

**Debbie Evans**

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**From:** Steve Seninger [lolo1wolf@yahoo.com]  
**Sent:** Monday, November 19, 2007 11:00 AM  
**To:** Debbie Evans  
**Subject:** Economic Impact

As a professional economist who uses IMPLAN in research and consulting work I find the "Bitterroot Resort Economic Impact Analysis" November 2007 deficient in terms of the following points:

- a) Economic impact analysis does not include cost impacts which makes it impossible to assess the overall net gain or loss of the resort;
- b) Economic impact analysis does not include the opportunity cost of commercial recreation development of +12,000 acres of public lands;
- c) The 10 and 20 year impact numbers in table 2 which are fed into the IMPLAN model must be cumulative numbers--they are unrealistically high for one year 10 years out (Mt Dept. of Labor and Industry);
- d) Jobs numbers in Table 2 are unrealistically high--I calculate a jobs number of 900 from the IMPLAN model I use for the 10 year impact--and this must be cumulative over a number of years--hence mislead;
- e) The 1,383 in Table 2 represents 1/3 of all construction employment in Missoula/Ravalli counties and must be a cumulative number (Mt. Dept. of Labor and Industry);
- f) Total consumer spending (Table 4) as an outside or basic sector spending infusion into local economy is unrealistically high--the \$110.3 million represents anywhere from 1/3 to 1/2 of all tourist, non-residential travel spending in Missoula and Ravalli counties (UM Inst. For Tourism & Recreational Research);
- g) Construction jobs will be taken up by outside of the area workers--local construction sector is already operating at 150% of long run trend and is experiencing worker shortages--and resort employment will most likely be staffed by foreign work force recruited in eastern Europe, Australia/New Zealand, Latin America which is the model for all major destination resorts throughout the Rock Mountains;
- h) Resort jobs will be lower wage than \$12 per hour, will be part-time and without benefits as shown by job survey data collected in other resort areas (Colorado Department of Labor).

It is unfortunate that ECONorthwest was not allowed to research a complete economic analysis but, instead, had to rely on the narrow, quite limited set of tasks and specious comparative basis of differences in destination-small resorts that was assigned to them. I feel that the consultants were prevented from conducting a full scale analysis that they are quite capable of conducting. It is also unfortunate that the Missoula/Ravalli community is not provided with adequate and credible data to conduct and informed community discussion on the pro's and con's of the Bitterroot Resort's intent to develop +12,000 acres of the community's public lands and undeveloped recreation backcountry.

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