

Mr. Katkov builds the 'anti-Whistler'

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California real estate developer Howard Katkov will have to strike a fine balance as he strives to develop a ski resort in southern British Columbia he hopes will become the "anti-Whistler."

Since he bought the Red Mountain ski resort and its surrounding real estate near the town of Rossland in 2004, the self-described "surfer dude and serial entrepreneur" says he has devoted himself to preserving the unique culture, affordability and unpretentiousness that first drew him to the area.

But running a ski operation gobbles capital at a rapid rate, and to keep Red Mountain profitable and in good shape also means building condos, hotels and other residences around the base, a process that must be carefully controlled to avoid becoming another "cookie cutter" development, Mr. Katkov says.

"What we want is to have a lot of nice things here, but we don't want to put it in your face," said Mr. Katkov, who will not disclose what he paid for Red Mountain, but says millions have already been invested in the resort.

Top left, The recently-completed five-storey steel and concrete condo building called Slalom Creek at the mountain's base. Top right, Howard Katkov. Bottom, plans for The Mountain Project, a 24-unit residential development devoted to sustainability and outdoor living, which will include a test lab for products related to mountain life, Mr. Katkov says. (*RED MOUNTAIN RESORT INC.*)

"We're not about 20 restaurants and the Body Shop and the Starbucks on the corner and never will be. There's plenty of that product out there that caters to a very thin demographic of high-net worth individuals on the real estate side."

Mr. Katkov could choose to rub shoulders with the upper crust at a high-end residential development at Whistler or Vail. His career has included successful turns as a real estate lawyer and developer who has built more than 3,000 homes. He also founded teen cosmetics line Jane, which he sold to the Estee Lauder Cos. Inc. in 1997 for an undisclosed, but no doubt, tidy sum.

However, before his initial visit to Red Mountain in 2000, Mr. Katkov says he was suffering the resort fatigue many of his friends had also come down with at the time.

"I was tired with what has happened to all of these large ski resorts, the large corporate model of stamp-out, same-old, gentrified big box ideas," he says. "I wouldn't say I hate them — they're just not me."

Nestled snug in the West Kootenays with a population of about 3,500 and not a traffic light in sight, Rossland is known for its high-quality skiing and for being the hometown of top athletes including Olympic ski champions Nancy Greene and Kerrin Lee-Gartner.

The area also has extensive hiking, mountain-biking and cross-country ski trails, and is close to world-class fly fishing.

Its laid-back charm is the antithesis of what Mr. Katkov, an avid skier and mountain biker, had come to dislike about the ski industry. He decided to build a home in Rossland as a gathering place for friends and family, and as a base for year-round outdoor activities.

Then, in 2004, the opportunity arose to buy the resort — which was discovered during the gold rush of 1890 and hosted the first recorded Canadian downhill ski race in 1896 — from its six local owners.

Real estate development is now under way, including a recently-completed five-storey steel and concrete condo building called Slalom Creek at the mountain's base. Forty-two of the building's 67 units are sold, with buyers including golfer Annika Sorenstam, who is co-developing a golf course at Red Mountain with Canadian architect Thomas McBroom.

"When Annika was here working on the golf course with us she decided to buy a condo with her fiancé. She said to me, 'I feel so good here, this is where we want to be,'" Mr. Katkov said.

Units at Slalom Creek average 1,400 square feet and a cost of \$420 a square foot, putting a two or three-bedroom condo at about \$588,000.

There will also be a 72-unit single-family subdivision called Caldera, where lots average 12,000 square feet and range from \$269,000 to \$369,000. Eighty per cent of the first 18 lots, released in early April, sold on the first day, Mr. Katkov said.

Buyers include members of the low-key Leon family of Leon's Furniture fame, who plan to build a number of residences at Red Mountain, he said.

Construction of a condo-hotel, to be run by the Houston-based Valencia Group, is also slated for this summer.

Another interesting facet of the resort will be a project devoted to sustainability and outdoor living. The Mountain Project, a 24-unit residential development, will break ground in the spring. Five of the first 10 of its ski-in homes have been sold, with buyers including senior executives at sports equipment manufacturer K2 Corp. and high-tech textiles manufacturer W.L. Gore & Associates Inc. Home prices average \$400 per square foot.

The building will have radiant concrete floors, untreated siding, Finnish soapstone stoves and other environmentally-friendly features. It will also include a gathering place for mountaineers, and will be a test lab for groundbreaking ideas and products related to mountain-life, Mr. Katkov says.

As these first buildings give way to more activity, the key to preventing things from spiralling out of control will be to maintain tight restrictions on every aspect of development, Mr. Katkov said.

"We are in control. We own all the property at the base. We have 200 pages of design guidelines from signage to colours. We have a strategic plan as to how we want to build out our base area, which doesn't include creating a village with the amenities of the mega-resort."

A maximum of 1,400 units will be allowed on the 4,200 acres at Red Mountain, and homes can't be larger than 16 per cent of the size of their building lots.

Commercially-zoned space will be capped at 70,000 square feet, something that is critical to the continuing economic development of nearby Rossland, Mr. Katkov said.

"So many good things have happened here in the last four years. The downtown is vibrant, there are so many new businesses, young families are moving back in."

"Having said that, some people still legitimately are very fearful of losing what they love about Rossland. That's something I have to stay on my toes and be aware of as well, because I don't want to be known as the guy that screwed up the last great ski resort in North America."