



Vail Municipal Parking Lot - TOV parking codes and plans need better foresight.

[Photography © James Franklin Lamont](#)

VAIL HOMEOWNERS ASSOCIATION

July 27, 2008

The drumbeat has begun for taxpayers to build a large one-story parking structure under the ball fields at Ford Park. The ball fields are to be converted to artificial turf and replaced on top of the proposed parking structure. The proposal is expected to be included in a Vail Recreation District (VRD) master plan to be presented to the Vail Town Council in early August. Some VRD officials appear to be aiming at putting a property tax measure on the election ballot within a year or so. The ballot will most likely include the parking structure and perhaps other major recreational amenities.

The Vail Homeowners Association is concerned that officials may be losing sight of the need for adherence to Vail's long standing goal of maintaining the quality of the Vail experience both on Vail Mountain and throughout the community for its residents and guests. Greater attention must be paid by responsible authorities to the cumulative effects from excessive growth and failure to achieve balanced and fiscally responsible long-term solutions to critical parking and transportation needs.

More than Enough New Parking Coming Online: Proponents of the Ford Park parking structure are attempting to tie the need for the structure to the current controversy over parking on Vail's Frontage Roads. Critics note that Frontage Road parking is a short-term need, which will diminish or be eliminated once an estimated 2,000 new privately owned parking spaces are completed as part the Vail Renaissance now under construction. There are well-over an estimated 6,000 new parking spaces being proposed as part private developments either under construction or under consideration by municipal authorities. That equates to enough private parking to handle an additional 24,000 people, assuming a continued trend towards incentivizing car pooling.



Vail's Parking Code is Reliant on Mass Transit: Some proponents want the structure to provide commuting Vail employees with free, taxpayer subsidized parking. The Town parking code does not require developers or businesses to provide parking for employees. There are business interests who expect property taxpayers to shoulder their employee parking needs. Vail's planning and zoning has always assumed the need to partially rely on mass transit (park & ride) to

Vail Economic Downturn Ahead? There is an impression that the Vail community has yet to realize that the construction and real estate boom is turning in the opposite direction. Unlike Aspen, which is prudently curtailing government spending, the Town of Vail seems to be continuing its reliance upon promoting speculative development. Should their strategy be unsuccessful, there are indications that the Town and a number of other local governmental entities intend to tax their way through the economic downturn. The Town of Vail and the Vail Recreation District may be setting the stage to spend down their cash reserves including the Real Estate Transfer Tax Fund (RETT) for amenities and affordable housing. They seem to be ignoring property tax payers' consternation over the 40% increase in property taxes, on average, for the 2008 and 2009 tax years. Of note, there was a marginal decline in skier visits to Vail for the last two ski seasons.

(See "Aspen Braces for Downturn")

ownership and improvement cost of the Frontage Roads to the Town of Vail, which has insufficient financial resources to take on these responsibilities.

All Parking is a Revenue Generator: There is a growing realization that "parking spaces" are becoming a significant revenue generator for the private sector. Sales of private parking spaces in the Vail Village Founder's Garage are approaching \$300,000 per space. Daily or short-term rental of private parking spaces to the public is expected by some developers to be a lucrative source of revenue. Increased availability of privately owned parking spaces for public use presents a challenge to the Town of Vail's virtual monopoly over publically available parking. Some see the potential for the Town of Vail to become financially stressed from its public parking and mass transportation obligations.

Free Public Parking Creates Congestion and Lost Revenue: The Town is further hamstrung by those who insist on its providing more "free" public parking. Many influential business interests that believe the traffic congestion caused by free public parking, particularly on the Frontage Road, deters "shoppers and diners" from coming to Vail. They point to the commercial growth down valley as evidence. Lost business hinders the accumulation of the Town's sales tax revenues, its primary source of funding. There are those who see the need to maximize the efficient use and profitability from every parking space for the benefit of the Town of Vail, businesses, property owners and taxpayers.

Time for a Change – Congestion Pricing: Some argue the time is approaching when there should be "no" free parking in Vail, summer or winter. There are others saying that the time may be nearing to privatize the public parking structures. Still others advocate "congestion pricing" as a middle path. Congestion pricing is a supply and demand approach. Parking fees fluctuate in response to consumer demand; higher fees are charged in high use periods and are lower or free otherwise.

provide access when there is high demand for parking. This approach was put into effect when mass transit bus service became publically funded and operated beginning in the early 1970's.

Parking and Skier Limits: Critics say this amount of new parking, combined with the prospect of continuing to park 1,000 vehicles on the Frontage Roads, sets the stage for a conflict between the management of skier capacity and the quality of the ski experience on Vail Mountain. The Category III Joint Agreement approved in the mid-1990's between Vail Resorts and the Town of Vail set growth limits of nearly 20,000 skiers on Vail Mountain. [\(See Link\)](#) The agreement also establishes procedures to follow for management of traffic and parking.

Compliance with CAT III Prior Agreements Questioned: There are those who believe there has been a violation of the spirit and intent of provision in the Category III Agreement. Had the Agreement been followed, the current parking controversies would not exist. Tangentially, there is a faction who wants the Colorado Department of Highways (CDOT) to intercede and enforce the traffic safety authorization set out in state statutes. CDOT, for their part, are seeking to convey the

Mass Transit Not Keeping Pace with Demand:

Mass transit needs provided by the Town of Vail and Eagle County are nearing capacity during peak demand periods. Substantial new sources of revenues are needed to expand services. Continuing to pump public revenues into subsidized public parking, while shorting investment in mass transit ignores what many believe are long-term economic and energy trends. More employees, residents and guests are using the system to access Vail from Summit and Lake Counties, as well as westward along I-70 to Gypsum. Vail business owners say their employees need more frequent and convenient service, both during the morning and evening commutes. Ironically, Eagle County Transit Authorities (ECO), rather than expand service to Vail and the Vail Valley, are making arrangements to expand public transit west to Glenwood and Aspen, allegedly to bring employees into Eagle County. It is reported by informed authorities that for every worker commuting into Eagle County from the Glenwood area, there are four making the reverse commute. Some question the wisdom of giving a competing resort, Aspen, and its labor market better access to the Eagle County Airport at the expense of Eagle County taxpayers and businesses.

Town Parking Code Needs Changing: The near universal use of credit cards opens the opportunity to award consumers, businesses and their employees rebates through congestion pricing. Awards could be proportionate to their sales, purchases, sales tax generated, use of outlying parking and the mass transit system. Congestion pricing could level the competitive playing field between public and privately operated parking structures. This approach could make more parking spaces available for those customers and employees generating sales tax revenues, while encouraging others to use more economical options.

Importantly, during the peak winter season, unofficial windshield surveys have reported a 30% vacancy or inefficient use of space in private parking facilities, caused in part by restrictions in the Town's own parking regulation. There are those who believe that the Town's parking shortage is a result of its own over-regulation. According to these sources, minor changes to the parking regulation could open hundreds of short-term public parking spaces, exceeding the Town's current projected need for some time to come.

Town Wants VRI to Provide Public Parking: Historically, VRI has provided land to the Town of Vail to build parking structures and transit terminals. The Vail Village and Lionshead parking structures were built by the Vail taxpayers under this arrangement. Over the past several years elected officials have exerted considerable pressure on Vail Resorts to provide both the land and build its "fair share" of public parking. The company responded by proposing a publically accessible parking structure in their proposed Ever Vail project in West Lionshead.

Change in the Political Winds: Now, however, there are public officials who are attempting to build support for the Ford Park parking structure proposal, by moving away from their former positions of looking to Vail Resorts' (VRI) Ever Vail Project as the next site for additional public parking. They state that parking spaces in Ever Vail will be too inconveniently located to be useful.

Vail Resorts Proposed Ever Vail Development in West Lionshead



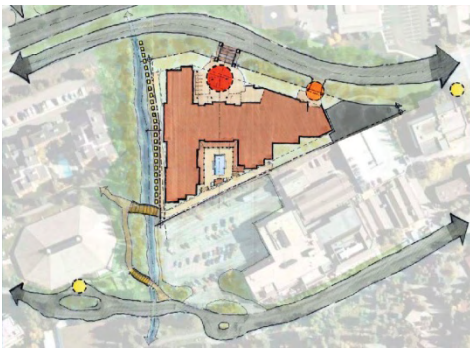
Ever Vail Files for Town's Approvals: Vail Resorts continues to move their Ever Vail proposal through the Town of Vail's approval processes. [\(See link\)](#) The Ever Vail plan includes its own up-mountain gondola, public mass transportation terminal and over 2,000 on-site parking spaces. The plan has the capability to be modified to include a large convention center. Depending on its size, the Ever Vail Convention Center would give direct competition to the Town's proposal for the Lionshead Parking Structure.

Town's Developer Moves Towards Approval of Lionshead Parking Structure Redevelopment: The Town Council, which many see as the primary partner with a Texas based developer, is moving ahead with plans for an estimated \$900 million hotel, convention and commercial center redevelopment proposed on the site of the Lionshead Parking Structure. [\(See link\)](#) The Lionshead Parking Structure plan proposes to add another 2,100 parking spaces and provide for a third mass transit terminal. There are those in official Town positions who are reluctant to approve Ever Vail without first leveraging VRI to release their legal hold over the parking structure site. Zoning restrictions limit the Town providing public parking and transportation related uses.

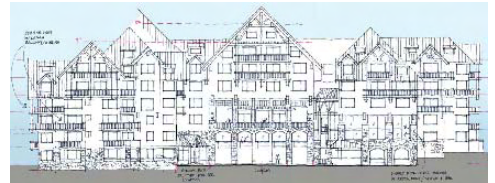


Proposed development for Lionshead Parking Structure Site

Given the emerging economic conditions, there are those who question whether the real estate market can simultaneously absorb both the Ever Vail and Lionshead Parking Structure projects. There is concern that because of the Town's inappropriate timing, there could be unintended consequences of financially damaging other private sector projects already approved by the Town. Others question the wisdom of the Town of Vail going into competition with its own businesses, and against its own development industry.



Evergreen Redevelopment Proposed: HCT Development is proposing to demolish the Evergreen Lodge, replacing it with the Fairmont Vail. The proposal is for the hotel to contain 128 hotel rooms, 92 dwelling units, 265 parking spaces and a standard amenity package, which includes meeting/conference space. HCT development is the same company developing the nearby Four Seasons Hotel and Residential project on West Meadow Drive. The Association suggested to the developer that they may want to consider including an additional public amenity that would give the development uniqueness, allowing it to depart from the standard template being repeated by other developments that have received Town of Vail approval in recent years. [\(See link to more information.\)](#)



"Until very recently, the TOV has moved at glacial speed on the growing problem of parking. There is a "domino" sequence involved with the proposed new Lionshead parking structure, the proposed new Ever Vail Project, the re-routing of the frontage road, etc. The Town of Vail 20/20 Strategic Plan makes no mention of the parking problem!"

Letter to the VHA Editor: Joe McHugh is a part time Vail resident from Dallas, Texas. He is the second homeowner representative on the Town of Vail Economic Development Advisory Council. He has lengthy experience in finance and manufacturing and serves on the board of directors of the Gore Range Natural Science School. His letter covers a broad scope of subjects, including parking and affordable housing. [\(Link to letter\)](#)

"Now you are suggesting another two-year construction project for Ford Park. Ford Park is the only major attraction Vail has left in the summer. Fool around with that and you will have a seriously derogatory affect on Vail's summer business for years to come. Preserve Ford Park and resist any attempt to urbanize this great natural resource."

Stauffer Letter to Councilman Gordon: Former Vail Councilman Joe Stauffer's open letter to Vail Councilman Mark Gordon regarding Gordon's proposal to build a one story parking structure under the ball fields on Ford Park. Joe Stauffer served on the Town Council and gained voters approval of a bond issue to purchase Ford Park as open space and a site for public, cultural and recreational amenities. The park, prior to the Town's purchase, was proposed to be developed as another urban commercial town center. His views represent those who believe that Ford Park should remain natural open space, free from urban development. Proponents have concluded that there is no longer public sentiment to preserve the Ford Park as natural open space and are preparing to argue that an inexpensively built parking structure,

covered by artificial turf will suffice as a qualitative substitute. [\(Link to Letter\)](#)

Economic Snapshot – Vail Resorts has Record Profits: Vail Resorts reported record profits through the first nine months of its fiscal year, but apparently it was not enough for Wall Street, as the \$114 million in year-to-date profits fell short of analysts' expectations. Since we know that it is Wall Street rather than the ski experience that now drives decisions at Vail Resorts' ski resorts, many locals are wondering what the Wall Street pundits will do next. The VRI quarterly report did release some interesting information:

- Vail Resorts will profit between \$30 and \$40 million dollars on the Arrabelle project. (Much to the chagrin of VR - in the aggregate, purchasers of condominiums have realized much more than that).
- 383 memberships have been sold at the Vail Mountain Club.
- While single day lift tickets topped out at \$92, VR recouped an average of \$49.48 per ski visit to Vail last year.
- Vail had 1.57 million skier visits last year, down 2.4% from the previous year.
- Beaver Creek had 918,000 skier visits last year, a 3.1% increase.
- Vail Mountain had 463 inches of snow, it third-snowiest year ever.
- Beaver Creek had 426 inches of snowfall, the most in its history.
- VR reported a 26% increase in international visitors this past ski season.
- Season pass-holders skied an average of one-half day more than the previous season.
- Vail Resorts bought Colorado Mountain Express. ([Source: Vail Realty July 2008 Newsletter](#))



Rochester Philharmonic Orchestra awaits its conductor, Christopher Seaman, to begin the successful Bravo 2008 Vail Music Festival

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