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Letters to Vail

VAIL HOMEOWNERS ASSOCIATION

If Everything is Epic, Nothing is Epic

January 17, 2022

The past few months have seen dissatisfaction with Vail Resorts mounting over a wide range of fronts. It's not just the long lift lines and overcrowding of Vail Mountain that has been fueled by a record number of Epic pass sales (2.1 million), up almost 80% from the 2019/2020 season. There has also been a mounting backlash from workers and skiers alike, in what has been described as a tsunami of social media posts, complaining about the experience at VR properties. As costs increase and services decline, it does nothing for VR to call everything epic when nothing is.

Vail Mountain continues to decline in skier satisfaction and approval polls. This year over 30,000 people have signed a petition about the level of service at VR's Stevens Pass in Washington State. The Park City ski patrol union has voted to authorize a strike because of paltry wages (\$15/hour) and the lack of progress in negotiating a new contract. While Vail employees are reluctant to speak out about working conditions (VR has a policy about employees talking with the media), a growing number are privately expressing their dissatisfaction with the way they are being treated. Wall Street has taken notice as VR stock has precipitously declined, and industry observers are raising concerns about the company's prospects. Even the *Vail Daily* has reported on these events and, when the VD calls out problems like this, you know something is really rotten in Denmark,

VR for its part has blamed its poor performance on a "global talent shortage" and the effects of the pandemic. The real reasons, however, appear to go much deeper. For years, the ski industry, and VR in particular, has relied on cheap labor to fund bottom-line results. The days of willingness to work on the cheap may now be gone, especially when much of employee pay is consumed in finding a place to live. Long-time locals will remember the days when the attitude was what was good for the Town was good for VR. But as VR shifted to Broomfield and grew into a corporate behemoth—it now controls fully 50% of the busiest ski areas on the continent—the focus shifted to what was best for VR's stockholders. That, together with the lack of local authority and the loss of middle management, has created a growing disconnect between Broomfield and the local ski areas, something that seemed to be on full display recently in Vail in the aborted negotiations over Booth Heights

Decision-making has been increasingly concentrated in Broomfield where often a one-size fits all approach seems to predominate. Sustainability does not appear to be part of VR's vocabulary, at least not so far as skier satisfaction is concerned.

And with more and more "Epic" ventures being added on—in additional to on-mountain lift tickets and ski school revenue, VR now takes a slice of skier expenditures at every step along the way through its transportation, lodging, dining, rental, clothing and other retail operations—the "epic" idea is beginning to wear thin.

Wittingly or not, the TOV has also been complacent in VR's decline. While much of what has been or is happening with VR is out of the Town's control, a business-centric, heads-in-beds approach to Town governance has played a part. While benefiting the real estate industry, a mostly hands-off approach to limiting short term rentals upended the affordable employee housing market, and the lack of a comprehensive plan for affordable housing has left the TOV scrambling to correct the situation. Ever increasing special events have flooded the town to benefit business but at a cost to the quality of Vail life. Unlimited Frontage Road parking has facilitated mountain overcrowding. And it has been only recently that the TOV has begun to tentatively push back on VR's disengagement with the Town. This is part of a larger TOV sustainability problem, but with VR being the central economic engine in the Valley, what happens to VR happens to the TOV.

None of this is good for local residents or businesses. While businesses may realize some short-term benefits, in the long run, the depreciation of the Vail experience and brand will have consequences. And for local residents, the quality of life continues to decline. This makes the current TOV sustainability study all the more critical, a major element of which should be the TOV's on-going relationship with VR. The VHA would also urge that the time is right for the TOV to tap into the tremendous reservoir of executive talent in the valley to create a task force for the purpose of developing strategies for how best to right the ship between the TOV and VR. Benign neglect is no longer an option.

VHA intends Letters to Vail to promote more citizen involvement and community discussions of issues facing the Town. Public discussion of current issues by concerned citizens creates an environment to further our community initiatives. We heartily encourage your input and, from time to time, will publish commentary from community members. It is time we talk to each other about the next steps along our road ahead.

We hope you will follow or participate in this ongoing VHA discussion. You are welcome to join-in as a paid-subscriber or member. Contact: vailhomeownersassoc@gmail.com

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