

Capital Improvement Plan for Gallatin Canyon/Big Sky Planning and Zoning District

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CIP FOR GALLATIN CANYON/BIG SKY PLANNING AND ZONING DISTRICT

Gallatin County, Montana

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EXECUTIVE SUMMARY

The Gallatin Canyon/Big Sky Advisory Committee (also referred to as the Advisory Committee) retained TischlerBise to conduct a comprehensive review and update of its Capital Improvements Policy (also referred to as CIP). The previous Policy was prepared in 1996. Due to the length of time since the last CIP was prepared, Gallatin County and Big Sky desired an independent consultant with expertise in capital improvements planning, development exactions and planning to prepare an update to the CIP. There are several factors influencing this decision:

- The existing CIP does not adequately address the existing situation in Big Sky.
- There is a need to examine what has occurred since the original CIP was adopted and assess where it has fallen short.
- There is a need to examine the level of service standards used in the previous CIP for their appropriateness going forward.
- There is a particular need to examine the issue of affordable housing as part of this update, especially in relation to employee housing.
- The need to reexamine policies related to concurrency management.

The CIP prepared by TischlerBise quantifies the projected demand for water, sewer, fire, police, schools, transportation and affordable housing in Big Sky over the next ten years. The CIP includes current estimates and future projections of residential and nonresidential development in Big Sky. Given the recent economic recession and slow recovery combined with an existing surplus of vacant housing, TischlerBise utilized conservative projections of future development. Current levels-of-service (LOS) have been quantified and have been compared to desired LOS, where applicable. To the extent possible, capital cost assumptions and projections have been included.

In summary, the following capital needs have been identified:

Sewer – TischlerBise has projected an additional 753 single-family equivalents (SFE's) over the next ten years. The Big Sky Water and Sewer District 363 *currently has sufficient treatment capacity to accommodate new development over the next ten years*. Wastewater treatment and collection alternatives for the Canyon area of Big Sky range from \$33.9 million to \$44.7 million.

Water – The same SFE assumptions used for sewer are used for water. Based on average day demand of 200 gallons per SFE, TischlerBise projects the need for an additional 150,563 gallons

of capacity per day over the next ten years from new residential and nonresidential development. *The Big Sky Water and Sewer District 363 does not have sufficient capacity to serve new development through build out of the District.* Plans to develop additional source capacity from existing wells totals \$2.6 million. The District has also begun exploring the need for additional water rights. The current cost for water rights is estimated to be \$5,000 per acre foot.

Fire – The Big Sky Fire Department recently added an Advanced Life Support (ALS) vehicle costing \$180,000 in response to increased calls for service. Based on current LOS being provided to existing development in Big Sky and ten year projections of new development, TischlerBise projects the need for an additional 2,347 square feet of facilities and 2.11 pieces of apparatus. The total cost of these improvements is \$1.4 million.

Police – The Sheriff’s Office has five sworn personnel patrolling Big Sky, each with their own vehicle. Based on the current LOS being provided to existing development in Big Sky and ten year projections of new development, TischlerBise projects the need for less than one additional deputy and vehicle. However, the Sheriff’s Office has a higher, desired LOS for staffing. Based on this higher LOS, TischlerBise projects the need for an additional 1.8 deputies and vehicles to serve the projected increase in development over the next ten years (note this does not include additional deputies needed to raise the LOS being provided to existing development).

Transportation- The transportation network in Big Sky currently operates at a LOS A during non-peak parts of the year, declining to a LOS C/D during peak season (please refer to the “Transportation” section of the report for a description of LOS). Neither the Montana Department of Transportation nor Gallatin County is currently planning any transportation improvements in Big Sky. Transportation improvements in Big Sky have traditionally been funded with Rural Improvement Districts (RID’s), the most recent being the creation of a RID for improvements to Ousel Falls Road and the intersection with Montana Highway 64. It is envisioned that this practice will continue in the future on an as-needed basis.

Schools – The Ophir School District #72 has capacity to accommodate 280 total students in its facility at which all grades are co-located. As of the 2010-2011 school year, there are 199 students enrolled which give the facility the ability to accommodate an additional 81 students. TischlerBise projects an additional 30 students over the next ten years from new residential development. Note these projections are just from new development and do not include additional students coming from existing residential development.

Affordable Housing – TischlerBise projects an additional 268 jobs in Big Sky over the next ten years. Depending on how many positions are filled by existing residents (who are already

housed), as many as 135 additional affordable housing units may be needed over the next ten years.

Big Sky Transportation District – The District projects the need for one additional 35 passenger bus. The District is also exploring the construction of a 5,000 square foot maintenance and storage facility in Big Sky. Finding a site suitable for such a facility has proven difficult.

To fund the future capital improvement needs of new development, TischlerBise offers the following observations and recommendations:

Resort Tax – this locally sourced and controlled revenue source is unique to the Big Sky area. Recently these funds have been used to fund on-going expenditures and subsidize the expenses of other entities (Big Sky Water and Sewer District 363 and Big Sky Fire Department) that have their own revenue sources to fund their operating and capital expenses. TischlerBise suggests consideration be given to creating an “infrastructure bank” funded with an established percentage of annual Resort Tax revenues which could be used to fund smaller capital improvements on an annual basis or accumulated over a period of time to fund larger capital improvements. Resort Tax collections have averaged approximately \$2.1 million per year over the past ten years. Based on this amount of annual revenue, examples of targeted percentages for an infrastructure bank and resulting amounts are shown below:

10% of Resort Tax collections = \$212,000

25% of Resort Tax collections = \$529,000

50% of Resort Tax collections = \$1,100,000

Note: This recommendation would require additional analysis and approval by the Big Sky Resort Tax Board.

Plant Investment Charges (PIC's) – The Big Sky Water and Sewer District 363 currently assesses a PIC of \$3,500 per SFE for sewer connections. This revenue source could be expanded to fund additional water and sewer utility needs in various areas of Big Sky. However, the revenue source varies with economic conditions and is not realized until new development occurs. These characteristics can create cash flow issues.

Utility Rates/User Fees – Water and sewer utility rates/user fees are a more stable revenue source than PIC's and could also be used to fund future capacity improvements. Any detailed discussion regarding future funding options for utility projects should include a combined analysis of PIC's and utility rates/user fees to test “what-if” scenarios and understand the relationship between these revenue sources.

Rural Improvement Districts (RID's) – These districts have traditionally been used to fund transportation improvements in Big Sky. These districts are appropriate for projects whose benefits serve a specific geographic area. It is likely that these Districts will continue to be used in the future to fund these types of transportation improvements.

However, transportation projects which are broad in scope and serve a large area may not be appropriate for a RID and/or may be difficult to get approved and implemented. The presence of multiple RID's may make it more difficult to gain support/approval for larger transportation projects among multiple, smaller geographic areas who feel that they are already paying their share for transportation needs. Given the funding constraints of the Montana Department of Transportation and Gallatin County, the funding of these larger transportation projects could become difficult.

Gallatin County – Gallatin County has traditionally funded limited capital improvement projects in Big Sky. Given the County's financial difficulties, it should be expected that the County will continue to not play a significant role in funding Big Sky's capital needs.

Special Districts - The Big Sky Fire Department and Ophir School District #72 assess property taxes to fund their operations and capital improvements. Property taxes revenues tend to be stable over time and can be used to back the issuance of debt. However, this revenue source can be difficult to utilize during economic downturns and can be politically sensitive. An example of this is illustrated by the recent defeat of the School District's Building Reserve Levy during the May 3, 2011 election. This levy was a one-time request to authorize the district to impose a building reserve in the amount of \$195,000 for one year (approximately 8.34 mills) for the purpose of parking lot improvements and grounds maintenance equipment purchases.

Bonds/Debt Issuance - For large projects which are expensive and will provide benefits for future residents, bonds/issuance of debt is an appropriate financing mechanism. It is important to remember that bonds/debt issues are financing mechanisms and not a revenue source as the debt service must be paid for from a revenue source(s).

As noted previously, districts that assess property taxes or have a steady stream of revenues (such as utility rates) could issue debt for capital improvements. Any successful bond referendum must clearly explain the costs and benefits of the proposed capital project.

Big Sky is a "resort area" as defined under Montana Annotated Code (MCA). MCA 7-6-1542 (1) states that the board of a resort tax area "may appropriate and expend revenue from a resort tax for any activity, undertaking, or administrative service authorized in the resolution creating a

resort area and adopting a resort tax". The use of resort tax revenues to back bonds would require additional analysis and research to determine if this is a viable option.

ROLE OF THE CIP

The CIP serves two roles. The first is the implementation of the Gallatin Canyon/Big Sky Plan. The CIP also represents the area's infrastructure needs in the development of the County's overall CIP and planning process.

GALLATIN CANYON/BIG SKY PLAN

The CIP is the document which mitigates the impacts of new development in the Gallatin Canyon/Big Sky Planning and Zoning District. The CIP is an important component of the overall District "comprehensive plan" as it helps implement the policy direction contained in the comprehensive plan. The CIP is intended to facilitate desired growth of the District, and protect and enhance the environmental qualities which are such an essential part of the Gallatin Canyon/Big Sky Plan.

Per Resolution 1996-38 adopted in 1996, the "Gallatin Canyon/Big Sky Capital Improvements Policy", the role of the CIP in implementing the Plan is described as follows:

The Capital Improvements Policy (CIP) is an implementation "tool". It serves to describe the intent of the County to assure that all impacts resulting from new development within the District are considered in the review process, and that appropriate mitigation measures are undertaken to lessen or avoid the undesired, negative impacts. It is a "policy" document which serves to define "how" the Gallatin Canyon/Big Sky Plan will be achieved.

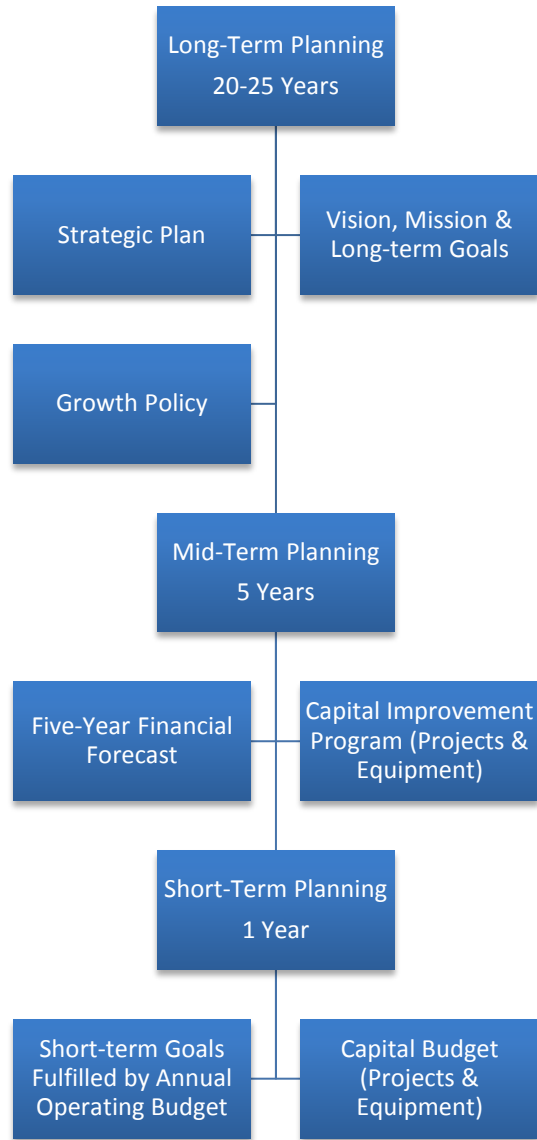
Because feasibility of development is strongly affected by the cost of required improvements, the substance of the CIP is significant. Therefore, this policy document is perhaps the most critical element of the planning process for the future of the Gallatin Canyon/Big Sky Planning and Zoning District. Its ability to accommodate desired growth and development with provision of adequate infrastructure to provide needed public services and protect public health and safety will largely determine the achievement of the plan.

GALLATIN COUNTY CIP

Gallatin County has a capital budget which is separate from its operating budget. The reason for this is twofold:

1. Capital projects are non-recurring in nature. On-going expenses are reflected in the operating budget. Where possible, the County uses one-time revenues to fund these non-recurring expenses as one-time revenues are not appropriate funding sources for ongoing expenses.
2. Capital projects costs tend to be higher which require more stringent controls and accountability.

To provide guidance for the County's capital program, the County Commission has adopted policies relating to the CIP and capital budget. The Gallatin Canyon/Big Sky Plan and CIP fit in the County's long-term planning processes which in turn feed the County's mid-term planning goals which ultimately shape short-term decisions. The following chart is taken from the County's FY2011 budget document which illustrates how the Gallatin Canyon/Big Sky Plan and CIP fits within the County's planning process.

Figure 1. Gallatin County Planning Process

This linkage of long-term, mid-term, and short-term planning efforts helps “guide the government and to insure that decisions are made in the context of the organization as a whole and with a long-term perspective...this so called ‘linkage’ is paramount to insure short-term decisions are consistent with the overriding values embodied in the mid-term and long-term planning processes adopted by the County Commission”.

For additional description of Gallatin County’s budget process and financial policies as they relate to capital improvements, please refer to Appendix A at the end of this report.

APPROACH

The Gallatin Canyon/Big Sky CIP provides a comprehensive assessment of facility needs for Big Sky in relation to existing and future growth patterns. Its principal goal will be to forecast where existing facilities should be expanded and new facilities located to best serve the Planning and Zoning District's growing residential and nonresidential development base. Specifically this CIP will serve as the foundation for future decisions concerning the need for public facilities and will:

- Use residential and nonresidential growth projections to objectively identify the number and general locations of public facilities needed to serve Big Sky's population over the next 10 years.
- Provide critical guidance for County and Big Sky's Capital Improvements Plan and exaction system.
- Serve as a link between the County's Comprehensive Plan and the Capital Improvement Plan.
- Provide opportunities for the acquisition of land for facilities well in advance of their construction.
- Examine issues related to concurrency, exaction policy and affordable housing linkage.

In summary, the CIP will quantify the demand and costs for wastewater treatment, water supply/quality, transportation, fire/police protection, schools and affordable housing through a detailed analysis of current and projected demand within Big Sky. Specifically, this document includes the following:

- Current estimates of residential and nonresidential development in Big Sky.
- Future development potential in Big Sky over the next ten years.
- Forecasts of future capital improvement needs for water, sewer, schools, transportation, police, fire.
- Affordable housing.
- Concurrency management.
- Paying for growth.

DEVELOPMENT POTENTIAL

Current estimates and future projections for residential and nonresidential development in the Big Sky/Gallatin Canyon area are detailed in this section of the report.

RESIDENTIAL DEVELOPMENT

CURRENT ESTIMATES

TischlerBise estimates there are 3,514 housing units in Big Sky/Gallatin Canyon with a year round population of 2,308 persons and peak population of 7,782 persons.

Housing Units

The current estimate of 3,514 housing units is derived using data from Ryan Hamilton from the Town Center development and comments provided by the Advisory Committee (please see Appendix B for a detailed listing of this data). The Gallatin County GIS Department's database of structures in the Gallatin Canyon/Big Sky area indicates 3,365 housing units. Further discussions with Mr. Hamilton and County staff and cross-checking of the two databases reveal that the County's database lists several multi-unit structures as "1" unit when there are multiple units. Also, the County's database lists several multi-level structures which house a separate unit on each level. Taking these variances into account brings the County's total structure count in line with the estimates provided by Mr. Hamilton. Additionally, Mr. Hamilton's database approximates the boundaries of the Big Sky Resort Tax area and encompasses almost all of the private land in the Big Sky area.

To estimate the current number of housing units by type, TischlerBise applied the percentage breakdowns from the County's structure database for the Gallatin Canyon/Big Sky area to the total number of housing units from Mr. Hamilton's database. The results are shown in Figure 2 below.

Figure 2. Current Estimate of Housing Units by Type

	<i>Units</i>	<i>%*</i>
Single Family	1,517	43%
Condominiums	1,763	50%
Multi-family	143	4%
All Other Types of Housing**	91	3%
TOTAL***	3,514	100%

* Taken from Gallatin County GIS Department structure count database for the Gallatin Canyon/Big Sky area.

** Includes seasonal cabins, trailers.

*** Total housing units provided by Ryan Hamilton from Town Center Development with comments/edits from the Advisory Committee.

Population

The current year round population estimate of 2,308 persons is taken from the 2010 Census for the Big Sky Census Designated Place (CDP). The boundaries of the CDP approximate the boundaries of the Big Sky Resort Tax area.

The number of persons per household for all types of housing units from the 2010 Census is 2.27. However, different types of housing units have different number of persons per household. Information on persons per household from the 2010 Census is not yet available. However, it is possible to adjust persons per household by type of housing unit data from the 2000 Census for the Big Sky CDP using the 2010 persons per household data for all housing units.

The number of persons per household from the 2000 Census for the Big Sky CDP was 2.05 compared to 2.27 from the 2010 Census; an increase of 10.3% during the past ten years. This figure is used to adjust the number of persons per household by type of housing unit from 2000 to present. This is shown in Figure 3.

Figure 3. Current Estimates of Persons per Household by Type of Housing Unit

	<i>2000 Census*</i>	<i>Adjustment Factor</i>	<i>Current Estimate</i>
Single Family	2.38	10.3%	2.63
Condos	1.67	10.3%	1.84
Multi-family	1.80	10.3%	1.98
All Other Types of Housing	2.71	10.3%	2.99
AVERAGE	2.05		2.27**

* 2000 Census, Summary File 3 for Big Sky CDP.

** 2010 Census for Big Sky CDP.

The number of persons per household by type of housing unit from Figure 2 is applied to the current estimate of housing units by type from Figure 1 to calculate a peak population figure of 7,782 persons. This estimate assumes 100% occupancy of all housing units. This figure is important for capital planning purposes since infrastructure capacity must take into account all potential users.

Figure 4. Current Peak Population Estimate

	<i>Housing Units</i>	<i>Persons per Household</i>	<i>Peak Population</i>
Single Family	1,517	2.63	3,985
Condos	1,763	1.84	3,240
Multi-family	143	1.98	284
All Other Types of Housing	91	2.99	272
TOTAL	3,514		7,782

Note: the peak population figure could be higher. The peak population calculation in Figure 4 is based on average number of persons per household in housing units. Times of peak occupancy could have higher numbers of persons per household. Also, day-trip visitors to Big Sky would also add to the daily peak population.

FUTURE PROJECTIONS

Housing Units

Residential development is projected to be 7,376 housing units at build out. When compared to the current estimate of 3,514 housing units, the area is approximately 48% built out ($3,514/7,376 = 0.48$). However, discussions with developers and real estate agents in Big Sky indicate there is a surplus of existing housing units which will take several years to absorb before new residential development

becomes feasible. As a result, TischlerBise has shown a minimal increase in housing units over the next ten years, topping out at 3% in year ten. TischlerBise projects an additional 523 housing units over the next ten years, of which 402 are single family units and 120 are condominium units.

Figure 5. 10 Year Projections of Housing Units by Type

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Annual Growth Rate Assumption =>	0.2%	0.4%	0.6%	0.8%	1.0%	1.5%	2.0%	2.0%	2.5%	3.0%	
RESIDENTIAL DEVELOPMENT											
Housing Units	3,521	3,535	3,556	3,585	3,621	3,675	3,748	3,823	3,919	4,037	
New Housing Units Added During Year											
Single Family (77%)*	5	11	16	22	28	42	57	58	74	91	402
Condominiums (23%)*	2	3	5	7	8	12	17	17	22	27	120
TOTAL	7	14	21	28	36	54	73	75	96	118	523

* Future allocation of housing units by type based on Long Term Compliance Work Plan for Big Sky Water and Sewer District 363 and Preliminary Engineering Report Canyon Area Wastewater Treatment and Disposal, prepared for Wastewater Solutions Forum by Dowl HKM.

Population

TischlerBise applied the persons per household by type of housing unit from Figure 3 to the projected housing units by type from Figure 5. An additional 1,159 persons are projected over the next ten years.

Figure 6. 10 Year Projections of Year Round and Peak Population

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Annual Growth Rate Assumption =>	0.2%	0.4%	0.6%	0.8%	1.0%	1.5%	2.0%	2.0%	2.5%	3.0%	
RESIDENTIAL DEVELOPMENT											
Housing Units	3,521	3,535	3,556	3,585	3,621	3,675	3,748	3,823	3,919	4,037	
New Housing Units Added During Year											
Single Family (77%)*	5	11	16	22	28	42	57	58	74	91	402
Condominiums (23%)*	2	3	5	7	8	12	17	17	22	27	120
TOTAL	7	14	21	28	36	54	73	75	96	118	523
Persons Per Household											
Single Family	2.38	2.38	2.38	2.38	2.38	2.38	2.38	2.38	2.38	2.38	
Condominiums	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.67	
TOTAL	16	31	47	63	79	120	163	166	212	261	1,159
Year Round Population	2,324	2,355	2,402	2,465	2,544	2,665	2,828	2,994	3,206	3,467	
Peak Population	7,797	7,829	7,876	7,939	8,018	8,139	8,302	8,468	8,680	8,941	

NONRESIDENTIAL DEVELOPMENT

CURRENT ESTIMATES

TischlerBise estimates there are 199 businesses in Big Sky/Gallatin Canyon employing 3,561 persons.

Businesses

TischlerBise surveyed a number of resources to determine the number of businesses in Big Sky/Gallatin Canyon. The sources of information include:

- Input/comments from the Advisory Committee.
- The “Business Directory” section from the *Big Sky Weekly Newspaper*.
- The Big Sky Chamber of Commerce website.
- Review of condominium covenants and tenants.
- Telephone interviews with developers in Big Sky.

Based on this information, TischlerBise estimates there are 199 businesses located in the Big Sky/Gallatin Canyon area (please see Appendix C for a detailed listing of businesses included in this figure).

Jobs

Information on current estimate of jobs by type was purchased from ESRI, Infogroup, a private economic and market analysis firm, for the Big Sky CDP. The breakdown of current jobs by type is shown below.

Figure 7. Current Estimates of Jobs by Type

Retail/Commercial	548
Finance, Insurance, Real Estate	395
Lodging	1,380
Services (health services, legal services)	792
Government/Public (government, educational institutions & libraries)	54
Industrial/Flex (construction, agriculture & mining, transportation, utilities, manufacturing, wholesale trade)	337
Other	55
TOTAL*	3,561

* ESRI, Infogroup for the Big Sky Census Designated Place (CDP).

FUTURE PROJECTIONS

There the potential of approximately 1.3 million square feet of additional nonresidential development in the Big Sky/Gallatin Canyon area. Figure 8 lists the future development opportunities:

Figure 8. Future Nonresidential Development Opportunities

	<i>Square Footage</i>
Town Center - Retail/Commercial*	274,797
Town Center - Public/Quasi Public*	29,584
Town Center - Lodging**	34,500
Meadow Village***	9,500
Canyon Area**** (see note below)	959,760
TOTAL	1,308,141

* "Big Sky Town Center" marketing booklet.

** TischlerBise assumption of 200 square feet per room plus 15% for common areas.

*** TischlerBise interview with Mindy Nowakowski.

**** Based on 2,232 equivalent dwelling units from Table 1-2, "Projected Full Build-out Flow from Study Area", and weighted figure of 0.43 single family equivalents per 1,000 square feet from Table 3 "Projected Flows", Appendix A. Both tables are from Preliminary Engineering Report Canyon Area Wastewater Treatment and Disposal, prepared for Wastewater Solutions Forum by Dowl HKM, November 2008.

Note: Approximately 73% of the nonresidential development potential listed in the figure above is in the Canyon Area. There are significant water and sewer capacity limitations in this area. The square footage figure listed above is "potential" under zoning classifications, but cannot be accommodated without significant investments in water and sewer infrastructure.

Similar to the projections for residential development, discussions with developers in the Big Sky area indicate there is a surplus of existing commercial space and that it will take several years to absorb this existing supply before new development is feasible. TischlerBise applied the same conservative growth projections used for residential development to nonresidential development.

Businesses

TischlerBise projects an additional 30 businesses in the Big Sky/Gallatin Canyon area over the next ten years.

Figure 9. 10 Year Projection of New Businesses

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Annual Growth Rate Assumption =>	0.2%	0.4%	0.6%	0.8%	1.0%	1.5%	2.0%	2.0%	2.5%	3.0%	
NONRESIDENTIAL DEVELOPMENT											
Businesses	199	200	201	203	205	208	212	217	222	229	
New Businesses Added During Year	0	1	1	2	2	3	4	4	5	7	30

Square Footage

The majority of businesses in the Big Sky/Gallatin Canyon area are housed in small units located in a multi-unit building. The average square footage per unit or business is 1,520 square feet. These size characteristics will be used to project the future amount of square footage associated with the projected number of new businesses from Figure 9.

Figure 10. Average Square Footage per Business

	<i>Units/ Businesses</i>	<i>Square Feet</i>	<i>Average SF/Unit</i>
Lone Peak Center Condominiums	7	7,347	1,050
Arrowhead Condominiums	8	11,253	1,407
Snowcrest Commercial Condominiums	13	18,735	1,441
Gallatin Building	17	10,856	639
Jefferson Building	10	7,804	780
Westfork Condominiums	7	9,503	1,358
Meadow Village	44	74,197	1,686
Blue Grouse Condominiums	14	19,900	1,421
Big Sky Town Center	29	66,815	2,304
TOTAL	149	226,410	1,520

The average size of 1,520 square feet per unit from Figure 10 is applied to the projected number of businesses from Figure 9. This results in a projected increase of 45,193 square feet of nonresidential development during the next ten years.

Figure 11. 10 Year Projections of Nonresidential Square Footage

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Annual Growth Rate Assumption =>	0.2%	0.4%	0.6%	0.8%	1.0%	1.5%	2.0%	2.0%	2.5%	3.0%	
NONRESIDENTIAL DEVELOPMENT											
Businesses	199	200	201	203	205	208	212	217	222	229	
New Businesses Added During Year	0	1	1	2	2	3	4	4	5	7	30
Square Feet per Business	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	1,520	
Square Feet Added During Year	608	1,218	1,834	2,461	3,100	4,697	6,356	6,484	8,267	10,168	45,193

Jobs

To project the number of jobs to be added over the next ten years, TischlerBise calculated the average number of jobs associated with retail/commercial, finance/insurance/real estate, and government/public development. TischlerBise divided the total number of current jobs for these types of development from Figure 8 by the current number of businesses. This resulted in a factor of 9 jobs per business.

Figure 12. Number of Jobs per Business

Jobs (retail/commercial, FIRE, services, government/public)	1,789
Current Number of Businesses	199
Jobs per Business (rounded)	9

The number of jobs per business from Figure 12 is applied to the projected number of businesses from Figure 8. TischlerBise projects an additional 268 jobs over the next ten years.

Figure 13. 10 Year Projections of Jobs

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Annual Growth Rate Assumption =>	0.2%	0.4%	0.6%	0.8%	1.0%	1.5%	2.0%	2.0%	2.5%	3.0%	
NONRESIDENTIAL DEVELOPMENT											
Businesses	199	200	201	203	205	208	212	217	222	229	
New Businesses Added During Year	0	1	1	2	2	3	4	4	5	7	30
Jobs/Business	9	9	9	9	9	9	9	9	9	9	
Jobs Added During Year	4	7	11	15	18	28	38	38	49	60	268
Total Jobs	3,565	3,572	3,583	3,597	3,615	3,643	3,681	3,719	3,768	3,829	

SUMMARY

Figure 14 provides a summary of the ten year projections for residential and nonresidential development in Big Sky/Gallatin Canyon.

Figure 14. Summary of 10 Year Residential and Nonresidential Projections

	2011	2020	Change
Year Round Population	2,324	2,667	343
Peak Population	7,829	8,941	1,159
Housing Units	3,521	4,037	523
Businesses	199	229	30
Jobs	3,565	3,829	268

WASTEWATER

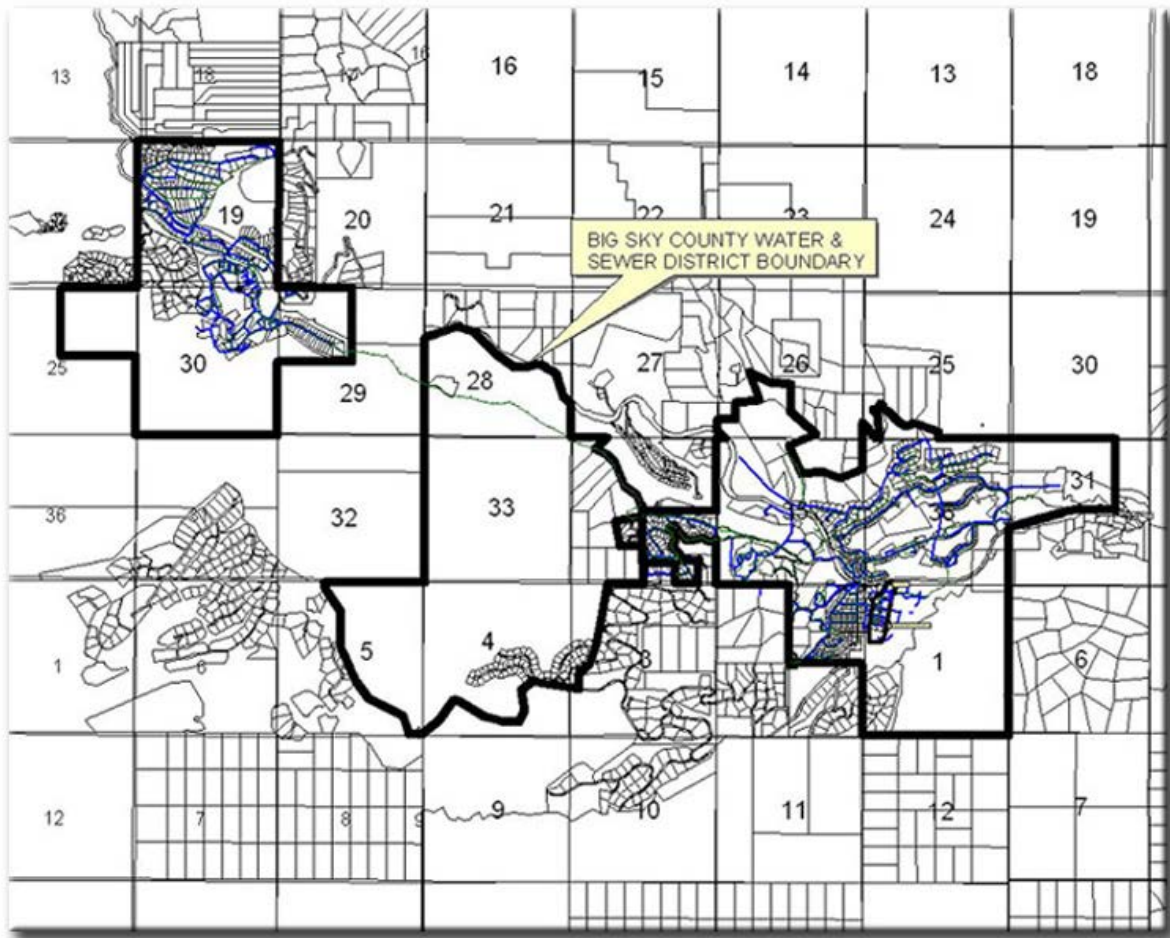
EXISTING CONDITIONS

The Big Sky Water and Sewer District 363 (hereafter referred to as the Water and Sewer District) provide wastewater treatment and collection in the Mountain Village and Meadow Village areas of Big Sky. Wastewater treatment and collection for the remainder of the Gallatin Canyon/Big Sky Planning and Zoning District is accommodated through septic systems.

BIG SKY WATER AND SEWER DISTRICT 363

The boundaries of the Water and Sewer District are shown in the figure below.

Figure 15. Big Sky Water and Sewer District 363 Boundaries



The Water and Sewer District's current wastewater system includes a mechanical treatment plant with a capacity of 600,000 gallons per day (current peak flows are approximately 300,000 – 400,000 gallons per day). The Water and Sewer District's collection system includes several interceptors as well as a line to Spanish Peaks. 100% of treated wastewater is reclaimed through storage facilities throughout the Water and Sewer District.

Recent data from Exhibit A of the Water and Sewer District's *Long-term Compliance Work Plan* shows the build out capacity of the wastewater system to be 9,704 "single family equivalents" (SFE's). Currently, 3,206 SFE's are occupied resulting in existing capacity to accommodate an additional 6,498 SFE's. Discussions with Water and Sewer District staff indicate that there is currently excess capacity for wastewater treatment and disposal to accommodate new development in the near future.

CANYON AREA

The eastern most boundaries of the Water and Sewer District are approximately two miles from U.S. 191 and the Canyon area of Big Sky. Wastewater collection and treatment in the Canyon area is handled with septic systems. The current wastewater flows in the Canyon area are estimated to be 77,000 gallons per day. The use of septic systems in the area presents a risk for contamination of the drinking water supply. The Water and Sewer District recently undertook a major study effort in the Canyon area examining wastewater treatment and disposal options in an effort to allow growth while providing protection to drinking water supplies.

PROJECTED DEMANDS

The projections of new development prepared by TischlerBise are for the Big Sky area as a whole and do not delineate the boundaries of the Water and Sewer District. However, given the lack of treatment capacity in the Canyon area, TischlerBise assumed that the majority of future development will occur within the boundaries of the Water and Sewer District.

BIG SKY WATER AND SEWER DISTRICT 363

To project the number of SFE's from future residential and nonresidential development, TischlerBise made the following assumptions:

- Single family units average 2,500 square feet in size.
- Multi-family units average 1,500 square feet in size.
- 75% of future nonresidential development will be commercial in nature with the remaining 25% being office in nature.

Using these assumptions and the Water and Sewer District's Single Family Equivalent Unit Conversion Schedule, TischlerBise projects an additional 753 SFE's from new development over the next ten years. A plant investment charge (PIC) of \$3,500 per SFE to recoup costs associated with expanding the sewer system. The projected 753 SFE's are projected to pay a total of \$2.6 million in plant investment charges over the next ten years.

Figure 16. 10 Year Projections of Sewer SFE's and Plant Investment Charges in Big Sky

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
RESIDENTIAL DEVELOPMENT											
Single Family	5	11	16	22	28	42	57	58	74	91	402
SFE/Single Family Unit (@ 2,500 sf/unit)	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	
SFE/Subtotal	7	14	21	28	36	54	74	75	96	118	523
Multi-family/Condo	2	3	5	7	8	12	17	17	22	27	120
SFE/Multi-family Unit (@ 1,500 sf/unit)	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	
SFE/Subtotal	3	6	8	11	14	21	29	29	37	46	204
NONRESIDENTIAL DEVELOPMENT											
Square Footage	608	1,218	1,834	2,461	3,100	4,697	6,356	6,484	8,267	10,168	45,193
Commercial (@ 75% of total)	456	914	1,376	1,845	2,325	3,523	4,767	4,863	6,200	7,626	33,894
SFE/1,000 sf	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	
SFE/Subtotal	0	0	1	1	1	2	2	2	3	4	17
Office (@ 25% of total)	152	305	459	615	775	1,174	1,589	1,621	2,067	2,542	11,298
SFE/1,000 sf	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	
SFE/Subtotal	0	0	0	0	1	1	1	1	2	2	8
Residential SFE Subtotal	10	20	30	40	50	76	102	104	133	164	727
Nonresidential SFE Subtotal	0	1	1	1	2	3	4	4	5	6	25
TOTAL	10	20	31	41	52	78	106	108	138	169	753
Plant Investment Fee (PIC) per SFE	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	
TOTAL	\$35,437	\$71,016	\$106,950	\$143,455	\$180,754	\$273,842	\$370,600	\$378,012	\$481,965	\$592,817	\$2,634,846

CANYON AREA

The Canyon area consists of 5,092 acres of which 1,594 acres are suitable for development (either not in a flood plain or public land). Dowl HKM prepared a report titled *Preliminary Engineering Report Canyon Area Wastewater Treatment and Disposal* which projects future wastewater flows in the Canyon area ranging from 1.1 million gallons per day to 1.5 million gallons per day. The report identifies several collection and treatment alternatives and costs.

Figure 17. Wastewater Collection and Treatment Alternatives for Canyon Area*Collection System Alternatives*

C-1 Conventional Gravity Sewer	\$7,097,033
C-2 Small Diameter Gravity	\$6,761,766
C-3 STEP System	\$6,381,663
C-4 Pressure Sewer with Grinder Pumps	\$6,310,740

Treatment Alternatives

T1-B MBR Treatment	\$27,547,565
T1-C Advanced Treatment	\$37,621,594

Source: Preliminary Engineering Report Canyon Area
Wastewater Treatment and Disposal, Dowl HKM,
November 2008.

WATER

EXISTING CONDITIONS

The Big Sky Water and Sewer District 363 provides water via twelve active groundwater wells. This system includes the Mountain and Meadow areas, Cascade, Sweetgrass Hills, Hidden Village, Aspen Groves, Southfork and West Fork Subdivisions. In 2010, the system produced approximately 300 million gallons of water. The District's most recent (2010) Consumer Confidence Annual Water Quality Report states the drinking water to be very safe.

Water service beyond the boundaries of the Water and Sewer District is provided via smaller water systems or individual wells.

FUTURE DEMAND

While the Water and Sewer District 363 is not in immediate need of additional water capacity, it does not have sufficient water source capacity to serve new development through build out of its system. The 2008 Water System Source Capacity Plan from Western Groundwater Services, LLC identifies the need for new source capacity totaling 1,215 gallons per minute (gpm); 525 gpm for the Mountain Village area and 690 gpm for the Meadow Village area. Water demand that must be satisfied by source capacity is targeted to achieve maximum day demand plus the production rate of the largest well in the system. This criterion is a Montana Department of Environmental Quality (MDEQ) standard and avoids serious water shortages during peak use.

The Plan details gaining additional source capacity through expansion and rehabilitation of existing wells as well as construction of new wells. The total cost of this plan is \$2.6 million. The Plan envisions utilizing existing water rights to accommodate these projects, although it notes that additional filings with the Department of Natural Resources and Conservation (DNRC). However, recent discussions with District staff indicate they are in process of identifying future water right opportunities. Cost estimates for future water rights are projected at approximately \$5,000 per acre foot.

Since 2008, the District has spent a considerable amount of money replacing several large condominium complex water systems that had large leak losses. The Hidden Village and Silverbow complexes were replaced and finished in 2010. Since replacing those service area mains and water services, total daily production demands have dropped to levels circa 1998 when the District took over the private water

company. The District has also drilled two new wells in the Meadow Village area which should be in production in 2012.

For the purpose of projecting future water needs to serve new development, the District assumes the same number of single-family equivalents (SFE's) used to project future sewer needs. To project the number of SFE's from future residential and nonresidential development, TischlerBise made the following assumptions:

- Single family units average 2,500 square feet in size.
- Multi-family units average 1,500 square feet in size.
- 75% of future nonresidential development will be commercial in nature with the remaining 25% being office in nature.

Using these assumptions and the Water and Sewer District's Single Family Equivalent Unit Conversion Schedule, TischlerBise projects an additional 956 SFE's from new development over the next ten years. The Water System Source Capacity Plan uses a figure of 200 gallons per SFE for average day consumption and an average peaking factor of 2.25 for maximum day consumption. Over the next ten years, TischlerBise projects new development will utilize 150,563 gallons on an average day and 338,766 gallons on a peak day.

Figure 18. 10 Year Projections of Water SFE's

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
RESIDENTIAL DEVELOPMENT											
Single Family	5	11	16	22	28	42	57	58	74	91	402
SFE/Single Family Unit (@ 2,500 sf/unit)	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	
SFE/Subtotal	7	14	21	28	36	54	74	75	96	118	523
Multi-family/Condo	2	3	5	7	8	12	17	17	22	27	120
SFE/Multi-family Unit (@ 1,500 sf/unit)	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	
SFE/Subtotal	3	6	8	11	14	21	29	29	37	46	204
NONRESIDENTIAL DEVELOPMENT											
Square Footage	608	1,218	1,834	2,461	3,100	4,697	6,356	6,484	8,267	10,168	45,193
Commercial (@ 75% of total)	456	914	1,376	1,845	2,325	3,523	4,767	4,863	6,200	7,626	33,894
SFE/1,000 sf	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	
SFE/Subtotal	0	0	1	1	1	2	2	2	3	4	17
Office (@ 25% of total)	152	305	459	615	775	1,174	1,589	1,621	2,067	2,542	11,298
SFE/1,000 sf	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	
SFE/Subtotal	0	0	0	0	1	1	1	1	2	2	8
Residential SFE Subtotal	10	20	30	40	50	76	102	104	133	164	727
Nonresidential SFE Subtotal	0	1	1	1	2	3	4	4	5	6	25
TOTAL	10	20	31	41	52	78	106	108	138	169	753
Ave. Day Demand (gallons) per Day per SFE*	200	200	200	200	200	200	200	200	200	200	
Ave. Daily Gallons from New Development	2,025	4,058	6,111	8,197	10,329	15,648	21,177	21,601	27,541	33,875	150,563
Max. Day Demand (gallons) per Day per SFE**	450	450	450	450	450	450	450	450	450	450	
Max. Daily Gallons from New Development	4,556	9,131	13,751	18,444	23,240	35,208	47,649	48,601	61,967	76,219	338,766

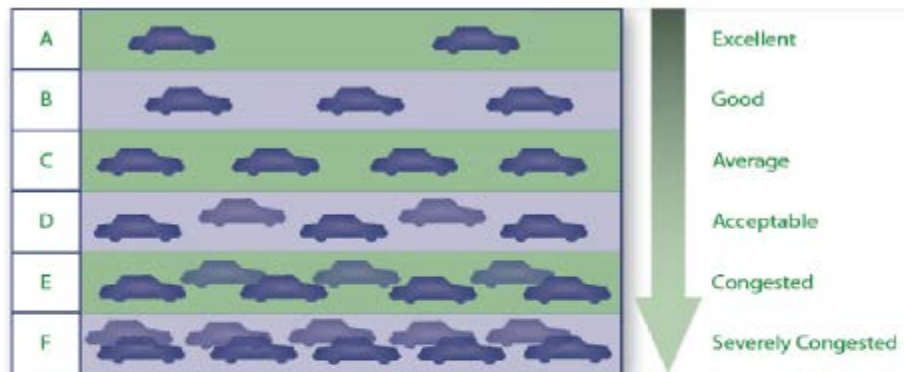
* Source: Water System Source Capacity Plan, Western Groundwater Services, LLC, June 2008.

** Source: Water System Source Capacity Plan, Western Groundwater Services, LLC, June 2008. Assumes average peaking factor of 2.25.

TRANSPORTATION

EXISTING CONDITIONS

The Big Sky/Gallatin Canyon area is accessed from Bozeman and West Yellowstone via U.S. Highway 191 which is classified as a “principal arterial” by the Montana Department of Transportation (MDT). Montana Highway 64 provides access to Big Sky from U.S. 191. MDT classifies this route as a “major collector”. Discussions with MDT officials indicate these roads function at LOS A, but can fall to LOS C/D during peak periods during ski season. The following is a graphic depiction of LOS standards:



The Highway Capacity Manual generally describes each LOS as follows:

- A= Free flow
- B= Reasonably free flow
- C= Stable flow
- D= Approaching unstable flow
- E= Unstable flow
- F= Forced or breakdown flow

MDT recently completed several improvements to U.S. 191 in Big Sky including the addition of a traffic signal at the 191/64 intersection as well as the adding turn lanes.

MDT maintains automatic traffic counters on both U.S. 191 and Highway 64. The figure below shows the historic growth in traffic in Big Sky over the past seventeen years. It is interesting to note the recent declines in traffic (2006-2009) presumably associated with the economic recession.

Figure 19. Historic Traffic Count Data U.S. 191 and Highway 64

U.S. 191					Highway 64				
Station A-43 (1.5 miles north of MT64)					Station A-64 (West of Meadow Village)				
Functional Class: RPA					Functional Class: RMC				
Year	Average Day	Annual Change	Design Hour Vol.	Annual Change	Year	Average Day	Annual Change	Design Hour Vol.	Annual Change
1992	2,331		317		1992	2,457		306	
1993	2,457	5.4%	325	2.5%	1993	2,549	3.7%	349	14.1%
1994	2,571	4.6%	343	5.5%	1994	2,684	5.3%	352	0.9%
1995	2,748	6.9%	367	7.0%	1995	2,966	10.5%	410	16.5%
1996	2,890	5.2%	382	4.1%	1996	3,093	4.3%	424	3.4%
1997	2,968	2.7%	382	0.0%	1997	3,287	6.3%	443	4.5%
1998	3,122	5.2%	404	5.8%	1998	3,465	5.4%	458	3.4%
1999	3,341	7.0%	430	6.4%	1999	3,774	8.9%	506	10.5%
2000	3,526	5.5%	467	8.6%	2000	3,836	1.6%	513	1.4%
2001	3,758	6.6%	471	0.9%	2001	4,025	4.9%	521	1.6%
2002	3,911	4.1%	468	-0.6%	2002	4,314	7.2%	572	9.8%
2003	4,111	5.1%	536	14.5%	2003	4,698	8.9%	625	9.3%
2004	N/A		N/A		2004	5,480	16.6%	718	14.9%
2005	5,150	25.3%	699	30.4%	2005	6,210	13.3%	800	11.4%
2006	5,440	5.6%	714	2.1%	2006	6,500	4.7%	820	2.5%
2007	5,355	-1.6%	716	0.3%	2007	6,335	-2.5%	816	-0.5%
2008	4,523	-15.5%	610	-14.8%	2008	5,467	-13.7%	737	-9.7%
2009	3,976	-12.1%	515	-15.6%	2009	4,664	-14.7%	599	-18.7%
Total Change 1992-2009		70.6%		62.5%	Total Change 1992-2009		89.8%		95.8%
Ave. Annual Change		4.2%		3.7%	Ave. Annual Change		5.0%		5.3%

Using trip generation rates from the 2008 edition of the Institute of Transportation Engineers' *Trip Generation* and the current estimates of residential and nonresidential development, TischlerBise estimates that current development in Big Sky generates 31,250 vehicle trip ends per day during peak periods of the year.

Figure 20. Current Estimate of Vehicle Trips in Big Sky

Residential Vehicle Trip Ends Average Weekday		
<i>Residential Units</i>	<i>Assumptions</i>	
Single Family	1,517	
Condos	1,763	
Multi-family	143	
All Other Types of Housing	91	
	<i>Adjustment</i>	
<i>Average Weekday Trip Ends per Unit*</i>	<i>Rate</i>	<i>Factor</i>
Single Family	9.57	50%
Condos	5.81	50%
Multi-family	6.65	50%
All Other Types of Housing	4.99	50%
<i>Residential Vehicle Trip Ends Average Weekday</i>		
Single Family	7,259	
Condos	5,122	
Multi-family	475	
All Other Types of Housing	227	
Total Residential Trip Ends	13,083	
Nonresidential Vehicle Trip Ends Average Weekday		
<i>Jobs</i>	<i>Assumptions</i>	
Retail/Commercial	548	
Finance, Insurance, Real Estate	395	
Lodging	1,380	
Services	792	
Government/Public	54	
Industrial/Flex	337	
	<i>Adjustment</i>	
<i>Average Weekday Ends per Job*</i>	<i>Rate</i>	<i>Factor</i>
Retail/Commercial	30.27	19%
Finance, Insurance, Real Estate	4.00	50%
Lodging	12.81	50%
Services	30.27	19%
Government/Public	11.95	50%
Industrial/Flex	3.02	50%
<i>Nonresidential Vehicle Trip Ends Average Weekday</i>		
Retail/Commercial	3,152	
Finance, Insurance, Real Estate	790	
Lodging	8,839	
Services	4,555	
Government/Public	323	
Industrial/Flex	509	
Total Nonresidential Trip Ends	18,167	
TOTAL TRIP ENDS	31,250	

* Trip rates are from *Trip Generation*, Institute of Transportation Engineers, 2008.

Besides U.S. 191 and Highway 64, the majority of public roads in Big Sky are maintained by various homeowners' associations (HOA's). Gallatin County does not accept local roads into its system. Recent local road improvements have been funded through the creation of Rural Improvement Maintenance Districts (RID's). RID's are used primarily for the construction or improvements of roads, water, or sewer systems in a defined geographic area. The RID is a mechanism by which fees are collected from the properties benefiting from the improvements. The County Commission can create RID's at the request of the majority of residents of an area. When a RID is created, the County becomes responsible to maintain improvements. Gallatin County has contracted with an outside engineering firm to administer the districts and maintain the improvements.

Several transportation-related RID's have been formed in Big Sky, the most recent district being formed to construct improvements to Ousel Falls Road including the Ousel Falls/Highway 64 intersection.

PROJECTED DEMANDS

Projections of residential and nonresidential development are combined with trip generation rates from the Institute of Transportation Engineers' *Trip Generation* to forecast future traffic volumes from new development in Big Sky. As shown in the figure below, new development is projected to add approximately 3,020 vehicle trips per day over the next ten years. This is an increase of approximately 9% over the current estimate of 31,250 trips per day.

Figure 21. 10 Year Projection of Vehicle Trips from New Development

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
New Housing Units Added During Year											
Single Family	5	11	16	22	28	42	57	58	74	91	402
Condominiums	2	3	5	7	8	12	17	17	22	27	120
TOTAL	7	14	21	28	36	54	73	75	96	118	523
Nonresidential SF Added During Year	608	1,218	1,834	2,461	3,100	4,697	6,356	6,484	8,267	10,168	45,193
Vehicle Trips Added During Year											
Single Family (4.79 trips per unit) ¹	26	52	78	105	132	200	271	277	353	434	1,927
Condominiums (2.91 trips per unit) ¹	5	9	14	19	24	36	49	50	64	79	350
Nonresidential (16.45 trips per 1,000 sf) ¹	10	20	30	40	51	77	105	107	136	167	743
TOTAL	41	81	123	164	207	314	425	433	553	680	3,020

1. Trips rates from *Trip Generation*, Institute of Transportation Engineers, 2008.

Neither MDT nor Gallatin County plan to construct any new capacity improvements in the Big Sky area in the near future. Discussions with these entities indicate that any future improvements in the area are expected to primarily involve intersection improvements and turning lanes. Cost estimates for these types of improvements average \$200,000 for turn lanes and \$250,000 for a traffic signal. No additional lanes or capacity improvements are envisioned given the topography of the area and the limited space to construct these types of improvements.

MDT's primary concern in Big Sky is the intersection of roads with state facilities. MDT has a permitting process already in place to mitigate the impacts of private roads intersecting with state roads. However, better coordination and planning between MDT and the County is needed regarding intersections between County roads and State roads.

It is envisioned that future road improvements will be funded through the creation of RID's. A RID is currently being considered for the Firelight Subdivision Phase 1 (Moondance) which would fund improvements to roads and parks.

FIRE

Fire protection in Gallatin Canyon/Big Sky Planning and Zoning District is provided by the Big Sky Fire Department. The Department is a full service combination department comprised of ten career personnel (nine sworn and one civilian) and twenty volunteer firefighters, paramedics, and emergency medical technicians (EMTs). The Department provides advanced life support (ALS) medical and transport services, fire suppression for structures and wild land, hazardous materials response, building and development plan review and inspection, and fire prevention.

The Department's response area covers approximately 52 square miles. This service is provided from two stations located in the Big Sky. Station 1 is located in the Meadow area of Big Sky, while Station 2 is located in the Mountain area. Station 2 is unstaffed and houses a ladder truck and reserve vehicles and apparatus.

The Yellowstone Club has its own fire department staffed with six personnel per day.

CURRENT CONDITIONS

The Big Sky Fire Department responds to approximately 500 calls per year. EMS calls account for two-thirds of calls. Half of the Department's calls occur during the five month ski season from Thanksgiving to mid-April. Like many departments who rely on volunteers, adequate staffing is an on-going concern for the Department as well as increasing the capacity of volunteers.

EXISTING INFRASTRUCTURE

The Department has two stations in Big Sky. The Meadow Station is 14,447 square feet and has dormitory space and facilities for personnel. The Mountain Station is unstaffed and is used for storage of apparatus and equipment.

Figure 22. Current Inventory of Fire Facilities

	<i>Square Feet</i>
Meadow Station	14,447
Mountain Station	4,500
TOTAL	18,947

Discussions with Department staff indicate the cost per square foot to construct comparable facilities to be approximately \$300 per square foot.

The Department has a total of seventeen pieces of apparatus/vehicles having recently acquired a new ALS vehicle and SCBA trailer. Based on the cost to purchase comparable equipment, the Department's current fleet has an average cost per pieces of apparatus/vehicle of \$303,000.

Figure 23. Current Inventory of Fire Apparatus

Type	Number of Units	Cost per Unit	Total
Fire Engines	4	\$600,000	\$2,400,000
Tender	2	\$350,000	\$700,000
ALS Vehicle	4	\$180,000	\$720,000
Wildland Engine	1	\$175,000	\$175,000
Ladder Truck	1	\$900,000	\$900,000
Utility Vehicle	1	\$50,000	\$50,000
Command Vehicle	3	\$50,000	\$150,000
SCBA Trailer	1	\$50,000	\$50,000
TOTAL	17		\$5,145,000

Average Cost per Piece of Apparatus => \$303,000

CURRENT LEVEL-OF-SERVICE

The Department's current facilities total 18,947 square feet. Based on the current estimates of peak population and nonresidential vehicle trips, the current level-of-service is 1.95 square feet per person for residential development $((18,947 \text{ square feet} \times 0.80)/7,782 \text{ persons} = 1.95 \text{ square feet per person})$ and 0.12 square feet per vehicle trip for nonresidential development $((18,947 \text{ square feet} \times 0.20)/31,250 \text{ trips} = 0.12 \text{ square feet per nonresidential vehicle trip})$.

Figure 24. Current Level-of-Service Fire Facilities

	<i>Square Feet</i>
Meadow Station	14,447
Mountain Station	4,500
TOTAL	18,947
Proportionate Share	
Residential	80%
Nonresidential	20%
Current Demand Units Served	
Peak Population	7,782
Nonres. Vehicle Trips	31,250
Current LOS	
SF per Person	1.95
SF per Nonres. Vehicle Trip	0.12

The current level-of-service for apparatus is 0.0017 units per person for residential development ((17 units x 0.80)/7,782 persons = 0.0017 units per person) and 0.0001 units per vehicle trip for nonresidential development ((17 units x 0.20)/31,250 trips = 0.0001 units per nonresidential vehicle trip).

Figure 25. Current Level-of-Service Fire Apparatus

Type	Number of Units
Fire Engines	4
Tender	2
ALS Vehicle	4
Wildland Engine	1
Ladder Truck	1
Utility Vehicle	1
Command Vehicle	3
SCBA Trailer	1
TOTAL	17
Proportionate Share	
Residential	80%
Nonresidential	20%
Current Demand Units Served	
Peak Population	7,782
Nonres. Vehicle Trips	31,250
Current LOS	
Apparatus per Person	0.0017
Apparatus per Nonres. Vehicle Trip	0.0001

PROJECTED DEMANDS

The Department's Board of Trustees has recently begun its strategic planning process to address future infrastructure needs. The results of this effort are not yet available. To project the future demands of new development for additional fire facilities and apparatus, TischlerBise assumes that the current level-of-service being provided to existing development will be maintained. It should be noted that personnel and operating costs are not included in these projections. As noted earlier, the recruitment and training of volunteers is a concern for the Department.

FACILITIES

The figure below shows the projected number of additional square feet needed to serve projected new development in Big Sky over the next ten years based on the current level-of-service being provided to existing development. Based on the projected increase of 1,159 persons and 743 nonresidential vehicle trips over the next ten years and the current level-of-service, the Fire Department will need to add 2,347 square feet at a cost of \$728,685.

Figure 26. 10 Year Projection of Fire Facility Needs

RESIDENTIAL DEVELOPMENT											
Projected Annual Increase in Peak Population	16	31	47	63	79	120	163	166	212	261	1,159
LOS - Station SF per Person	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	
Projected Annual Additional SF	30	61	92	123	155	235	317	324	413	508	2,257
Cost per SF	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	
Residential Subtotal	\$9,107	\$18,251	\$27,486	\$36,867	\$46,453	\$70,376	\$95,243	\$97,147	\$123,863	\$152,351	\$677,145
NONRESIDENTIAL DEVELOPMENT											
Projected Annual Increase in Nonres. Vehicle Trips	10	20	30	40	51	77	105	107	136	167	743
LOS - Station SF per Nonres. Vehicle Trip	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	
Projected Annual Additional SF	1	2	4	5	6	9	13	13	16	20	90
Cost per SF	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	
Nonresidential Subtotal	\$364	\$729	\$1,097	\$1,472	\$1,855	\$2,810	\$3,803	\$3,879	\$4,946	\$6,083	\$27,038
Total Projected Annual Add'l SF	32	63	95	128	161	244	330	337	429	528	2,347
TOTAL	\$9,800	\$19,640	\$29,578	\$39,674	\$49,989	\$75,733	\$102,492	\$104,542	\$133,291	\$163,948	\$728,685

APPARATUS

The figure below shows the projected number of additional pieces of apparatus/equipment needed to serve projected new development in Big Sky over the next ten years based on the current level-of-service being provided to existing development. Based on the projected increase of 1,159 persons and 743 nonresidential vehicle trips over the next ten years and the current level-of-service, the Fire Department will need to add 2.11 units at a cost of \$638,139.

Figure 27. 10 Year Projection of Fire Apparatus Needs

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
RESIDENTIAL DEVELOPMENT											
Projected Annual Increase in Peak Population	16	31	47	63	79	120	163	166	212	261	1,159
LOS - Apparatus per Person	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	
Projected Annual Additional Apparatus	0.03	0.05	0.08	0.11	0.14	0.21	0.28	0.29	0.37	0.46	2.03
Cost per Piece of Apparatus	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	
Residential Subtotal	\$8,253	\$16,539	\$24,908	\$33,410	\$42,096	\$63,776	\$86,310	\$88,036	\$112,246	\$138,063	\$613,637
NONRESIDENTIAL DEVELOPMENT											
Projected Annual Increase in Nonres. Vehicle Trips	10	20	30	40	51	77	105	107	136	167	743
LOS - Apparatus per Nonres. Vehicle Trip	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	
Projected Annual Additional Apparatus	0.00	0.00	0.00	0.00	0.01	0.01	0.01	0.01	0.01	0.02	0.08
Cost per Piece of Apparatus	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	\$303,000	
Nonresidential Subtotal	\$330	\$660	\$995	\$1,334	\$1,681	\$2,547	\$3,446	\$3,515	\$4,482	\$5,513	\$24,502
Total Projected Annual Add'l Apparatus	0.03	0.06	0.09	0.11	0.14	0.22	0.30	0.30	0.39	0.47	2.11
TOTAL	\$8,583	\$17,199	\$25,902	\$34,744	\$43,777	\$66,322	\$89,756	\$91,551	\$116,728	\$143,576	\$638,139

POLICE

The Gallatin County Sheriff's Office provides police protection in the Gallatin Canyon/Big Sky Planning and Zoning District. There is currently one sergeant and four deputies (one of whom is a K-9 team) who live and serve in Big Sky. One position funded with Resort Tax, two positions are funded by Madison County, the remaining two positions funded by Gallatin County.

Over the past three years, the Sheriff's Office has averaged 4,233 calls per year in Big Sky; a ratio of 544 calls per 1,000 persons based on the current peak population estimate of 7,782 persons.

Figure 28. Sheriff's Office Calls for Service in Big Sky

FY2008 Actual	4,393
FY2010 Estimate	4,073
FY2011 Projected	4,233
Average	4,233
Current Peak Population	7,782
Ratio (calls/1,000 persons)	544

CURRENT CONDITIONS

EXISTING INFRASTRUCTURE

Each Sheriff's Deputy has a vehicle which is outfitted with a mobile data terminal. Each vehicle costs approximately \$50,000 which includes the vehicle and all equipment necessary to place the vehicle in service. The Sheriff's Office also utilizes some space at the Big Sky Fire Department.

CURRENT LEVEL-OF-SERVICE

Based on the current staffing of five sworn personnel and current peak population estimate of 7,782 persons, the current level-of-service is 0.64 sworn personnel per 1,000 persons (5 sworn personnel / (7,782 persons/1,000) = 0.64).

Figure 29. Current Sheriff's Office Level-of-Service in Big Sky

Current Number of Sworn Personnel	5
Current Peak Population	7,782
Ratio (sworn deputies/1,000 persons)	0.64

DESIRED LEVEL-OF-SERVICE

The Sheriff's Office FY2011 budget states a desired staffing goal of 64 sworn personnel to patrol the unincorporated areas of Gallatin County (the Office currently has 52 sworn personnel). The current population within the Sheriff's Office service area is estimated to be 41,455 persons. This is calculated using population data from the 2010 Census by subtracting the population of municipalities with their own police departments from the County's total population (89,513 persons Countywide – 48,058 persons in communities with their own police department = 41,455 persons in Sheriff's Office service area).

The desired level-of-service is 1.54 sworn personnel per 1,000 persons ($64 \text{ sworn personnel} / (41,455 \text{ persons} / 1,000) = 1.54$)

Figure 30. Desired Sheriff's Office Level-of-Service Countywide

County	Population ¹
	89,513
Communities with Own Police Dept. ¹	
Bozeman	37,280
Belgrade	7,389
Manhattan	1,520
Three Forks	1,869
Patrol Area	41,455
Staffing Objective ²	64
Ratio (sworn deputies/1,000 persons)	1.54

1. 2010 US Census.

2. FY2011 budget.

FUTURE DEMANDS

Based on the ratio of 544 calls for service per 1,000 persons and the projected increase in Big Sky's population over the next ten years, TischlerBise projects an additional 630 calls for service to the Sheriff's Office from new development over the next ten years.

Figure 31. 10 Year Projection of Sheriff's Office Calls in Big Sky

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Projected Annual Increase in Peak Population	16	31	47	63	79	120	163	166	212	261	1,159
Projected Annual Increase Calls	8	17	26	34	43	66	89	90	115	142	630

The figure below shows the projected number of additional sworn personnel and vehicles needed to serve projected new development in Big Sky over the next ten years based on the current level-of-service being provided to existing development. Based on the projected increase of 1,159 persons over the next ten years, the Sheriff's Office will need to add less than one sworn deputy and vehicle.

Figure 32. 10 Year Projection of Sheriff's Office Personnel and Capital Needs in Big Sky Based on Current LOS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Projected Annual Increase in Peak Population	16	31	47	63	79	120	163	166	212	261	1,159
Projected Annual Sworn Deputies Needed	0.01	0.02	0.03	0.04	0.05	0.08	0.10	0.11	0.14	0.17	0.74
Projected Annual Vehicles Needed	0.01	0.02	0.03	0.04	0.05	0.08	0.10	0.11	0.14	0.17	0.74
Cost per Vehicle	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	
TOTAL	\$501	\$1,003	\$1,511	\$2,027	\$2,554	\$3,869	\$5,236	\$5,341	\$6,810	\$8,376	\$37,228

The figure below shows the projected number of additional sworn personnel and vehicles needed to serve projected new development in Big Sky over the next ten years based on the higher, desired level-of-service. Note this does not include additional personnel and vehicles needed to raise the level-of-service being provided to existing development. Based on the projected increase of 1,159 persons over the next ten years, the Sheriff's Office will need to add approximately two sworn personnel and vehicles.

Figure 33. 10 Year Projection of Sheriff's Office Personnel and Capital Needs in Big Sky Based on Desired LOS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Projected Annual Increase in Population	16	31	47	63	79	120	163	166	212	261	1,159
Projected Annual Sworn Deputies Needed	0.02	0.05	0.07	0.10	0.12	0.19	0.25	0.26	0.33	0.40	1.79
Projected Annual Vehicles Needed	0.02	0.05	0.07	0.10	0.12	0.19	0.25	0.26	0.33	0.40	1.79
Cost per Vehicle	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	
TOTAL	\$1,203	\$2,411	\$3,631	\$4,870	\$6,136	\$9,297	\$12,581	\$12,833	\$16,362	\$20,125	\$89,450

SCHOOLS

The Ophir School District #72 provides public schools for the Big Sky area.

CURRENT CONDITIONS

The figure below illustrates enrollment trends over the past ten years during which enrollment has increased by 107 students (a total increase of 116% or 12% average annual increase).

Figure 34. Historic School Enrollment Trends Last 10 Years

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Elementary	73	70	75	77	99	127	122	145	147	128	127
Middle	19	34	30	29	22	25	31	29	27	37	49
High	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	23	23
TOTAL	92	104	105	106	121	152	153	174	174	188	199
Annual Increase Students		12	1	1	15	31	1	21	0	14	11
									10 Year Increase		116%
									Ave. Annual Increase		12%

Source: Annual Montana School Enrollment Data report, Office of Public Instruction.

The elementary, middle, and high schools are co-located in the same facility. The flexible nature of the facility's space allows the District to reconfigure classrooms as needed to accommodate additional students. The facility has the capacity to accommodate a total of 280 students.

Lone Peak High School opened in 2009 (high school students previously attended Bozeman High School, approximately 50 miles away). Recent capital improvements include adding four classrooms, a gym, weight room, locker room, and restrooms.

CURRENT LEVEL-OF-SERVICE

Based on 2010-2011 enrollment figures of 199 students, the facility has existing capacity to accommodate an additional 81 students.

Figure 35. School Capacity Status 2010-2011 School Year

Total Capacity of Building (students)	280
Current Number of Students	199
Available Capacity	81

PROJECTED DEMANDS

To project the number of students from future residential development, TischlerBise calculated pupil generation rates for different grade levels. The current enrollment figures are divided by the current number of occupied housing units (households). The figure below lists the resulting pupil generation rates for different grade levels and in total.

Figure 36. Pupil Generation Rates by Grade Level

	<i>Enrollment*</i>	<i>Current Households</i>	<i>Students per Household</i>
Ophir Elementary School	127	1,019	0.12
Ophir 7-8 School	49	1,019	0.05
Lone Peak High School	23	1,019	0.02
TOTAL	199	1,019	0.20

* As of December 31, 2010.

Based on the projected number of future households and the pupil generation rates, TischlerBise projects a total of 30 additional students over the next ten years from new residential development. The figure below details the projected breakdown of students by grade level. Note: these student projections are only those students associated with new development and do not include new students from existing houses or caused by other changes in the existing development base.

Figure 37. 10 Year Projection of Students Resulting from New Development

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Annual Increase in Housing Units	7	14	21	28	36	54	73	75	96	118	523
Vacancy Rate (2010 Census)	70.4%	70.4%	70.4%	70.4%	70.4%	70.4%	70.4%	70.4%	70.4%	70.4%	70.4%
Annual Increase Households	2	4	6	8	11	16	22	22	28	35	155
Projected Annual Increase ES Students	0	1	1	1	1	2	3	3	4	4	19
Projected Annual Increase MS Students	0	0	0	0	1	1	1	1	1	2	7
Projected Annual Increase HS Students	0	0	0	0	0	0	0	1	1	1	3
TOTAL	0	1	1	2	2	3	4	4	6	7	30

FUTURE INFRASTRUCTURE NEEDS

The School District's Capital Facilities Committee is currently evaluating future capital needs. Preliminary needs which have been identified include additional space for elementary school students and a performance facility/space.

Based on TischlerBise's projection of 30 students over the next ten years and current, available capacity of 81 students, the District will not need additional classroom space for new students from new development.

AFFORDABLE HOUSING

Like many resort communities, Big Sky struggles to assure affordable housing for seasonal and permanent employees. New development creates additional pressures on the supply and demand for affordable housing. New residential development is typically bigger and more expensive while new businesses create additional jobs whose employees need to be accommodated. *The Gallatin Canyon/Big Sky Plan* states, “Ideally, employee/affordable housing should be an integral part of the community. Without the opportunity to buy property in a resort community, the work force is denied a sense of ownership and investment within the community. Workers can be transported from outside the community but then may lack community loyalty.”

The *Gallatin Canyon/Big Sky Zoning Regulation* defines “affordable housing” as:

Housing for low- and medium-income families that cannot afford to pay prevailing rents or make monthly payments necessary to obtain housing in the community. The definition of affordable housing shall be consistent with terminology established by the Montana Department of Commerce.

EXISTING CONDITIONS

The Gallatin Canyon/Big Sky Plan recognizes a range of affordable housing types are needed in Big Sky, including,

- Seasonal employee accommodations.
- Affordable rental units.
- Low cost single family housing.

The Plan delineates areas for employee/affordable housing and seeks to “encourage the development of affordable housing” including encouraging the provision of employee housing, accessory apartments, mobile homes, and providing density bonuses for developers to make land available for affordable housing. The *Gallatin Canyon/Big Sky Zoning Regulation* provides definitions and standards for employee housing.

FUTURE DEMANDS

TischlerBise projects an increase in 268 jobs in Big Sky over the next ten years. To project the need for additional affordable housing units, TischlerBise prepared three scenarios as to what percentage of new jobs are to be filled by new residents who would need housing versus jobs filled by existing residents who presumably would not need housing. The three scenarios include:

- 25% of new jobs filled by new residents.
- 50% of new jobs filled by new residents.
- 100% of new jobs filled by new residents.

TischlerBise assumes that new affordable housing in Big Sky will be multi-family units which average 1.98 persons per household. The projected number of jobs filled by new residents is divided by the number of persons per household for multi-family units in order to project the additional number of affordable housing units.

Under these scenarios and assumptions, the projected need for additional affordable housing units over the next ten years ranges from 34 units to 135 units.

Figure 38. 10 Year Projection of Affordable Housing Units

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Projected Annual Increase in Jobs	4	7	11	15	18	28	38	38	49	60	268
25% Filled by New Residents	1	2	3	4	5	7	9	10	12	15	67
50% Filled by New Residents	2	4	5	7	9	14	19	19	24	30	134
100% Filled by New Residents	4	7	11	15	18	28	38	38	49	60	268
Multi-family, Persons per Household	1.98	1.98	1.98	1.98	1.98	1.98	1.98	1.98	1.98	1.98	
Number of Multi-family Units Needed @ 25%	0	1	1	2	2	4	5	5	6	8	34
Number of Multi-family Units Needed @ 50%	1	2	3	4	5	7	9	10	12	15	67
Number of Multi-family Units Needed @ 100%	2	4	5	7	9	14	19	19	25	30	135

BIG SKY TRANSPORTATION DISTRICT

The Big Sky Transportation District was formed in 1991 operating a limited service transportation system known as Snow Express. Beginning December 1, 2006, the District expanded to a year-round public transportation system. The system includes service within Big Sky, and the “Link” or “Link Express” operating between Big Sky and Bozeman.

Skyline provides safe, efficient, effective and environmentally-friendly public transportation service within the Big Sky community, providing a link between Big Sky and Bozeman. This includes the transportation of visitors and local residents in and around, as well as to and from, the Big Sky community. Transportation is provided for a number of purposes, including employment, recreation (sports), education, shopping, medical and social purposes.

The annual operating budget of the Big Sky Transportation District is approximately \$850,000 per year, with roughly 56% of that amount coming from the Federal Transit Administration funding that is administered by the Montana Department of Transportation.

EXISTING CONDITIONS

The figure below illustrates recent ridership trends. It is interesting to note the correlation between ridership figures and the recent economic recession.

Figure 39. Historic Skyline Ridership Figures

<i>Fiscal Year</i>	<i>TOTAL Riders</i>
2007 (Dec-June)	108,621
2008	144,829
2009	160,459
2010	99,078
2011	118,350
2012 (July-Oct)	9,250

FUTURE DEMANDS

Discussions with Skyline’s Coordinator indicate the following infrastructure needs/challenges:

- One additional 35 passenger bus. The cost is projected to be \$180,000, of which 86% would be eligible for Federal funding with the remaining 14% coming from local funds.
- Construction of a maintenance and storage facility in Big Sky. The facility would encompass 5,000 square feet with an approximate cost of \$600,000. The project would be eligible for 80% Federal funding. The 20% local match could be met by the land component of the project but identifying a suitable site has been difficult. There has also been discussion of possibly co-locating the facility with the Gallatin County Sheriff's Office.

CONCURRENCY MANAGEMENT

Concurrency management is the concept of “pay as you grow” which requires that all necessary infrastructure be in place at the same time (concurrent) with the impacts and demands of new development. For the public sector, this allows flexibility in definition, financing, and construction of capital facilities while ensuring the private sector proposes infrastructure improvements which are predictable and consistent with adopted plans.

The following concurrency management policies are in place for Big Sky:

1. All applications for a land use permit (under provisions of the Gallatin Canyon/Big Sky Zoning Regulation) shall be evaluated for impacts on infrastructure, County roads, sanitary sewer/treatment facilities, water supply/distribution, and fire and police protection. All projected impacts will be submitted for review to the appropriate service provider or special district, which shall confirm the projected demands of the proposed development, the existing level of service and the availability of capacity to serve the development.
2. No land use permits shall be issued for new development which would create unmitigated impacts in these four categories of infrastructure, until additional infrastructure improvements as necessary to avoid or mitigate impacts are in place or secured by appropriate financing, including any adopted impact fees, as approved by the Gallatin County Board of Commissioners.
3. Completion of required infrastructure requirements needed to serve proposed development may be phased in conjunction with the appropriate phasing of proposed development.

The creation of a RID to fund improvements to the Ousel Falls/MT 64 intersection is an example of concurrency management. Traffic studies provided by Spanish Peaks indicated this intersection and sections of Ousel Falls Road were failing and operating at a poor level of service. County staff conditioned subdivision approval upon the resolution of these issues. Spanish Peaks, in cooperation with Gallatin County and Madison County, initiated the RID process to fund repairs to the intersection and road. With cooperation with Madison County, the RID was approved. The intersection and road were upgraded, and the subdivision was allowed to proceed to final plat.

PAYING FOR GROWTH

This section is intended to serve as a “road map” to ensure the fiscal sustainability of new development.

CURRENT FUNDING FOR CAPITAL IMPROVEMENTS

The following funding sources/mechanisms are used to funding capital improvements in Big Sky.

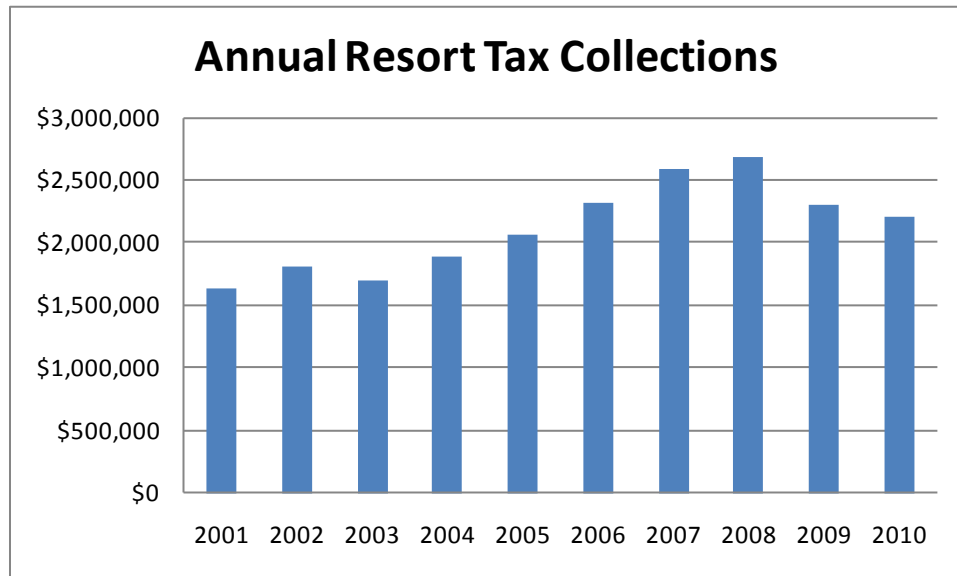
RESORT TAX

Big Sky has been designated by the Montana Department of Commerce as a “resort area” under MCA 7-6-1532. This designation allows for collection of a resort and local option tax (referred to as the “resort tax”) to fund a variety of services. The fundamental idea behind resort taxes is to allow places with high numbers of visitors, but relatively few residents, to manage the wear-and tear on local infrastructure without overburdening local citizens. Under Montana law, the maximum rate of the resort tax is 3%, and at least 5% of the revenue must offset property taxes. Before collecting resort tax revenue in Montana, a community must first be certified by the Department of Commerce as a resort community. Then a resolution outlining the tax must be approved by the local electorate.

On April 13, 1992, the general electorate of the Big Sky area created the Big Sky Resort Area and adopted a 3% Resort Tax to be charged on "luxury" items and services, or more appropriately, items and services that are not deemed necessities of life. The tax is collected by local businesses within the boundaries of the Resort Area. In 1998 the general electorate of the Big Sky Resort Area then voted to create the Big Sky Resort Area District (also referred to as the BSRAD which brought the administration of the resort tax from the county to the local Big Sky area. BSRAD is managed by a five member elected Board of Directors.

Resort taxes are collected and remitted monthly and the BSRAD Board of Directors appropriates the funds to critical local community services on an annual basis. Since its inception, the money raised from the tax has funded services and programs including tourism development, infrastructure facilities, post office services, ambulance and emergency services, public transportation systems, parks and trails, community library, and other services that provide for the public health, safety and welfare within the BSRAD. These revenues are used to fund a deputy for the Gallatin County’s Sheriff Office. Recent expenditures for infrastructure include debt service payments for Big Sky Water and Sewer District 363 and installment payments for a piece of fire apparatus for the Big Sky Fire Department.

The figure below illustrates Resort Tax collections from the past ten years. Resort Tax collections have averaged approximately \$2.1 million annually over the past ten years.

Figure 40. Historic Resort Tax Collections

RURAL IMPROVEMENT DISTRICTS (RID's)

As previously discussed, Rural Improvement Districts (RID's) are used primarily for the construction or improvements of roads, water, or sewer systems in a defined geographic area. The RID is a mechanism by which fees are collected from the properties benefiting from the improvements. The County Commission creates RID's at the request of the majority of residents of an area. When a RID is created, the County becomes responsible to maintain improvements. Gallatin County has contracted with an outside engineering firm to administer the districts and maintain the improvements.

The Big Sky Water and Sewer District 363 originally began as a RID. Several RID's have been created in Big Sky to fund transportation improvements.

PLANT INVESTMENT CHARGES (PIC's)

The Big Sky Water and Sewer District 363 assesses plant investment charges (PIC's) on new development to recoup the costs of previous capacity expansions to the sewer treatment plant.

DISTRICTS

The Big Sky Fire Department and Ophir School District #72 are separate districts which assess property taxes to fund their operations and infrastructure.

GALLATIN COUNTY

All potential capital funding resources are evaluated to ensure equity of funding for the County's CIP. Equity is achieved if the beneficiaries of a project or service make payment. For minor capital projects which will benefit current residents, Gallatin County uses current revenues. Major capital projects which will benefit future residents are funded with other financing sources (e.g. debt financing). Debt financing both generates sufficient funds for large projects while ensuring debt service payments will be paid by future residents.

Funding sources used by the County for capital projects include:

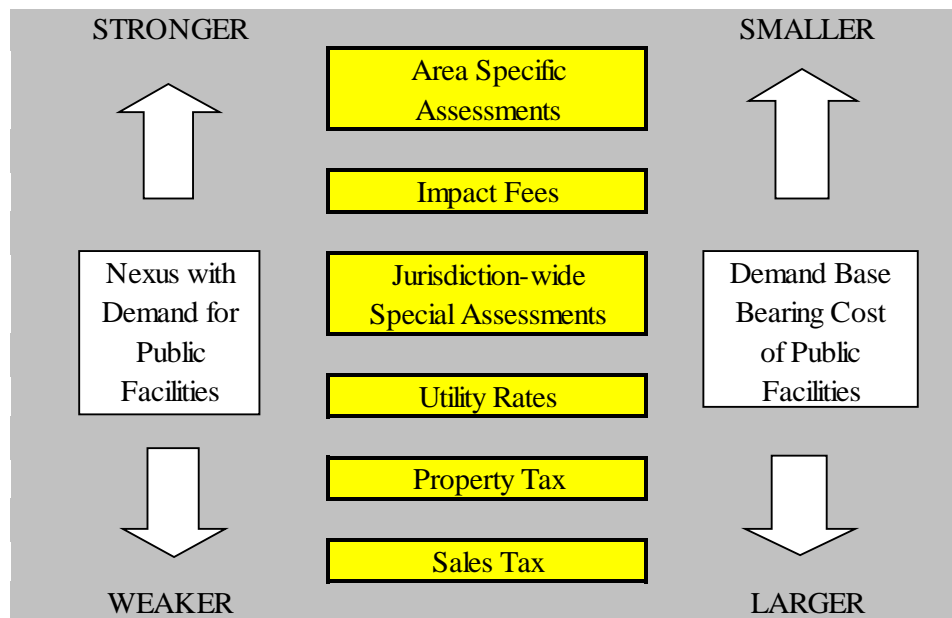
- **General Fund** – the County's general fund is available for use for any expenditure deemed to be in the public interest by the Gallatin County Commission.
- **State Revenues** – the County receives various payments from the State of Montana for different purposes. A portion of Gas Tax revenues is earmarked for material costs of road projects.
- **Grants/Donations** - This funding source consists of Federal grants, State grants, and donations by citizens and businesses where the money is passed through the County.
- **Community Transportation Enhancement Program (CTEP)** - Federal grants primarily directed towards improving or expanding non-motorized transportation.
- **General Obligations Bonds** - Bonds for which the full faith and credit of the County is pledged. G.O. Bonds require voter approval.
- **Loans** - Received through Local Financing or Board of Investments Bond Program.
- **Special Assessments & Other Debt** - Special Assessments are charges against certain properties to defray the cost of infrastructure improvements deemed primarily to benefit those properties. Also included are Revenue bonds where the debt service payments are paid for exclusively from the project earnings and assessments.
- **User Fees** - User fees are charges for county services where the benefits received from such services can be directly and efficiently applied to those who receive the benefits.
- **Park Acquisition & Development Fund** - This funding is set up to account for funding that developers pay to the County instead of donating park-land when they are subdividing bare land.

FUNDING ALTERNATIVES

The evaluation of funding alternatives forces decision-makers to wrestle with a dynamic tension between two competing desires. As shown in the diagram below, various funding options have a strong to weak connection between the source of funds and the demand for public facilities. For instance, area-specific assessments are based on known capital costs in a specific location and are paid by those directly benefiting from the new infrastructure. In contrast, general tax revenue may be used to fund

infrastructure with very little, if any, connection between those paying the tax and the need for capital improvements. Unfortunately the funding options with the closest nexus to the demand for public facilities also have the smallest demand base to bear the cost of the public facilities (see the right side of the diagram). Given these relationships, there is often political pressure to “cast a broad net” and collect a relatively small amount of revenue from a large tax base rather than ask a small group to make a large contribution of funds.

Figure 41. Nexus of Infrastructure Funding Alternatives



Source: Tischler and Guthrie, Introduction to Infrastructure Financing, IQ Service Report, published by ICMA, 3/99.

The difficulty is selecting the best infrastructure funding strategy is illustrated by the following example of extending utilities into a new service area. An area specific assessment or impact fee may be most appropriate funding strategy since it is the users in that area who created the need for the expansion and will receive most, if not all, of the benefits from the infrastructure. However, depending on the number of new customers, the cost may be several thousands of dollars per user. Given this financial burden, there may be a desire to use a revenue source with a larger base (such as sales taxes or utility rates) to help or fully fund this type of project.

In evaluating revenue alternatives, it is necessary to consider the following criteria:

- Revenue Potential
- Proportionality
- Technical Ease

- Public Acceptability

These criteria provide a framework for discussion of both existing and new revenue sources and approaches. The evaluation criteria listed above are described in more detail below.

REVENUE POTENTIAL

This is perhaps the most important evaluation criterion, as the ability to raise sufficient revenue to cover the capital and operational costs is critical. Specific criteria include whether the revenue is on-going or one-time in nature. The long-term performance of on-going revenue sources should be evaluated for their ability to keep pace with on-going costs. This evaluation should include an analysis of what economic or other factors may impact the stability of the revenue source. Another consideration under this criterion is whether the revenue source is limited to capital expenditures or whether it is flexible and can be used for either capital or operating expenditures.

PROPORTIONALITY

This evaluation criterion refers to the relation between those generating the demand for public services versus those who pay the tax or fee. For example, communities sometimes chose to require developer contributions or exactions for growth-related facilities because the public perception is that otherwise existing residents are unfairly paying the cost of new growth. In another example, in order to make an impact fee proportionate and reasonably related to service demands, the fee should vary by type of land use as each generates a different number of persons, jobs, vehicle trips, etc.

TECHNICAL EASE

Each of the potential revenue strategies requires some technical expertise and administrative effort to implement. They may require, for example, that additional accounting and reporting requirements are necessary. Furthermore, a funding mechanism may require that a technical study be prepared to justify the fee or charge.

PUBLIC ACCEPTABILITY

This evaluation criterion often varies by jurisdiction and the type of facility to be funded. It reflects how the majority of *existing residents* are expected to accept each financing or planning mechanism.

The matrix below indicates a relative ranking of various criteria that may be used to evaluate revenue alternatives. The ranking of criteria from negative to positive is based on general conditions that may not be applicable in a specific jurisdiction. Also, changes in the implementation of a particular revenue source to minimize negative aspects.

Figure 42. Infrastructure Funding Criteria

	Revenue Potential	Technical Ease	Proportionate to Demand	Public Acceptance
Transfer Tax	Positive	Positive	Negative	Negative
Property/Sales Taxes	Positive	Positive	Negative	Negative
Excise Taxes	Positive	Neutral	Negative	Negative
Developer Extractions	Negative	Neutral	Negative	Positive
User Charges/Utility Rates	Positive	Positive	Positive	Negative
Impact Fees	Positive	Negative	Positive	Positive
Special District	Negative	Negative	Positive	Positive
Bonds/Debt	Positive	Neutral	Negative	Negative

Source: Tischler and Guthrie, Introduction to Infrastructure Financing, IQ Service Report, published by ICMA, 3/99.

FUTURE FUNDING OPTIONS

TischlerBise offers the following observations of current sources of infrastructure funding and alternatives for the future.

RESORT TAX

In the past these funds were used primarily for one-time investments in capital projects and services. However, recent trends are that these funds have been used for on-going expenses. Also, these funds have been used to subsidize costs from other entities which have their own sources of funding for capital improvements. Examples of this include debt service payments for the Big Sky Water and Sewer

District 363 (as opposed to user fees/utility rates) and installment payment for apparatus for the Big Sky Fire Department (district assessments).

As illustrated by recent collection trends, these revenues can be volatile as they ebb and flow with economic conditions. Also, given that these funds are appropriated on an annual basis, the use of these funds for on-going costs or projects can create future expectations of continued funding. These revenues would seem ideal for smaller, one-time projects which can be fully funded and completed with revenues from a given year.

RURAL IMPROVEMENT DISTRICTS (RID's)

The use of RID's for funding future transportation projects is expected to continue in the future as evident by the RID being considered for the Firelight Subdivision Phase 1 (Moondance) which would fund improvements to roads and parks. These funding mechanisms have worked well in that they proportionately assess the costs of improvements among those who will benefit from the projects. The RID's also include on-going maintenance costs for a period of time which ensures that investments in projects are protected while payors are ensured that they will not have to bear volatile changes in rates and payments.

RID's are most appropriate for projects whose benefits can be geographically defined. However, projects which are broad in scope and serve a large area may not be appropriate for a RID and/or may be difficult to get approved and implemented. The presence of multiple RID's may make it more difficult to gain support/approval for larger projects among multiple, smaller geographic areas who feel that they are already paying their share for infrastructure projects.

PLANT INVESTMENT CHARGES (PIC's)

The Big Sky Water and Sewer District 363 currently charges a PIC of \$3,500 per SFE for sewer connection. Given the future sewer needs in the Canyon area and water capacity needs, the District may want to consider expanding these charges for funding additional utility capacity needs. However, the nature of utility infrastructure is that it needs to be in place prior to development occurring whereas these charges are not collected until connection to the system. These charges can be volatile based on economic conditions. These characteristics can create cash flow problems between when expenses are incurred and revenues realized.

DISTRICTS

The Big Sky Fire Department and Ophir School District #72 assess property taxes to fund their operations and capital improvements. Property taxes revenues tend to be stable over time and can be used to back the issuance of debt. However, this revenue source can be difficult to utilize during economic downturns and can be politically sensitive. An example of this is illustrated by the recent defeat of the

School District's Building Reserve Levy during the May 3, 2011 election. This levy was a one-time request to authorize the district to impose a building reserve in the amount of \$195,000 for one year (approximately 8.34 mills) for the purpose of parking lot improvements and grounds maintenance equipment purchases.

The Resort Tax has been used to fund installment payments for a piece of fire apparatus which has the effect of artificially lowering the millage rate for the Fire Department. Given the annual appropriation process for Resort Tax funds, the Department should not expect to receive these funds on a regular basis. Should these funds not be realized, the Department may have to raise its rates which would likely be difficult and contentious. The Department could find it more difficult in the future to fully fund its needs via its own revenue source.

GALLATIN COUNTY

The current tax supported portion of Gallatin County's CIP includes \$83,000 for the Sheriff's Office for the Big Sky area (\$48,000 for an Expedition SUV and \$35,000 for a search and rescue response truck). While the County's *FY2011 Financial Trend Analysis and Financial Forecast* indicates that the County is in a "favorable" position, it notes that:

"Current analysis indicates County revenue will not be sufficient to meet existing levels of service in FY2012, especially with proposed increase to retirement contributions and funding of the judgment associated with the deputy lawsuit. This is compounded by the economic downturn which is in its 3rd year, but has stabilized somewhat as shown by the previous information. FY2012 Start Up Budget Projections show the County needing \$1,223,322 to meet current budgets."

Gallatin County has not traditionally funded significant capital projects in Big Sky. Given this forecast, it is unlikely that the County will be in a position to fund significant capital improvements in Big Sky.

BONDS/DEBT ISSUANCE

For large projects which are expensive and will provide benefits for future residents, bonds/issuance of debt is an appropriate financing mechanism. It is important to remember that bonds/debt issues are financing mechanisms and not a revenue source as the debt service must be paid for from a revenue source(s). Under Montana Annotated Code, "resort communities" are explicitly allowed to issue bonds. "Resort areas" (which includes Big Sky) are not explicitly allowed to issue bonds. As noted previously, districts that assess property taxes or have a steady stream of revenues (such as utility rates) could issue debt for capital improvements. Any successful bond referendum must clearly explain the costs and benefits of the proposed capital project.

UTILITY RATES/USER FEES

Plant Investment Charges (PIC's) are suitable for recouping capital costs for expanding utility systems. However, as previously noted, these revenues are realized after the project has been constructed and can be volatile in nature. Incorporating some portion of capital costs (both capacity and maintenance) into utility rates/user fees could provide a more stable revenue source to fund these improvements. Any analysis of PIC's should include an corresponding analysis of utility rates/user fees to test "what-if" scenarios for future funding of capital improvements.

IMPACT FEES

Impact fees are one-time payments which represent new development's proportionate share of capital improvements which are needed to accommodate new development's infrastructure impacts. Gallatin County has assessed impact fees for various types of infrastructure (roads and fire) in the past, but does not currently collect these fees. If the Gallatin County were to assess impact fees in the future, the creation of an impact fee collection and expenditure area for Big Sky should be considered so that the fees paid by new development in Big Sky are used for capital improvements in Big Sky. Any future considerations of impact fees should also include discussions with Madison County and the Ophir School District, both of whom could assess impact fees. MCA 7-6-1603(1)(b) allows local governments to enact impact fees on behalf of local districts (such as school districts). For school impact fees, the Montana Impact Fee Act requires unanimous approval by the County Commissioners.

APPENDIX A – EXCERPTS FROM GALLATIN COUNTY BUDGET PROCESS AND FINANCIAL POLICIES

Several portions of Gallatin County’s Budget Process and Financial Policies address capital improvements. For ease of reference, TischlerBise has excerpted these sections in this Appendix.

BUDGET PROCESS

5) CAPITAL IMPROVEMENTS PROGRAM (CIP) PHASE

Gallatin County has a formally adopted Capital Improvement Plan (CIP). On a yearly basis the CIP Committee prepares recommendations on funding of the current year and the next 5 years capital project needs. The Commission takes this recommendation under consideration, modifies the recommendation and incorporates changes into the Preliminary Budget along with the Annual Operating Budget. Unlike the Annual Operating Budget, the CIP is a multi-year capital improvements plan that forecasts, but does not obligate, future spending for anticipated capital projects.

Whenever the County commits to a CIP plan, there is an associated long-range commitment of operating funds. For this reason, the County evaluates capital commitments in the context of their long-range operating impact. Most capital projects affect future operating budgets either positively or negatively due to an increase or decrease in maintenance costs or by providing capacity for new programs to be offered. Such impacts vary widely from project to project and, as such, are evaluated individually.

The multi-year, long-range fiscal analysis also provides an opportunity to review the operating impact of growth-related future capital projects.

FINANCIAL POLICIES

ONE-TIME REVENUES

The County will give priority in the use of one-time revenues to the funding of capital assets or other non-recurring expenditures. Utilizing one-time revenues to fund on-going expenditures results in annual expenditure obligations that may be unfunded in future years. Using one-time revenues to fund capital assets or other non-recurring expenditures enables future administrations and commissions to cope with the financial problems when these revenue sources are discontinued.

MAINTENANCE OF CAPITAL ASSETS

Capital Assets. The budget will provide for adequate maintenance of capital, plant, and equipment and for their orderly replacement. All governments experience prosperous times as well as periods of economic decline. In periods of economic decline, proper maintenance and replacement of capital, plant, and equipment is generally postponed or eliminated as a first means of balancing the budget. Recognition of the need for adequate maintenance and replacement of capital, plant, and equipment, regardless of the economic conditions, will assist in maintaining the County's equipment and infrastructure in good operating condition.

CAPITAL IMPROVEMENT POLICIES

CIP FORMULATION

CIP Purpose. The purpose of the CIP is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness as well as conformance with established policies. The CIP is a five-year plan organized into the same functional groupings used for operating programs. The CIP will reflect a balance between capital replacement projects that repair, replace or enhance existing facilities, equipment or infrastructure; and capital facility projects that significantly expand or add to the County's existing fixed assets.

CIP Criteria. Construction projects and capital purchases of \$50,000 or more will be included in the Capital Improvement Plan (CIP); minor capital outlays of less than \$50,000 will be included in the regular budget as capital expenditures. The CIP differentiates the financing of high cost, long-lived physical improvements from low cost "consumable" equipment items contained in the operating budget. CIP items may be funded through debt financing or current revenues while operating budget items are annual or routine in nature and should only be financed from current revenues.

Deteriorating Infrastructure. The County Budget includes, in addition to current operating maintenance expenditures, adequate funding to support repair and replacement of infrastructure and avoidance of a significant unfunded liability.

PROJECT FINANCING

Minor Capital Projects. Minor capital projects or recurring capital projects, which primarily benefit current residents, will be financed from current revenues. Minor capital projects or recurring capital projects represent relatively small costs of an on-going nature, and therefore, should be financed with current revenues rather than utilizing debt financing. This policy also reflects the view that those who benefit from a capital project should pay for the project.

Major Capital Projects. Major capital projects, which benefit future residents, will be financed with other financing sources (e.g. debt financing). Major capital projects represent large expenditures of a non-recurring nature that primarily benefit future residents. Debt financing provides a means of generating

sufficient funds to pay for the costs of major projects. Debt financing also enables the costs of the project to be supported by those who benefit from the project, since debt service payments will be funded through charges to future residents.

APPENDIX B – DETAILED CURRENT ESTIMATES AND FUTURE PROJECTIONS OF RESIDENTIAL DEVELOPMENT

<i>Development Name</i>	<i>Developer/Owner</i>	<i>Number of Units that are Proposed, Platted, or Remaining to be Constructed (2)</i>	<i>Number of Units Completed, under Construction</i>	<i>TOTAL</i>
(6S 3E 26)	Various	8	20	28
(6S 3E 27)	Various	5	9	14
(6S 4E 12)	Various	1	38	39
(6S 4E 27)	Montana Contractors Mortgage Ir	2	18	20
(6S 4E 31 Less Two Rivers Subdivision)	Various	0	20	20
(7S 3E 24) Beaver Creek	Various	18	7	25
(7S 3E 26) Bear Paw Ponds	Various	22	9	31
(7S 4E 19) Beaver Creek	Various	13	15	28
(7S 4E 30) Beaver Creek West	Various	22	9	31
(7S 4E 8) River View Ranch	Various	18	15	33
Alpenglow Condominiums	Alpenglow LLC	0	48	48
Antler Ridge	GCV Montana	46	22	68
Arrowhead Condominiums	Arrowhead Inc	0	23	23
Aspen Court Condominiums	Biggerstaff/Williams	0	18	18
Aspen Groves	Aspen Groves Dev. Corp	37	48	85
Beaver Creek South	Kevin Kelleher	9	12	21
Beaverhead Condominiums	Lone Peak Inc	4	120	124
Beehive Basin COS	Various	13	10	23
Big EZ	Steve Hicks	22	8	30
Big Horn Condominiums	Scyper Inc	0	70	70
Big Horn Tract Subdivision	Various	9	5	14
Big Sky Business Center Condominiums	McGough	0	15	15
Black Eagle	Lone Sky Developers	18	22	40
Blue Grouse Hills Condominiums	Log Condominiums Inc	2	12	14
Broadwater Condominiums		0	16	16
Brownstone		8		8
Buck Ridge	Buck Ridge Co.	22	10	32
Cascade North, Residential	Boyne USA	60	130	190
Cascade Ridge	Lilly & Lopker LLC	23	1	24
Cedar Creek Condominiums	Pioneer Development Co.	0	72	72
Chase Montana Condominiums	Maloney/Peter	0	11	11
Craik Creek Condominiums	Lone Peak Inc.	0	32	32
Deer Run Condominiums	Radick Construction	8	34	42
Elk Ridge -- Section 12	Various	20	8	28
Fairways at Big Sky	Jeremy Moss	8	4	12
Firelight Meadows	Paul Pariser	0	218	218
Moondance	Wiley MT (Norm McDougal) & Lee Lynn (Mel McDougal)	18	9	27
Gallatin Building Condominiums (Residential Portion)	Snowy River Co.	0	17	17
Glacier Condominiums	Original Big Sky	0	67	67

Greathorn Ranch, LTD (Section 11)	John Bauchman	10	0	10
Grey Wolf Condominiums	Group 7, Inc.	0	29	29
Hidden Village Condominiums	John Radick	0	141	141
Hill Condominiums	Mountain Village	0	180	180
Jefferson Building Condominiums (Residential Portion)	Snowy River Co.	0	10	10
Karst Subdivision	Various	11	10	21
Lake Condominiums	Mountain Village	10	55	65
Lodges at Elkhorn	Lodges at Elkhorn Creek	40	0	40
Lone Moose Meadows Condominiums	Lone Moose Meadows	28	28	56
Madison Court Condominiums	Snowy River Co.	0	17	17
Meadow Village Center Condominiums	Meadow Center Inc.	0	6	6
Meadow Village Lots	Boyne USA	97	150	247
Moonlight Basin (Cowboy Heaven, Diamond Hitch, Ulery's Lakes, all condominiums, etc.)		200	300	500
Moose Ridge	Radick Construction	27	5	32
Ousel Falls Subdivision	Ousel Falls Subdivision	19	13	32
Park View West Subdivision	Corcoran/Spain	0	36	36
P-C Condominiums	Yellowtrail Park	0	29	29
Pine Ridge Town Homes Condominiums	Biggerstaff/Williams	0	10	10
Pinewood Hills	John Radick	1	10	11
Porcupine Park	Section 17 LLC	27	16	43
Powder Ridge Cabins	Boyne Properties Inc.	33	66	99
Rainbow Ranch	Sewell	0	12	12
Rainbow Retreat		7	3	10
Ramshorn View Estates	Homelands Development Corp.	33	59	92
Rimrock Meadows	Rimrock Meadows	16	0	16
River Run Meadows	Phil Smith	11	0	11
Saddle Ridge	Moonlight Basin Ranch	0	85	85
San Marino on the Gallatin	John Malpeli	0	10	10
Section 13	Big EZ Preserve	4	0	4
Section 5 - Affordable	Bostwick Properties, LLC	0	0	0
Section 5 - Residential	Bostwick Properties, LLC	80	0	80
Section 7	Bostwick Properties, LLC	39	0	39
Shoshone Condominiums	Big Sky of Montana Inc	0	79	79
Silver Horseshoe Ranch	Cameron/Knutson	0	10	10
Silverbow Condominiums	Original Big Sky	0	70	70
Skywood Estates/Michener Meadows	Skywood Partners	20	10	30
Snowcrest Commercial Condominiums	Mountain Village	0	4	4
Southfork	Cronin	48	58	106
Spanish Peaks Club Condominiums	Dick Anderson Const.	0	55	55
Spanish Peaks North	Dave Traylor	30	15	45

CIP for Gallatin Canyon/Big Sky Planning and Zoning District

Gallatin County, Montana

Spruce Condominiums	I.C.B.I Development of Montana	0	16	16
Stillwater Condominiums	Mountain Village	0	60	60
Summit View	Jerry Scott	30	10	40
Sweetgrass Hills	Boyne USA	46	56	102
The Club at Spanish Peaks	Spanish Peaks Holdings LLC	790	60	850
The Pines of Big Sky Condominiums	S + D Development/Radick Const.	11	24	35
The Summit Hotel Condos	Summit Hotel LLC	222	0	222
Town Center -- Residential (Lone Peak Townhomes, Tamarack Court, Cottonwood Crossing, Elevation 6000, Essentia, etc.)	Simkins Holdings, LLC	410	81	491
Uplands Residential	Simkins Holdings, LLC	224	5	229
Westfork Meadows	Westfork Properties, Inc	0	32	32
Yellowstone Club	Blixseth Group	133	200	333
Yellowstone Condominiums	Original Big Sky	0	42	42
(153-215)	Johnson	0	1	1
(6S 3E 21)	Various	0	2	2
(6S 3E 22)	Ossorio	2	2	4
(6S 3E 28)	Various	4	5	9
(6S 3E 36)	Michael Ankeny	0	3	3
(6S 4E 1)	Various	0	8	8
(6S 4E 13)	Various	0	2	2
(6S 4E 23/22)	Various	0	7	7
(6S 4E 29)	Peter Pearson	1	7	8
(7S 4E 18)	Paul Cronin	4	4	8
(COS 1041A)	Collins	2	1	3
(COS 1246)	Various	0	5	5
(Minor Subdivision 136)	Aspen Groves Dev. Corp	2	2	4
(Minor Subdivision 174)	Various	3	1	4
(Minor Subdivision 20)	Various	3	3	6
(Minor Subdivision 214)	Big Sky Resort	4		4
(Minor Subdivision 222)	Various	0	5	5
(Minor Subdivision 227)	Blixseth Group	0	5	5
(Minor Subdivision 259)	Gerrard	3	3	6
(Minor Subdivision 285)/Sleeping Bear	Wheeler	0	5	5
(Minor Subdivision 312)	Various	0	4	4
(Minor Subdivision 348)	Kari Sue Locati	5	0	5
(Minor Subdivision 372)	Gallatin Inc.	7	1	8
(Minor Subdivision 75)	Various	1	4	5
Blue Grouse Hills	Paul Cronin	3	3	6
Blue Grouse Hills Commercial Condominiums	Paul Cronin	3	5	8
Dudley Creek	Canadian Environmental Land Projects	3	4	7
Gallatin Highlands/COS 1734	Various	1	7	8

Little Horn Lodge	Thomas Kirkhill	1	1	2
North Fork Creek	Mitchell, LLP	1	5	6
RiverView Acres	Betsy Chase	0	5	5
Sky Meadow Condominiums	Derrig	0	8	8
Teton Condominiums	Panda Enterprises	0	5	5
Two Rivers	Gallatin Peaks Land & Development, LLC	2	2	4
Gallatin Preserve		10	0	10
Yellowstone Preserve		8	0	8
Skywood in Meadow - South Fork		660	0	660
7S 4E 7 in Canyon		36	0	36
Totals		3,862	3,514	7,376
		52%	48%	100%

Source: Ryan Hamilton, Town Center Development. Additional comments/edits from Big Sky Zoning Advisory Committee.

Notes:

1. Data compiled by researching plat books at Gallatin and Madison county courthouse, phone calls to developers, data from Gall. County GIS dept., etc. Data is believed to be current as of August, 2003 and is subject to refinement and modification. Potential investors should not rely on the information in deciding whether to purchase, or otherwise make any investment in property without conducting their own investigation by qualified professionals. (3/06. Update researched by calling developers and others knowledgeable about the various developments -- this data is an estimate only and should not be solely relied upon when deciding whether or not to do a project in Big Sky. Purchaser is responsible for their own due diligence) (6/09. Updated by rechecking plat books and GIS at Gallatin and Madison County courthouses and by calling developers and others knowledgeable about the various developments)
2. Master PUD's, Master Plans, future development plans, conceptual plans, preliminary plat, future phases, etc.
3. Planned, Proposed, or Platted Units or Lots ≥ 10
4. Planned, Proposed, or Platted Units or Lots < 10

APPENDIX C – DETAILED LISTING OF CURRENT BUSINESS CENSUS

Business	Location	Additional Info.
A NUE SALON	Meadow Village	
ALLGOOD'S BAR & GRILL	Meadow	Westfork
ALPENGLOW TRAVELING SPA	Home Bsns	
ALPINE PROPERTY MANAGEMENT	Town Center	
ALPINE WATER	Meadow	
AMERICAN BANK	Spur Road	
AMERICAN LAND & TITLE COMPANY	Meadow Village	
ANDERSON ENTERPRISES	Canyon	
ANDIAMO	Mountain Village	Lone Peak Center
ARTS COUNCIL OF BIG SKY	Meadow	
ATLAS CARPET & UPHOLSTERY	Home Bsns	
AXILON LAW GROUP	Meadow Village	
BARE ESSENTIALS	Home Bsns	
BENTLY BODIES LLC	Meadow	Westfork
BEST WESTERN BUCK'S T-4 LODGE	Canyon	
BIG EZ LODGE & CONFERENCE CTR	Beaver Creek	
BIG HORN BOUTIQUE	Town Center	
BIG SKY BASE CAMP TO YELLOWSTONE	Mountain Village	Mountain Mall
BIG SKY BUILD	Town Center	
BIG SKY CHAMBER OF COMMERCE	Meadow	Westfork
BIG SKY COMMUNITY CORPORATION	Meadow Village	
BIG SKY FURNITURE	Meadow Village	
BIG SKY GOLF COURSE	Meadow	
BIG SKY HEALTH & FITNESS	Meadow Village	
BIG SKY INSTITUTE	Meadow	Westfork
BIG SKY JEWELRY	Mountain Village	Mountain Mall
BIG SKY LANDSCAPING	Meadow	Westfork
BIG SKY OWNERS ASSOCIATION	Meadow Village	
BIG SKY PATIENT CARE	Town Center	
BIG SKY PROPERTIES	Mountain Village	Summit
BIG SKY PROPERTIES INC	Mountain Village	Huntley/Shoshone
BIG SKY PROPERTIES INC	Mountain Village	Lone Peak Center
BIG SKY REAL ESTATE	Meadow Village	
BIG SKY REAL ESTATE BROKERS	Canyon	
BIG SKY REALTY -SOTHEBY'S	Meadow Village	
BIG SKY REPAIR SHOP	Mountain Village	Mountain Mall
BIG SKY RESORT	Mountain Village	
BIG SKY RESORT AREA DISTRICT	Town Center	
BIG SKY RESORT RENTALS	Mountain Village	Snowcrest Lodge
BIG SKY SNOWBOARD RENTALS	Mountain Village	Snowcrest Lodge
BIG SKY SPORTS	Mountain Village	Mountain Mall
BIG SKY WEEKLY	Meadow Village	
BIG SKY WESTERN BANK	Town Center	
BIG SKY WIFI	Meadow Village	

BIGGERSTAFF CO	Meadow Village	
BLACK BEAR BAR & GRILL	Mountain Village	
BLACK DIAMOND SKI RENTAL	Meadow Village	
BLUE MOON BAKERY	Meadow	Westfork
BLUE RIBBON BUILDERS INC	Meadow Village	
BLUE WATER TASK FORCE	Meadow	Westfork
BOZEMAN DEACONESS PHARMACY	Meadow Village	
BUGABOO CAFÉ	Canyon	
BURGER BAR	Mountain Village	
BY WORD OF MOUTH RESTAURANT	Meadow	Westfork
C&P GROCERY	Mountain Village	Mountain Mall
CABIN BAR & GRILL	Mountain Village	Arrowhead
CANYON AUTO REPAIR & TOWING	Canyon	
CARABINER LOUNGE	Mountain Village	Summit
CAROL SISSON DESIGN	Town Center	
CENTRAL INSURANCE	Meadow	Westfork
CENTRE SKY ARCHITECTURE LTD	Town Center	
CHARSAM GALLERY	Town Center	
CHET'S BAR & GRILL	Mountain Village	Huntley Lodge
CHINA CAFÉ	Town Center	
CHOPPERS GRUB AND PUB	Town Center	
CHRISTINE ADAMS, LCSW	Meadow	
CLUB LOCKER ROOM	Mountain Village	Lone Peak Center
CONOCO BIG SKY TRAVEL SHOPPE.	Canyon	
CORNERSTONE MANAGEMENT SERVICE	Meadow	Westfork
COUNTRY MARKET	Meadow Village	
CREIGHTON BLOCK GALLERY	Town Center	
CRYSTAL IMAGES PRO PHOTOGRAPHY	Mountain Village	Mountain Mall
DRAGONFLY INTERIORS	Town Center	
EAST SLOPE ANGLERS	Canyon	
EAST WEST RESORTS	Meadow Village	
ERA LANDMARK REAL ESTATE	Meadow Village	
FIREHOLE COFFEE	Mountain Village	Huntley/Shoshone
FIRST SECURITY BANK	Meadow Village	
FIRST WEST INC	Meadow Village	
FLAT ROCK FINANCIAL	Meadow Village	
FONDUE STUBE (part of Chet's)	Mountain Village	Huntley Lodge
GALLATIN ALPINE SPORTS	Meadow	Westfork
GALLATIN ASSOCIATES	Meadow Village	
GALLATIN RIVER GALLERY	Meadow Village	
GALLATIN RIVER GUEST CABIN LLC	Canyon	
GALLATIN RIVERGUIDES	Canyon	
GREENE CONSTRUCTION	Meadow Village	
GRIZZLY OUTFITTERS	Town Center	

HAAS BUILDERS	Meadow Village	
HALF MOON SALOON	Canyon	
HAMMOND PROPERTY MANAGEMENT	Canyon	
HANDY RANDY MAINTENANCE LLC	Home Bsns	
HARPSTER CONSTRUCTION CO	Canyon	
HEADWATERS GRILLE	Moonlight Basin	
HIGH ALTITUDE PROPERTY MANAGEMENT	Mountain Village	
HIGHLINE COTRACTORS	Meadow Village	
HORSE OF A DIFFERENT COLOR.	Meadow Village	
HUNGRY MOOSE MARKET	Town Center	
HUNTLEY DINING ROOM	Mountain Village	
I-RANCH	Mountain Village	Mountain Mall
J P WOOLIES	Mountain Village	Mountain Mall
James Taylor 20.999 ac parcel Spur Road	Spur Road	
Kenga Ice Cream	Meadow	Westfork
LA LUNA RESTAURANT	Meadow Village	
LINDELL & ASSOCIATES	Meadow Village	
LONE MOUNTAIN RANCH	Meadow	
LONE MOUNTAIN SPORTS	Mountain Village	Arrowhead
LONE PEAK BREWERY	Meadow Village	
LONE PEAK CAFÉ	Mountain Village	Mountain Mall
LONE PEAK LOOKOUT	Meadow Village	
LONE PEAK PHYSICAL THERAPY	Meadow Village	
LONE PEAK PLAYHOUSE	Mountain Village	Snowcrest Lodge
LONE PERK	Canyon	
LONE PINE GROUP LLC	Meadow Village	
LOTUS PAD RESTAURANT	Meadow	Westfork
M R HUMMERS	Mountain Village	
MADE IN MONTANA	Meadow Village	
MAIL-N-MORE	Meadow	Westfork
MBA'S LAKE ADVENTURES	Mountain Village	
Medical Clinic of Big Sky	Mountain Village	
MEDICAL CLINIC OF BIG SKY	Town Center	
MEN AT WORK	Canyon	
MILKIE'S PIZZA & PUB	Meadow	Westfork
MILLIGAN CONSTRUCTION INC	Home Bsns	
MONICA'S SALON & DAY SPA	Town Center	
MONTANA CHIROPRACTIC & SPORTS MEDICINE	Town Center	
MONTANA REAL ESTATE CO	Moonlight Basin	
MOONLIGHT BASIN SKI RESORT	Moonlight Basin	
MOONLIGHT LODGE	Moonlight Basin	
MOONLIGHT SPA	Moonlight Basin	
MORNINGSTAR LEARNING CENTER	Meadow Village	
MOUNTAIN COFFEE SHOP	Mountain Village	Mountain Mall
MOUNTAIN HOME ELECTRIC	Meadow	Westfork

MOUNTAIN INN	Mountain Village	
MOUNTAIN VIEWMERCANTILE	Canyon	
NATIVE ACCENTS	Mountain Village	Mountain Mall
NET WAVE	Meadow	
NORDIC HOT TUB SVC	Canyon	
OZSSAGE MASSAGE THERAPY	Meadow Village	
PAHA PRINT AND DESIGN	Meadow	
PAPARAZZI BOUTIQUE	Mountain Village	Huntley/Shoshone
PAPARAZZI FUR & LEATHER	Mountain Village	Mountain Mall
PEAKS RESTAURANT	Mountain Village	Summit
PERFORMANCE DEMO CENTER	Mountain Village	Snowcrest Lodge
PINNACLE AT BIG SKY	Mountain Village	
PLUM LOGO	Mountain Village	Mountain Mall
PROVISIONS	Mountain Village	Summit
PRUDENTIAL BIG SKY REAL ESTATE	Town Center	
PURE WEST PROPERTIES	Town Center	
RAINBOW RANCH	Canyon	
RED LEAF CONSULTING	Meadow Village	
RESORT PROPERTY MANAGEMENT	Meadow	Westfork
RIVER ROCK LODGE	Meadow	Westfork
RIVERS TO PEAKS REAL ESTATE	Town Center	
RYAN TURNER PHOTOGRAPHY	Canyon	
SCISSORBILLS SALOON	Mountain Village	Arrowhead
SHOBUTTE MILLWRIGHT SVC	Home Bsns	
SHUTTLE TO BIG SKY & TAXI	Town Center	
SIMKINS HALLIN SHOWROOM	Town Center	
SKI SCHOOL - KIDS CENTER	Mountain Village	Lone Peak Center
SLIDERS DELI	Canyon	
SOLACE SPA	Mountain Village	Huntley/Shoshone
SOTHEY'S REAL ESTATE	Town Center	
SPANISH PEAKS RESORT	Spanish Peaks Resort	
STICKS R US INC	Home Bsns	
STOR-A-SKI	Mountain Village	Mountain Mall
SUMMIT COFFEE	Mountain Village	Summit
SW MONTANA PLASTIC SURGERY	Town Center	
THE BOARD ROOM	Mountain Village	Mountain Mall
THE CAVE SPIRITS & GIFTS	Town Center	
THE CORRAL	Canyon	
THE GOURMET GALS	Town Center	
THE LITTLE RIVER COMPANY	Meadow Village	
THE RESERVE AT MOONLIGHT BASIN	Moonlight Basin	
THINK BIG SKY PROPERTY MGMT..	Home Bsns	
THOMAS HEATING & SHEET METAL	Home Bsns	
TIMBERLINE RESTAURANT	Yellowstone Club	
TIMBERS AT MOONLIGHT LODGE	Moonlight Basin	

TRAIL HEAD RESTAURANT	Meadow	Westfork
TRIPLE CREEK REALTY	Mountain Village	Arrowhead
TRIPLE CREEK REALTY	Canyon	
US POST OFFICE	Meadow Village	
VILLAGE CENTER ARCADE	Mountain Village	Lone Peak Center
VOYAGER CONSTRUCTION LLC	Canyon	
WADE AND ASSOCIATES	Meadow Village	
WARREN MILLER INC LLC	Home Bsns	
Warren Miller LODGE	Yellowstone Club	
WATER & SEWER DISTRICT 363	Meadow Village	
WELLNESS STUDIO	Mountain Village	Lone Peak Center
WESTERN MOUNTAIN HOMES	Meadow	
WHISKY JACK'S	Mountain Village	
WILD TROUT OUTFITTERS INC	Canyon	
WILLOW BOUTIQUE	Meadow Village	
WINTER & COMPANY REAL ESTATE	Town Center	
WRAP SHACK	Meadow	Westfork
YELLOWSTONE CLUB	Yellowstone Club	
YELLOWSTONE CLUB DEVELOPMENT	Yellowstone Club	
YELLOWSTONE TOUR GUIDES INC	Canyon	
YETI DOGS	Mountain Village	

COUNT OF BUSINESSES**199**

Sources: TischlerBise survey of "Business Directory" of The Big Sky Weekly Newspaper, Big Sky Chamber of Commerce, review of condominium covenants, phone interviews with commercial real estate developers in Big Sky. Supplemented with comments/input from Big Sky Zoning Advisory Committee.