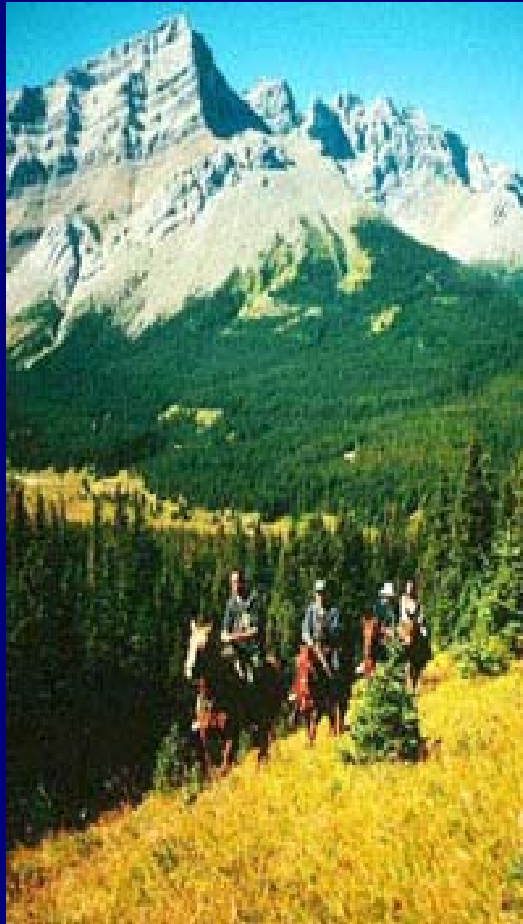


Fortress Mountain Resort



SUSTAINABLE RESORT DEVELOPMENT

The Banff Rail Company is an international tourism corporation that is geared toward the development of niche markets that will show leadership toward:

- **Sustainable tourism in Kananaskis Country and Alberta**
- **Substantial regional impacts:**
 - ✓ development of a model for resort development based on strong environmental; economic; and socioeconomic sustainability guidelines and best practices
- **Provide technical expertise to the sustainability of resort development in Kananaskis Country and Alberta;**
- **A CANADIAN MODEL FOR SUSTAINABLE RESORT DEVELOPMENT**
 - ✓ development of guiding principles for the resort industry
- **An office in Europe (Zagreb, Croatia) with Calgary business partners for sustainable tourism and the Calgary planning, development consulting market**

SUSTAINABLE RESORT DEVELOPMENT

The History of Fortress

- Founded in 1967 as Snowridge family ski area
- Owned and operated by Aspen Ski Company in 1975
- Mid 1980's the ski hill was purchased by Charlie Locke and Joe Coulliard
- 1989 Nakiska opened to the public; key complimentary ski hill
- Rebirth in the 1990's - RCR purchased the ski hill with snowboarders, freeriders, freestyle skiing
- Mid to late 1990's Fortress began to loose its market; the resort was not financially sustainable; lack of long-term vision
- 2004 RCR closed the resort; capital costs outweighed their ability to economically sustain the resort – limited winter offerings
- 2005 The Banff Rail Co revives the resort



SUSTAINABLE RESORT DEVELOPMENT

- Situated in the Canadian Rocky Mountains Fortress is “one of the best kept secrets” in western Canada
- The ‘best kept secret” will become one of Alberta’s best resorts
- Many Albertans have recognized that Fortress should stay in business
- Reinvestment at Fortress will be in excess of \$20M

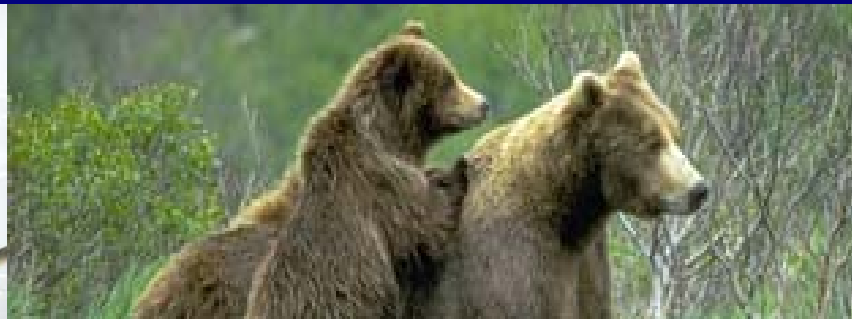


Vision of Fortress Mountain:

“Fortress will become “Alberta’s Resort” by meeting the challenges to achieve the “Triple E” bottom line in a competitive local, regional and domestic market – the development of a sustainable resort ”

K-Country was founded in 1976

- Has become the “jewel” of Alberta as Alberta’s recreational area
- From 1995 to 1999 public review of the Kananaskis Recreational Development Policy; Approved May 2001
- Key Issues for sustainability of the area:
 - ✓ Tourism
 - ✓ The Environment
 - ✓ Education



SUSTAINABLE RESORT DEVELOPMENT

Effective Project and Resort Management at Fortress will ensure:

- No – Net – Negative Environmental Impacts
- Environmental Integrity with the Implementation of:



- ✓ Corporate Best Practices
- ✓ Environmental Impact Assessments
- ✓ Mitigation Measures that can be achieved
- ✓ Management Policies and Procedures
- ✓ Government Acts and Regulations

SUSTAINABLE RESORT DEVELOPMENT

The downhill ski industry is changing:

- Growth of the industry has slowed since 1988 and it is becoming increasingly competitive.
- These trends place significant pressure on existing resorts to provide the best facilities, amenities and operations in order to remain competitive.

Direct competitor resorts are located in:

- ✓ British Columbia; over the past 10-years has doubled its market
 - ✓ Montana; aggressively marketing to Albertans
 - ✓ Resorts are providing on hill accommodation and development amenities that are not possible within the National and Provincial Park environment.
 - ✓ They are “stealing” the Alberta market
- Fortress’ lease area (and snow!!) is equivalent to that of Alberta’s major ski resorts in Banff National Park

- **Fortress has great potential in the resort market in Alberta and must improve its market by investing capital into the resort**
- **Local and regional market is strong and growing and the Alberta resorts must meet the demands of the tourism industry to remain competitive**



What can Fortress Achieve:

- ✓ Capital improvements
- ✓ Socioeconomic benefits to Kananaskis; Bow Valley; Cochrane and Calgary
- ✓ Development of educational programs
- ✓ International recognition for the model of sustainability of the resort
- ✓ Must retain the Alberta local and regional markets as the province grows

➤ Since the mid-1970's there has been no capital investment into the infrastructure:

- ✓ Buildings have deteriorated
- ✓ No respect to the environment for 3 decades
- ✓ Ski Runs have not been maintained
- ✓ Lift infrastructure was neglected
- ✓ Snowmaking has not been improved
- ✓ No Preventative Maintenance was completed !!!!!



SUSTAINABLE RESORT DEVELOPMENT

- The Banff Rail Co will develop a 10-year Master Plan
- Resort must become economically, environmentally and socio-economically viable:
 - ✓ development of accommodation (as per the lease agreement; grandfather clause)
 - ✓ assessment of year round offerings (accommodation, hiking, biking, education, interpretation)
- The plan will include:
 - ✓ achievement of environmental sustainability
 - ✓ working with the local and regional public and private sectors



Initial Three Years

- ✓ Development of the chalets (as per the grandfather clause)
- ✓ Lifts infrastructure is aged and in today's skiing industry is inadequate to compete on local and regional markets.
- ✓ Skier Count: 100,000 per year
- ✓ Fortress road is a constant challenge and it needs upgrades.
- ✓ The ski hill / runs need thinning of vegetation and implementation of Fire Smart practices to protect the resort
- ✓ Buildings and infrastructure must be improved – higher standards
Temporary Canadian Lodge in lieu of Rental / Ski School / Patrol building scheduled removal



SUSTAINABLE RESORT DEVELOPMENT

Three to Seven Year Plan

➤ Rebuild the resort:

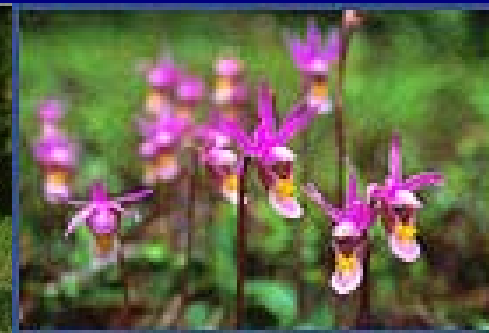
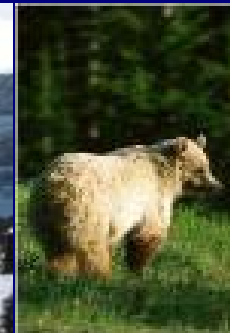
- ✓ Commencement of Summer Operations
- ✓ Upgrade the snowmaking system
- ✓ Ski run improvements
- ✓ Ski Lift improvement
- ✓ Skier count to 150,000 per year
- ✓ Accommodation development completed



SUSTAINABLE RESORT DEVELOPMENT

Ten Year Planning

- ✓ Building Alberta's Best Resort
- ✓ Development of new daylodge
- ✓ Upgrade the maintenance facilities
- ✓ New Staff accommodation
- ✓ Upgrade the parking lots
- ✓ Ski lift / Ski run / Snowmaking improvements
- ✓ Skier count from 150,000 to 200,000 per year



SUSTAINABLE RESORT DEVELOPMENT

Developing Strategies for:

- **Strengthening the Socioeconomic factors of Kananaskis Country**
 - ***Protection of Biodiversity in this unique environment***
 - ***Recreational Activities / Ecotourism for Albertans***
 - **Education for all levels**
 - **Economic Sustainability for the resort and K-Country**



Fortress' vision is to make this "place" into Albert's best resort that will only be matched by its breathtaking surrounding mountains and terrain.

SUSTAINABLE RESORT DEVELOPMENT



**Accommodation
Lodge/Hotel**

**Four Seasons
Recreation
Relaxation**

**Economically
Viable**

**Enjoyment,
Health,
Training**



**Water and
Wastewater
Recycling**

**Sustainable
Resort**

**Recycling
Solid Waste**

**No-Net-Negative Impact
Environmental Integrity**



**Green Power
Power Efficiency**

**Effective Maintenance
Environmentally Friendly**



SUSTAINABLE RESORT DEVELOPMENT

Thank you for this opportunity:

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SUSTAINABLE RESORT DEVELOPMENT