

This is an independent study to measure the economic impact of the proposed Bitterroot Resort. This document is not an environmental assessment. Please limit your input to findings in the Economic Impact Analysis and cite the page number and paragraph. Comments may be mailed to MAEDC at 1121 East Broadway, Suite 100, Missoula, MT 59802, or can be emailed to maedc@maedc.org. All input must be kept to one page using font size 10 -12.

Remarks:

The economic impact study of the Bitterroot Resort lacks depth, failing to ask or answer crucial questions about underlying assumptions. The flaw does not stem from a lack of expertise in its compilation but from curtailment of the scope of inquiry in such a way that scenarios are only cursorily examined for plausibility and outcomes are delivered without context. I believe the trouble lies in the way study was structured.

First, predictions about the future should consider a range of potential inputs and measure the variability among the results, especially when dealing with something as fluid as a regional economy. This is why the consultant said the work he was doing was tougher than rocket science; the systems in questions are subject to myriad influences that can't all be accounted for in a deterministic calculation such as the one made for this report.

Second, some of the quantitative results seem to lack necessary context or perspective. A comparison with existing major employers, for instance, could put the \$4 billion net impact number that sums up the quantitative analysis in perspective. Further, the streams of projected income from the resort were presented as lump sums rather than discounted cash flows, which equates the value of a dollar twenty years following the beginning of construction with the value of a dollar just after construction has begun. Finally, there should be a no-build alternative examined in the scenarios to show what, if any, growth can be expected in the absence of development.

My overarching concern with the economic impact research question seems tailored to avoid betraying implausibility among the assumptions input into model. The report itself struggles to discuss many of the factors excluded from the quantitative analysis. But the report is structured in such a way that the \$4 billion number can be easily taken out of context for the purposes of public discussion. It is critical this not be done if Missoula County is to make an informed decision about the desirability of the Bitterroot Resort. A more robust quantitative analysis would have facilitated a better-informed public discussion.

Postulating a \$4 billion impact without examining the likelihood of such an impact would be inadequate as the basis for an investor's decision-making process. Missoula and Ravalli counties will be asked to do much for the Bitterroot Resort under either building scenario and this analysis seems tailored to generate a promising-seeming number under a rubric of independence without putting the number in a context that would lend it credibility.

I expected to be challenged by a well-reasoned examination of the plausible economic impacts of the Bitterroot Resort. Instead, MAEDC and its partners really only commissioned a wistful extrapolation from assumptions the consultant could only endorse in his presentation as "not laughable." The exercise in question-begging strikes me, regrettably, as a failure of due diligence.

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