chapter VII was given a weight of two. Chapter X received the lowest weight because the design is flexible and controlled by the developer. He can include or exclude any of the secondary facilities or activities listed; and all of the activities discussed, could easily be developed at any of the three suggested locations.
The previous discussion explained the procedures used in designing the decision matrix and the logic used in assigning weights to the respective topics. Therefore, the following discussion will review the suggested recreational complex location evaluations. This analysis will start with the most important factor: tourism.

Because all of the proposed locations are located in such close proximity to Glacier National Park, they would benefit equally from the high tourism rate in the Flathead Valley. Therefore, all three proposed locations were rated as "good." The ratings for desirability were similar except for Whitefish which was rated "outstanding." All three suggested locations have the necessary natural resources to become outstanding summer/winter recreational complexes; but Whitefish tends to be more desirable because of an already outstanding winter resort in Big Mountain. The three suggested locations received identical ratings in the competition area. This was because the three locations are so close to each other, they would be equally affected by competition. In essence, there are no facilities which would compete with a summer/winter resort in the Flathead Valley at this time. Big Mountain is the most similar facility to a summer/winter resort, and according to the Forest Service, it is currently considered only as a winter resort. Thus, competition would be "low" for all three suggested locations. The first factor in which a noticeable difference between the three proposed locations was evident was the Montanan's preference for a recreational complex location. There was a strong preference, taken from the two surveys, for Flathead Lake. Forty-five percent of the respondents favored Flathead Lake; 26 percent chose Whitefish Lake, 24 percent chose Swan Lake and 6 percent did not want the complex on any of the suggested locations.
The environmental factor was rated identical to the Montana preference factor because the amount of environmental alteration allowed in an area is contingent upon the peoples' desires. For example, the people demonstrated a strong preference for maintaining the Swan Valley in a natural state. The Swan Valley multiple-use plan was designed to reflect the majority of the peoples' desires. Thus, the Swan Valley's use as a recreational complex area is at best questionable. The Forest Service's reaction was identical to the previous two factors, since the Forest Service depends on the peoples' desires and the environmental analysis to make its decisions. According to the Forest Service, the Flathead Lake location would be the most preferred of the three proposed locations. The suggested Whitefish Lake location would come in a close second and the suggested Swan Lake location would come in a distant third. Flathead Lake was also the preferred location based on land costs and availability of land. The Flathead Lake area has a pleasant mixture of private land and U.S. Forest Service land which could be used for a summer/winter complex. The cost of land is more expensive than the Swan land, but it is much less expensive than the Whitefish land. The Swan Lake location was rated second. It was less desired than the Flathead location because of the Swan development having to be almost totally on Forest Service land. But it was still rated better than the Whitefish land, which is very expensive. No matter which of the three locations the developer would choose, he would find that they are almost equal when it comes to the transportation aspect. Whitefish was rated "outstanding" because all transportation sources were closer to Whitefish than to the other suggested locations. For example, the AMTRAK railroad goes directly into the town of Whitefish but it does not stop at either of the other
suggested locations. The Flathead and Swan suggested locations were rated "good." The last factor, which the proposed locations were evaluated against, was complex design. All three locations have very similar natural resources thereby making the development of facilities and activities similar. But the Whitefish location has an advantage because the winter facility is already developed. Therefore, Whitefish was rated "outstanding," and Swan and Flathead were rated "good."

Based on the weight and point system, as described previously, the Flathead Lake suggested location was rated as the best choice. The Flathead Lake location also is the best choice when the theoretical situation is analyzed. For example, the Swan and Whitefish suggested locations have at least one major restriction, whereas the Flathead suggested location does not have any major restrictions at this time. The Swan summer/winter complex probably never receive approval from the Forest Service because of environmental concerns. The Swan Lake complex would be dependent upon Forest Service approval because of the amount of Forest Service land required for the complex. The Whitefish expansion into a summer/winter complex, as outlined in this paper, would be severely restricted by the present management philosophy and the cost of the land. Currently, Big Mountain is owned by approximately thirty local residents. Not one investor, nor a combination of the current investors, has the necessary capital to expand the Big Mountain into a summer/winter recreational complex, as described in this paper. Rather, Winter Sports, Inc., plans on expanding their present facilities gradually, by reinvesting the funds received from the present facility. The following statement, taken from the Big Mountain Master Plan, gives some insight into their management philosophy.
Growth at the Big Mountain, along with facility development, has been slow and steady, always slightly behind consumer demand, due to the necessity of proven economic justification prior to funding for any expansion phase.¹

According to Mr. Brandenberger, Winter Sports, Inc., has turned down previous offers of major outside corporate or private influxes of large amounts of capital. The Winter Sports, Inc., reasoning has simply been that they do not want to lose control of the corporation to an outside investor. Mr. Kurtz, assistant general manager for the Big Mountain, indicated that they would probably turn down future offers from outside investors, although each offer would receive a fair review. With the current Big Mountain management situation, they will continue with the process of slow, sensible economic growth. The Big Mountain resort should not be criticized for their current practices, because financially, they are doing very well. Rather, a potential developer should be aware that Winter Sports, Inc., is satisfied with their current growth pattern and they would probably turn down, either financial or managerial aid in an effort to expand the current facilities. With the suggested Swan and Whitefish locations virtually eliminated, the Flathead Lake proposed location is all that remains. A Flathead Lake summer/winter recreational complex would be supported by the people, environmentalists, and the Forest Service. The Flathead Lake general area is in need of an economic boost, which the complex would supply. At this time, the Flathead suggested location has the necessary private land and Forest Service land available for a complex. The Flathead location has all the necessary natural resources for a summer/winter recreational development. Flathead Lake, which is one of the largest natural fresh water lakes in the

United States, would be a definite asset to the summer portion of the development. In summary, based on the information contained in this paper, the Flathead Lake suggested location is the most logical choice for a summer/winter recreational complex.
CHAPTER XII

FEASIBILITY OF A SUMMER/WINTER RECREATIONAL COMPLEX ON FLATHEAD LAKE

The intent of this chapter will be to outline the market feasibility of a summer/winter recreational complex on Flathead Lake. This will be done by accumulating the appropriate market information, from the previous chapters and relating it to the Flathead complex site. Finally, a decision will be made on the feasibility of a summer/winter recreational complex at the Flathead Lake location.

The Flathead Lake recreational complex would be located within forty miles of Glacier National Park and the Big Mountain ski resort. Both of these areas are currently major tourist areas in the Flathead Valley. Glacier National Park received 1,620,000 tourists in 1976. Out of this figure, 1,318,680 of the visitors were from out-of-state. The corresponding 1976 Big Mountain figures were: 120,000 total visitors and 3,197 out-of-state tourists. This gives the Flathead Lake summer/winter recreational complex a total potential market of 1,740,000 tourists per year. Approximately 1,321,817 of the 1,740,000 tourists would be from out-of-state. The out-of-state figure is significant to the Flathead Lake development, since the out-of-state visitors tend to stay longer at respective resort centers and they tend to use resort accommodations more often. For example, the average out-of-state guest stays an average of 4.75 days per visit. Based on the Polzin and Schweitzer formula and
methodology for determining the amount of wages, salaries and proprietor-
ial income derived by Montanans from the average tourist, the 1,740,000
Flathead Valley tourists would supply approximately $15,312,000 per year,
of income to Montanans.

The Flathead Lake summer/winter recreational complex would be
located within forty miles of three key public transportation stopping
points. The Flathead site is located 21 miles south of Glacier Park
International Airport, 32 miles south of the AMTRAK depot in Whitefish,
and 15 miles north of the bus depot in Polson. The Flathead Lake site
is also serviced by U.S. Highway 93; so the tourist can use his own car
as transportation to and from the complex. In fact, the majority of the
tourists currently use their private automobiles to tour Glacier National
Park, visit Big Mountain and see other sights along the way. But because
of the gas prices, due to the energy situation, the trend of using private
automobiles for transportation may change. Thus, the Flathead Lake site's
close proximity, to all three public transportation sources could become
very advantageous.

The developer of a Flathead Lake complex will have to negotiate
with private landowners in order to obtain the necessary land. According
to Trails West Realty of Bigfork, Montana, the land is available, although
it is not listed for sale at this time. Trails West Realty estimated that
the lake frontage will cost from $250 to $300 a frontage foot. Private
land, which does not have lake frontage, will cost approximately $1,200
per acre, if bought in ten acre parcels. Mr. Brandenberger, forester,
indicated that the requested Forest Service land would probably be avail-
able to a developer. The lease cost of this land would be based on the
acreage, the investment, and the gross earnings of the complex. In summary,
the Flathead Lake land is available; but the developer must anticipate investing larger amounts of money in land, even though the Flathead land is more expensive than other recreational land in the area.

The Big Mountain ski resort will be the main source of competition for the Flathead Lake summer/winter complex. But, according to Mr. Brandenberger, it is doubtful that the two resorts will competitively injure one another. Rather, the synergistic affect will help each resort's winter business growth. Big Mountain is categorized by Forest Service officials as a winter resort, not a summer/winter resort. Thus, it would only affect the winter market. The only other sources of competition for the complex would be lakeside cabins and campgrounds. Most of these facilities are very limited in the services and activities which they can offer. Based on this analysis, the Flathead Lake recreational complex would be the only summer/winter resort complex in the Flathead Valley.

Based on the information in this paper a Flathead Lake summer/winter recreational complex would be feasible. The recreational complex would have a large tourist market from which to draw and would be easy to get to. The necessary land is available and the cost is similar to the cost of other recreational land in the area. And lastly, no other summer/winter recreational complex currently exists in this lucrative market.
APPENDIX 1

COMPARISON OF ALTERNATIVE PLANS

(SWAN LAKE)
### COMPARISON OF ALTERNATIVE PLANS (SWAN LAKE)

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<thead>
<tr>
<th></th>
<th>Plan A</th>
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<th>Plan C</th>
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<td>5,200</td>
<td>5,200</td>
<td>4,800</td>
<td>4,000</td>
</tr>
<tr>
<td>Fishing Visitor Days</td>
<td>16,800</td>
<td>14,000</td>
<td>14,000</td>
<td>14,400</td>
<td>12,000</td>
</tr>
</tbody>
</table>


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INTERVIEWS


Erickson, David. Planner, Lake County Planning Office, Polson, Montana. Interview, September 1976.


Kurtz, Norman F. Assistant General Manager, Big Mountain Ski Resort, Whitefish, Montana. Interview, December 1976.


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