UTAH PUBLIC SKI AREA COALITION

Financial Summary

Version 15 | Structured Financing Case | September 2026

$104.19M	$83.9M	$7.62M	170,000	$59
TOTAL CAPITAL (FULL BUILD)	PHASE 1, OPENING BUILD	YEAR 1 REVENUE	STABILIZED VISITS	RESIDENT DAY TICKET

A resident-first public ski area for Utah families

This document summarizes the capital cost, operating economics, and funding request for a state-supported public ski area in Utah. The model is built on an illustrative site in the northern Wasatch range. Site selection is not final. Every number here is a planning estimate, and a licensed feasibility study is the required first step that would refine all of it.

The project is structured the way public recreation enterprises normally are. The state owns the assets and a nonprofit operates them under a public-benefit charter. Debt service and a capital replacement reserve are both carried below the operating line, so the bottom line shown is the enterprise's real net position, not an operating surplus.

SECTION 1

Resort Profile and Key Assumptions

Illustrative site	Northern Wasatch range, roughly 30 to 35 minutes from Salt Lake City
Skiable acres (Phase 1)	About 1,000 acres
Vertical drop	2,500 ft (base about 7,200 ft, summit about 9,700 ft)
Lifts	5 fixed-grip quads, 1 magic carpet, 1 terrain-park rope tow
Season length	110 operating days
Access	No canyon-road dependency
Land tenure	U.S. Forest Service land under a Special Use Permit (leased, not acquired)
Year 1 skier visits	80,000
Annual growth to stabilized	10% per year
Stabilized annual visits	170,000 (reached around Year 9)[2]
Resident share of visits	75%, a deliberate design target
Operating model	Nonprofit operator, state owns the assets

Pricing

Resident pricing is set as policy, well below the market, and is the same in every case. Out-of-state pricing is set at the market rate and funds resident access.

TICKET TYPE	PRICE	REFERENCE
Utah resident adult (daily)	$59	Below comparable regional day tickets
Utah resident child (under 12)	$30	Free under age 5
Out-of-state visitor (adult)	$139	Market rate, funds resident access
Season pass, resident	$750	Below comparable regional season passes
Season pass, non-resident	$1,250	Competitive with public and nonprofit peers
School program rate	$15 / student	Partnership with Utah school districts

TICKET TYPE	PRICE	REFERENCE
Youth terrain-park pass	Planned	Low-cost rope-tow pass to build young skiers

SECTION 2

Capital Cost Estimate

Total capital for the full build is $104,186,000. Of that, $83.9 million is Phase 1, the opening-day build. Phase 2 adds lifts 4 and 5 and is built only after Phase 1 proves demand, funded from operating surplus and a revenue bond rather than up-front state capital.

COST ITEM	TOTAL
Lift 1, Base beginner/intermediate quad	$4,600,000
Lift 2, Main mountain quad	$6,400,000
Lift 3, Mid-mountain quad	$5,500,000
Lift 4, Upper mountain quad	$5,800,000
Lift 5, Expansion quad	$5,200,000
Magic Carpet / Surface Lift	$400,000
Rope Tow, Terrain Park	$150,000
Trail Development	$5,200,000
Snowmaking System	$7,500,000
Water Rights Acquisition	$0
Base Lodge	$11,500,000
Parking	$2,500,000
Access Road (3-4 miles)	$22,000,000
Utilities / Power Infrastructure	$3,000,000
Grooming Equipment	$1,200,000
Rental Fleet (initial)	$150,000
Snowmobiles & Off-Road Vehicles	$200,000
Hard cost subtotal	**$81,300,000**

COST ITEM	TOTAL
Permitting, NEPA & Design	$5,000,000
Construction Contingency	$17,886,000
Total capital requirement	**$104,186,000**

Lift costs are benchmarked to publicly reported 2024-25 fixed-grip quad projects at comparable ski areas.[4]

Water rights are not yet priced. The snowmaking line covers storage and distribution only. Utah water rights are neither free nor guaranteed, and acquisition could add roughly $2 to $6 million depending on the basin.[7] This must be established in feasibility, so the true capital is this total plus an unpriced water-rights line.

The most important fact about the capital. Roughly $30 million of Phase 1 is fixed enabling cost, the access road, power, and permitting, that is spent before a single lift turns. That is why Phase 1 cannot be made small, and it is why the access road belongs in a transportation funding conversation rather than on the resort's balance sheet.

The site is assumed to be on U.S. Forest Service land under a Special Use Permit, so there is no land purchase. The permit fee is an annual operating cost that scales with revenue, not a capital cost.

SECTION 3

Funding Request

Every line below is a request, not a commitment. No source has been secured. Presenting them as identified funding would misstate the project's position.

FUNDING MECHANISM	AMOUNT	NOTE
State Legislative Appropriation	$38,000,000	Primary mechanism. Requires legislative action.
State Government Bonds (self-supporting / revenue-backed GO, 30-yr)	$18,000,000	GO-backed for the low rate, repaid from resort revenue. State guarantee is a backstop only.
Transportation Funding, Access Road	$22,000,000	Year-round public corridor. Funded as transportation infrastructure, not on the resort.
Tourism Revenue Subsidy (industry partners)	$2,500,000	Reframed as tourism-tax reinvestment. Low confidence.
Land & Water Conservation Fund (LWCF)	$2,500,000	Federal, competitive. Low confidence.
Utah Outdoor Recreation Grant	$1,000,000	Regional asset tier. Also a stakeholder-engagement vehicle.
Philanthropic / Naming-Rights Capital Campaign	$2,500,000	Named lodge, lifts, runs, terrain park, patrol building. Donor charitable deduction.

FUNDING MECHANISM	AMOUNT	NOTE
Pre-Opening Season Pass Sales (Founding)	$250,000	Founding passholder program. Also a demand-validation signal.
Total identified	**$86,750,000**	**Against $104.2M full build**

Direct state exposure is $56 million, a $38 million appropriation plus $18 million in bonds, against $104.2 million of total project cost. This is not a new tax. Utah already collects $342.6 million a year in state and local tax from skiing, and this reinvests a fraction of it.

Phase 1 is fully funded. Phase 1 costs $83.9 million and the identified sources total $86.75 million. The difference against the full build funds Phase 2, which is deferred and self-funded once demand is proven. Earlier versions counted $18 million of Olympic venue funding. That line has been removed. The 2034 Games reuse existing venues and are privately funded, so there is no venue-development grant for a resort that hosts no event. A tax-increment or economic-development district, which captures the new tax the resort itself generates and does not raise anyone's tax rate, is potential upside that is not counted here.

SECTION 4

Ten-Year Projected Performance

Debt service and a capital replacement reserve are reported below the operating line. The bottom row is the honest net position. Ticket prices are held flat in nominal terms across all ten years while costs escalate at 3%, a deliberately conservative treatment. Columns show Years 1, 3, 5, 8, and 10.

($000S)	YR 1	YR 3	YR 5	YR 8	YR 10
Skier visits	80,000	96,800	117,128	155,897	170,000
Total revenue	7,621	9,244	11,213	14,982	16,536
Total operating costs	7,700	8,454	9,311	10,828	11,682
Operating surplus	(79)	790	1,902	4,155	4,855
Less: debt service	0	0	(1,479)	(1,479)	(1,479)
Less: capital reserve	(457)	(555)	(673)	(899)	(992)
Net position	**(536)**	**235**	**(250)**	**1,776**	**2,383**
Cumulative net	**(536)**	**(476)**	**(24)**	**3,118**	**8,030**

METRIC	YR 1	YR 5	YR 10	REFERENCE
Revenue per visit	$95	$96	$97	Regional areas run $60 to $120
Operating margin	-1%	17%	29%	Small independents run in the teens to low thirties
Debt service coverage	n/a	1.29x	3.28x	Municipal threshold is 1.25x

Debt service begins in Year 5, after four years of capitalized interest during the ramp. The Year 1 net position of about $536,000 negative is the honest shape of a capital-intensive start-up, and it sets the scale of the state operating backstop the first seasons may require.

SECTION 5

What Makes the Financials Work

Access road as transportation infrastructure. Removing the $22 million road from the bonded base cuts debt service permanently. The corridor serves the area year-round and qualifies on its own merits.

Interest capitalized for four years. Standard practice for a municipal start-up. It converts the ramp period from a structural failure into a normal development timeline.

Nonprofit operator. A nonprofit runs at a benefits load near 26% rather than the 38% to 42% a state agency carries. It also insulates the state from operating risk.

Self-supporting bond. The bond carries a low GO rate but is repaid from resort revenue. The coverage ratio is the margin by which resort revenue covers the bond before any state backstop is needed.

A season-pass base. About 47% of visits come from passholders whose payment arrives before the season. That pre-sold revenue is the resort's main hedge against a poor snow year.

Four-season operation. A basic summer operation spreads fixed costs across more of the year. It is modeled as a slow ramp, not weddings or events.

SECTION 6

The State Ask in Context

COMPARISON	FIGURE	CONTEXT
Cost per Utahn per year	$0.56	Against a forecast state population of 3.60 million
Share of total state budget	0.006%	Utah FY2027 budget totals $31.6 billion
Share of ski-industry tax	0.58%	Skiing generates $342.6 million a year in state and local tax[1]
Increase in state GO debt	2.0%	On outstanding GO debt of about $899 million

This is an appropriation from existing revenue, not a tax increase. The request is to reinvest roughly half a penny of every dollar skiing already generates, for a limited period, to add resort capacity, put Utah children on snow, and relieve canyon congestion.

SECTION 7

Operating Cost Detail, Year 1

Costs split into controllable labour and non-controllable expense. Variable labour scales with visits, which protects margin in slow periods. Fixed lines escalate at 3% a year. Wages were set to be competitive: patrol at $24 an hour, above recent Utah ski-patrol starting wages,[6] and instructors above the Utah market. The USFS ski area permit fee is a statutory graduated rate on revenue,[10] so it rises as the resort grows.

LINE ITEM	YEAR 1
Fixed Labour (fully loaded)	$1,408,302
Variable Labour (fully loaded)	$1,241,596
Lift Operations & Maintenance	$850,000
Snowmaking & Grooming (ops)	$450,000
Employee Housing & Transportation	$350,000
Utilities	$320,000
Insurance, Workers Compensation	$300,000
Insurance, General Liability & Property	$260,000
Maintenance & Repairs	$280,000
Avalanche Control Program	$180,000
General & Administrative	$175,000

LINE ITEM	YEAR 1
Summer Maintenance Staff	$175,000
Marketing & Outreach	$150,000
USFS ski area permit fee	$160,529
Professional Services (legal, audit)	$150,000
IT, Point-of-Sale & Software	$120,000
Rental Fleet Replacement	$120,000
Credit Card & Ticketing Fees	$213,393
Patrol Medical & Safety	$60,000
Snowmobile & Vehicle Operating	$40,000
Cost of Goods (F&B and Retail)	$396,000
Summer / Four-Season Operating	$300,000
Total Year 1 operating costs	**$7,699,820**

SECTION 8

Key Risks and Mitigations

RISK	MITIGATION
Permitting timeline	A new area on National Forest land requires full NEPA review, which routinely runs longer than the four-year window assumed here. Treat the opening year as a planning convention, not a commitment. Phase 1 permitting and design are funded at $5 million.
Demand below projections	Year 1 is modeled at 80,000 visits against a 170,000 ceiling. The school program provides a demand floor, and non-resident pricing is a direct lever. A conservative case is maintained in the model.
Water rights	Not yet priced. Storage and distribution are budgeted, acquisition is not. This must be resolved in feasibility and could add $2 to $6 million.
Access road cost	The widest error bar in the estimate. Seeking transportation funding also moves this risk off the resort.
Low-snow years	See the stress test below. The pre-sold pass base and the capital reserve absorb a poor year.

RISK	MITIGATION
Operating losses during ramp	Capitalized interest defers debt service through Year 4. A state operating backstop during the ramp is the contingency, and its scale is stated plainly rather than assumed away.

SECTION 9

Stress Test, a Bad Snow Year

Utah skier visits fell about 26.5% in the 2025-26 low-snow winter.[1] The model was tested against a 25% visit drop in a mature year, with the bond payment active.

MEASURE	NORMAL YEAR	BAD SNOW YEAR
Revenue change		down about 18%, not 25%
Debt service coverage	1.3x to 3.3x across the plan	about 0.57x
Shortfall if reserve paused	none	about $643,000
Reserve accumulated by Year 5		about $2.8 million

The pre-sold season-pass base holds the revenue drop to about 18% rather than 25%, because roughly 47% of visits are passholders who have already paid. Coverage dips below 1.0x that year, so operations alone do not fully cover the bond. The capital reserve absorbs the gap. Pausing that year's reserve contribution leaves a shortfall near $643,000 against roughly $2.8 million of accumulated reserve, so the resort draws its reserve and keeps paying its bond. It does not default.

The capital replacement reserve is therefore dual-purpose. It funds eventual equipment replacement, and it is the buffer for a poor snow year. The model is resilient, not bulletproof. The real exposure is back-to-back low-snow years, which would draw the reserve down faster than it rebuilds.

RECOMMENDED NEXT STEPS

From Here

1. Commission a Tier 1 site screening across candidate sites: terrain, snow reliability, access, land status, water availability.
2. Commission market and financial feasibility on the selected site, including an independent capital estimate and demand model.
3. Open a transportation funding conversation on the access road corridor, independent of the resort question.
4. Establish water rights availability and acquisition cost for snowmaking.

5. Engage Utah school districts to quantify the school program demand floor.
6. Identify the legislative vehicle and the governance structure, a nonprofit operator under a public-benefit charter.

Appendix

Model Notes and Sources

Model notes. All figures are illustrative planning assumptions, not feasibility results. Season-pass frequency is modeled at 22 visits per passholder, the single most sensitive revenue assumption. Bond terms are illustrative at 4.8% over 30 years. Pre-opening operating costs, working capital, and water rights acquisition are not modeled and are real costs to add once a funding structure is chosen.

Superscript numbers in the text link to the sources below.

1. Kem C. Gardner Policy Institute, The Economic Contributions of Utah's Ski Industry, 2024-25 (6.5 million skier days, 43% in-state, $2.51 billion, $342.6 million in tax).
2. Skier visitation at a comparable regional nonprofit ski area (regional press reporting).
3. National Ski Areas Association and Ski Area Management, season-pass share of lift revenue and summer operations share of revenue.
4. Publicly reported 2024-25 fixed-grip quad project costs at comparable ski areas.
5. Ski Utah, resident lesson and rental pricing.
6. Utah ski patrol wage data and a January 2025 Utah resort labor settlement (Utah News Dispatch, Salt Lake Tribune).
7. Utah Division of Water Rights and market listings, water rights pricing by basin.
8. 2034 Winter Olympics venue and funding structure (Deseret News, Utah News Dispatch), and Utah SB 333, 2025.
9. U.S. Bureau of Labor Statistics, Consumer Price Index.
10. U.S. Forest Service ski area permit fee, the statutory graduated rate on adjusted gross revenue (16 U.S.C. 497c).