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Organization: Lutsen Recreation, Inc.

Title: President

Comments: Dear Constance Cummins,

I am writing this comment on LMC's proposed SUP and MDP submitted in 2016. I have had the opportunity to comment during the comment period and I now having read the Draft Environmental Impact Statement in full and I found a number of problems and omissions that I would like to see addressed.

I own and operate Lutsen Recreation, Inc., (LRI) located at 245 Ski Hill Road. I have been in the outdoor winter sports industry since 2006. I founded Superior Highland Backcountry in order to fulfill a vision of a hut to hut backcountry ski system along the North Shore. I am intimately familiar with the skiing industry and I believe I have more intimate, direct experience with the average Lutsen Skier via my professional services than any other individual in the area. This greatly informs my observations of industry trends both locally and nationally.

I firstly find LMC's stated purpose and need to be flawed and dishonest. Much of the bedrock of their argument in the SUP seems to be in an unscientific, uncited source, in section 1.3, Pg. 3, referred to as "Ski Magazine's Resort Ratings", apparently some kind of informal survey, by where we are led to believe that something called "terrain variety" is the first and foremost consideration of the average alpine skier when making their choice of a skiing destination. I find this reference in this DEIS to be spurious and without merit in absence of any ability to check the methods and scope of the survey. It also flies in the face of well known industry trends of lowering participation rates and resort choice being foremost affected by rising prices and natural snowfall, respectively. Not once have I heard a Lutsen customer complain of a lack of terrain variety.

This also then leads to the comparative table 1.3-1 where Lutsen is compared to a national average. From the small disparities found in this comparison, we are then suppose to arrive at the conclusion that very small deviations from the norm will mortally impair LMC's ability to operate and are somehow grounds for a need to double skier visit days by swallowing up the remainder of the publicly owned Moose and Eagle Mountains. Where in the DEIS are there examples of other similar resorts that made huge expansions and survived? Where are the cross resort comparisons and historical examples of this approach working? Perhaps including an analysis of the failed Sugar Hills Resort that the Skinner family put under would cut too close for the comfort of LMC. We see no such comparisons anywhere in the DEIS or the MDP, and they are entirely needed in the sections on Socioeconomic Impacts to give us perspective on the possible outcomes here.

The insistence on comparing LMC to the Mountain West is exhausting and inappropriate considering LMC's historical place in the ecosystem of resorts in the nation. The arc of the Midwest skier arrives in LMC as a stepping stone to out west. Midwest Beginner Skiers learn to ski at their local home hill (think Hyland Hills or Buck Hill in the Twin Cities), then come to Lutsen to up their game. Then, after conquering LMC they can be rest assured that they are ready for out west, where all the true expert skiing exists. On the subject of Expert Terrain, it needs to be stated that Lutsen has zero true high consequence expert terrain (i.e. the Big Couloir at Big Sky) and never will due to natural terrain limitations and lack of sufficient vertical. Any attempt to label anything here as expert is suspect and dishonest. No amount of expansion, short of a vertical one, can address this. Lutsen is an in between place for the progressing skier. It's destination qualities are embedded in it's quaintness and Midwest simplicity, all of which are violated and lost in light of this absurd expansion idea.

The assertion that LMC can't meet their own biased stated demands of needing more terrain and facilities on their own property is patently false. One can easily look at a slope map and a plat map and see the hundreds of acres of viable, skiable terrain they are choosing to not develop on Mystery Mountain, Ullr Mountain and Eagle Mountain. The south side of Mystery alone has the potential for multiple lifts to serve over 500' vertical and a

hundred or so acres of terrain. The possibility of a midway gondola stop solves the access issue there. The more intricate engineering details of how LMC could achieve this end is their responsibility; we all can see with our own eyes that a Mystery Mountain Expansion is viable and even desirable but is only rejected by LMC as it interferes with their narrative that they can not meet their stated needs on the massive amount of land they are already in possession of.

The various issues with parking they claim is interesting considered in light of their own recent decision to construct a spa in their best walk to parking lot, there by constructing the appearance of a magical parking deficit that coincides with the lost spaces to the spa. I also see no consideration or analysis of parking garages as a solution either, which are found at numerous other large destination resorts. A parking garage needs to be considered in the DEIS as a means of addressing parking on LMC's property, regardless of a cost analysis. The assertion on Pg. 21 that despite shuttles being common in the skiing world, Lutsen customers are somehow different and expect only the finest walk to parking is a contradiction. Shuttles are the norm everywhere and Lutsen can get by just fine with shuttles.

On Pg. 43 and elsewhere, it is stated that an increase above inflation rates of the lift ticket price, in correlation with added infrastructure i.e. additional lifts, would not be felt by the average customer. This is in conflict with various studies, common sense and my own experience in regards to lower alpine skier visits and lack of recidivism to our sport. This is yet another vague assertion that is untrue and baseless, requiring yet more actual independent analysis that is lacking in the DEIS.

On Pg. 75 we find yet more baseless assertions taken at face value from LMC that their lack luster performance in providing quality skier services is somehow the result of a lack of space for their ski school and rental shop, even to the point of customers being turned away for lack of equipment at the rental shop and lack of space in the ski school classes. This is complete and utter nonsense. I have never once heard of or had a customer come into my shop (the apparent 3rd party rental shop referred to here) in need of rental equipment due to LMC's rental facility being out of equipment. True, there are times when the ski school can't accommodate demand for lessons, but this has absolutely everything to do with a lack of enough quality instructors, LMCs own priorities in regards to how they treat quality employees, and the tone they set at the top that trickles down to the poor customer service Lutsen is renowned for. They seem to be expert at not attracting or retaining quality employees beyond a few local exceptions. It is no one else's responsibility, beyond those calling the shots at LMC, to remedy this deficiency. Is there any consideration in the technical ability side (TAD) of the Forest Service's analysis that considers malfeasance, negligence and incompetence as possible causes for their failures and stated needs?

The issue of skier density and demand found throughout the DEIS is another contradiction that is in need of addressing. It is stated that Lutsen now enjoys a below industry standard of 7 skier per acre, well below the national average of 12 per acre. Yet at the same time we are told that LMC customers feel cramped, both on and off the slope. I'm sorry but the hill is a ghost town the vast majority of the winter and it is only during the few peak periods that it gets busy. How does this contribute to an acceptance of their stated need for an expansion?! I would admit that the Moose Summit Chalet is crowded on weekends but just next door is the original Moose Summit Chalet, sitting vacant and unused. How is this not considered in the purpose and needs analysis? It seems this and other consideration of their own assets was willfully dismissed not on technical grounds but merely on insistence from LMC that those are not options. Where is the 3rd party analysis? Is this not akin to the foxes running the hen house?

I also find the references to Backcountry skiing being cited to Skinner and not to SHB or other reliable leaders in the area such as myself as insufficient. I have never encountered Mr. Skinner in the Backcountry or anywhere else on the slopes for that matter and I wonder if his inclusion in the subject doesn't warrant more investigation into the matter. Mr. Skinner would have no way of knowing, for instance, if and when backcountry skiers are accessing Moose Mountain via the Oberg Mountain trailhead.

On page 111 and elsewhere is found numerous statistics in regards to employment levels, stated in FTEs, both current and future, are quite unbelievable and I challenge their authenticity. For instance, the claim that LMC employees something to the effect of 186 FTEs during the winter season is a fantastical claim. My shop is located directly on the ski hill road, I see no where near that number of employee vehicles traversing to and fro to work. I also am quite familiar with the various employee parking areas and 186 FTEs seems a huge stretch. Then to see their projected employment numbers in relation to the proposed expansion, one can not hold these statistics to be accurate, which then calls in to question the claims of economic benefit they will purport to have.

I would also point out that while they do provide some form of employee housing, the quarters they provide are often crowded and in one case, an entire housing unit is located between the sewage treatment ponds and the equipment storage yard for the maintenance department of LMC. Also there is nowhere mentioned in the entire DEIS the fact that most of the seasonal employment is done by non-resident Visa workers. How can any of the claims in regards to economic impacts be viable in light of this omission? Please include this in your analysis. These jobs done by Visa workers are not providing a means of sustenance for locals, and the reason there are not enough locals to fill the positions is a lack of housing. The lack of housing is due to high property values. This will be exacerbated by the development of a destination model ski resort, as can easily be seen by examining other such resorts. Overall, in the DEIS, there is the lack of analysis on the effects of real estate valuation in relation to these types of commercial activities and how that dynamic has already pushed out most of the working class people of the area, precipitating the need for a foreign workforce to replace the lost native work force. There needs to be a more thorough investigation into these economic claims in light of these egregious omissions.

While numerous other parties and people with more qualifications than me are surely commenting on the unacceptable environmental costs of this project, I would add the following to their chorus. The omission of the Poplar River watershed in the DEIS is mistaken for the following reason; if there is a purported increase of overall tourist traffic to the area as a result of the project, then there will be second order impacts on the very fragile waters of the Poplar River via increased pressure and use of the existing facilities that are already centered in the watershed. This must be analyzed and explained in full as the re-impairment of the Poplar River is an unacceptable outcome, after having pushed so hard to get LMC to finally get control of their runoff. Also in section 3.1.5, it is stated that the loss of the Old Growth Maples on Moose is reversible as it can grow back. That is an amazing conclusion to draw about an intact forest that took over a century to develop. It is only reversible when speaking in terms of centuries, which is hardly in the scope of any living person or their direct descendants that are currently alive today. The loss of that habitat is irreversible and therefor unacceptable, even in light of your own 2004 Forest Plan.

With all the inaccuracies, falsehoods, misleading statements and unverifiable assertions in the DEIS that are coming from LMC, I would invoke Section 1001 of Title 18 of the United States Code, the general false statement statue that outlaws material false statements in matters within the jurisdiction of a federal agency or department, such as the Department of Agriculture. Without more transparency in regards to any statement of fact from LMC and their agents, I see no other alternative than to proclaim much of what they claim in their statements as bordering on fraudulent, therefor I urge you to choose the No Action Alternative in order to spare the public a long, drawn out legal fight in the courts over this sham of a project. I urge you to choose the No Action Alternative to preserve the majesty and beauty of the largest geologically prominent mountain in the Midwest, I urge you to choose the No Action Alternative to help us see a hut to hut system come to fruition on the North Shore and I urge you to choose the No Action Alternative in order to force Lutsen Mountain Corporation look inward to their own failed business model, but also to point to their own strength in just letting Lutsen be what is has always been, not Vail nor Keystone but Minnesota's own little old Lutsen. Just as it should be. Thank you for your patience and tolerance in accepting my comment.

Rory Scoles