



Vail Lionshead Noon 01/30/22

# Letters to Vail

VAIL HOMEOWNERS ASSOCIATION

## How Are the Winds Blowing?

January 31, 2022

Supply chain disruptions, rising inflation, worker shortages and the pandemic are putting the brakes on the economy, plus reports that the Federal Reserve will be tightening monetary policy are causing economists to predict that rough economic times are ahead. Particularly worrisome is the Fed's action because it will remove billions of dollars of liquidity from the economy. Already Wall Street is reacting as evidenced by recent downturns in the equity market. This is not to say that a stock market "crash" is eminent, but a bear market might be in the offing. More importantly for the Town of Vail, an economic slowdown will only add to the headwinds that have been created by the disruptions caused by worker and housing shortages, pandemic induced migration, and overcrowding.

[As already noted in 1/17/22 Letters to Vail](#), a business-centric, heads-in-beds approach to Town governance has led to overcrowding both in town and on the mountain. And rising dissatisfaction with Vail Resorts does not bode well for the future. In the meantime, the quality of the Vail experience and life in the community continues to decline. This is causing a growing number of calls to right the ship.

It's not like the TOV is doing nothing. The town has just completed a study of the short-term rental market; special events are being scaled back; a sustainability study is being launched and the town has recently announced that it will be updating its transportation plan which has not been upgraded since 2009. Among the

topics to be considered in the new transportation plan is Frontage Road parking. Unfortunately, the sustainability study is projected to take at least a year and the transportation plan upgrade even longer.

The VHA suggests that, while study is good, more immediate and direct action is needed. Too often study results end up collecting dust on office shelves or are so loaded with ideas that nothing is accomplished. And waiting for over a year to take action could have significant adverse consequences. Recently, in just four months, the growing water issues over the Colorado River “greenlighted” sustainability plans. The increasing headwinds facing the TOV should also be the impetuous for similar action.

The TOV faced similar problems in 2008 in the run-up to the Great Recession. Then it was feared that turmoil in the financial markets was going to cause tourism and real estate values to tumble. Vail had just slipped to number two in the major skier approval poll. At the time, as now, Vail was in excellent economic shape. The future should have been bright as Vail was in the midst of the Vail Renaissance, a decade long effort to revitalize the town. But the future was in doubt. Some even believed that the specter of defaults was looming.

A group of Vail leaders (Kent Logan, Harry Frampton, Alan Kosloff and Johannes Faessler) formulated a plan to guide the town and re-establish Vail as the top mountain resort in North America. Their [“United We Stand” economic stimulus plan](#) called for re-attaining Vail’s number 1 status and a “Vail Renaissance 2” strategy to bolster Vail’s economy. Not everything they proposed was achieved. Vail continued to decline in skier approval ratings (it is not now even in the top ten) but major parts of the plan were successful, and Vail weathered the Great Recession better than most resort communities. While today’s headwinds are different and call for different strategies, the TOV could be well served to once again tap into the tremendous reservoir of executive talent in the valley by creating a task force to develop strategies for how best to guide the future for the Town.

A new “United We Stand” plan could pull the community together to make sustainability the cornerstone of Vail’s future. It could offer strategies to restore Vail’s standing as the premier mountain resort in America. And it could provide a new period of renaissance. As stated in an ancient Chinese proverb: “When the winds of change blow, some people build walls, others build windmills.” Vail needs a plan to build new windmills.

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](mailto:vailhomeownersassoc@gmail.com)

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