

Vail Town Hall decked out for the holidays.

# VAIL HOMEOWNERS ASSOCIATION

# VHA 2017 Annual Report

**December 27, 2017** 

# VHA President's Message:

This has been a year of challenges as change is in the wind. Concern has focused on guest satisfaction, work force housing, public safety and Vail's economy. There are growing indications that reliance on tourism may no longer be sufficient as key indicators appear to be stalled. A number of opportunistic developments along with restraints on home rental proposals have met with mixed reviews. Calls are becoming more pronounced to formulate a vision for the next 25 years which needs to anticipate the consequences of a significant projected increase in both the resident and visitor populations.

Achieving constructive compromise on these and other issues requires complex analysis, motivational communication and persistence. VHA's influence comes from asking the hard questions and providing an informed perspective to our members, constituents and the public. For the past 25 years, VHA has worked on those issues central to the long term sustainability of Vail as both a resort and a functioning community, advocating consistently to maintain the quality of life for both Vail residents and second homeowners.

In this coming year, we will continue our efforts to preserve and protect our native habitat and open spaces to insure that new development is well planned and compatible with its surroundings. We will advocate for critical infrastructure to service the needs and safety of our customers and residents. Our efforts, which at times appear critical, are aimed at motivating excellence and achievement worthy of the Vail community.

We trust that the Vail Homeowners Association engages with the issues you believe are important to sustaining the value of your investment in the Vail community. If not, please let us know. On behalf of the VHA Board of Directors, I would like to urge you to support the efforts of the Vail Homeowners Association. Thank you for the support you have given us, and we look forward to continuing our mutually supportive relationship to make Vail the best that it can be.

Gail Ellis, President



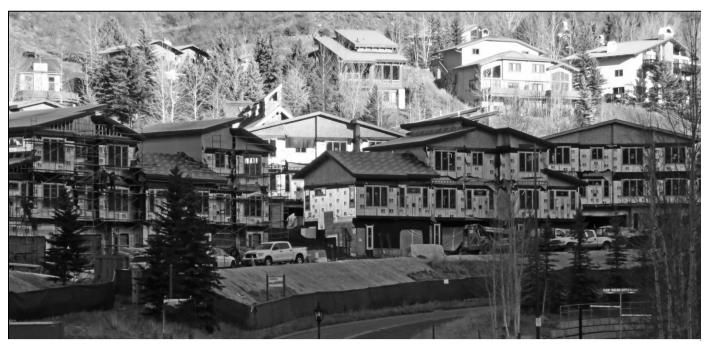
VHA raised questions about development impacts that could change the character of open spaces and wildlife habitat. Open Space Preservation:

- Tract E: The owners of the Kindel House on Hanson Ranch Road sought permission from Vail Resorts to purchase an adjacent portion of covenant protected Tract E. This portion of Tract E is designated as publically accessible open space to be maintained as native habitat. The owners of the Kindel House sought approval from the Town of Vail to acquire title to a lesser portion of Tract E with the intent, through a re-subdivision, to append it to the Kindel House lot for the purpose of redeveloping the property into a residential lodge. The remaining portion of the open space to be acquired was to be a gated landscaped garden in which private functions would occur. <a href="VHA facilitated communication among its constituencies and adjacent property owners">VHA facilitated communication among its constituencies and adjacent property owners</a> affected by the proposal. The Town Council refused the opportunity to look favorably upon considering the request.
- Golden Peak Race Course Expansion: A proposal was made by Ski and Snowboard Club Vail to the United States Forest Service that would expand the existing ski runs through 42 acres of heavily wooded aspen forest to the summit of Golden Peak. The proposal would provide for a private training and practice area. It would also create the opportunity to increase the venue of racing events held at Golden Peak. VHA raised environmental and logistical impacts with the USFS about public safety issues related to runoff drainage, traffic congestion, access and availability of adequate parking for event attendees and competitors.
- Open Lands Plan Reassessment: The TOV initiated a review of undeveloped lands that could be developed as affordable housing. The <u>Donovan Park Middle Bench</u> was brought up for consideration by housing advocates but was then withdrawn subsequent to neighborhood opposition that in part resulted from an alert conveyed to the neighborhood by VHA. The association raised objections to a consideration by the TOV to use USFS boundary lands on which to build affordable housing. The proposal was dropped.
  - The sale of Town or of covenant protected publically accessible open space to private parties for the purposes of development is unacceptable to VHA because it changes the uses that are central to maintaining the character and functionality of the community and its existing neighborhoods.
- Wildlife Habitat Preservation: VHA cooperated with affected neighborhoods to raise awareness of the severity of geologic hazards and existence of highly valued wildlife habitat adjacent to the north side of the East Vail I-70 Interchange on a site proposed by Vail Resorts to be rezoned to a higher development density. A State wildlife authority indicated that development of the site and a proposed expansion of the Town of Vail's trail system, proposed for inclusion in the Open Lands Plan, would further exacerbate a continuing decline in wildlife habitat within the Gore Valley. The Town of Vail approved the rezoning noting that additional study of the issues raised by the association and the neighborhood would be given consideration once an application for development of affordable housing was received.



Restoration of a section of eroded Gore Creek steam bank near the Vail Library.

• Gore Creek Clean-up: The annual fall sampling of Gore Creek water quality for 2016 showed signs of improving conditions in some areas in East Vail. A decline in water quality throughout East Vail was the trigger for the State of Colorado to declare Gore Creek impaired in 2012. Since then the Town of Vail intensified its clean-up campaign to reduce the use of pesticides and fertilizers, including the effort to restore native vegetation along waterways. The Town of Vail, working with the Colorado Department of Transportation (CDOT), is moving forward with a highway runoff treatment project at the East Vail interchange scheduled for 2018. However, analysis shows that the water quality problem is migrating westward, particularly, in areas with intensive urbanization. VHA sees the clean-up of Gore Creek as a prime sustainability factor in shaping the magnitude of additional urbanization being considered by the Town of Vail.



Chamonix Vail - Should the TOV build expensive affordable housing in Town or less expensive out of Town?

Residential Housing:

• Master Plan Compatibility: Concerns were raised by VHA about the abandonment of a long standing TOV practice to amend a neighborhood's master plan before increasing zoning densities. The TOV did not amend applicable master plans when, during the year, it considered large scale residential development that included some amount of affordable workforce housing. Master plans are advisory and, as such, are used to document issues or conditions that should be considered before increasing density or changing uses that will alter the character and intent of the master plan.

VHA believes the Town of Vail should update applicable master plans before exchanging higher density for affordable housing or parking, in excess of what is required, which causes a <u>proposed supersized development project to be out of character with its surrounding neighborhood or its existing master plan</u>.

Zoning and Master Planning play important roles in maintaining the integrity of neighborhoods. Special Development Districts (SDD's) are most often used to circumvent the Town's master planning and zoning; more may be in the offing. As <u>VHA has continually pointed out</u>, this is a recipe for wholesale abolition of zoning regulations; allowing developers to "negotiate" with the Town to increase density, height and change neighborhood characteristics is a game that developers usually win. It should not be allowed.

- VHA calls for the TOV to include environmental sustainability in its analysis of proposals that would increase allowed density whether residential or commercial.
- TOV purchase of deed restrictions: Private developers see advantages in selling deed restrictions for both existing and contemplated affordable housing units to the TOV. The Town is willing to pay \$60,000 per unit for a deed restriction that limits occupancy to workers employed in the Town of Vail. These types of purchases could, also, have the effect of increasing density in exchange for the purchase of deed restrictions or other special considerations. VHA does not believe the purchase of deed restriction should result in increasing density beyond existing zoning limitations or the granting of reductions in parking, structured or otherwise, or any other special consideration unavailable to all property owners in the same or similar circumstances. The trend toward a new breed of supersized buildings in suburban areas, which are taking advantage of the TOV's purchase of deed restrictions, are in most cases incompatible with the character and zoning restrictions of existing surrounding neighborhoods.

Rental by Owner Regulations: Tighter regulatory control over Rental by Owner of residential property is being extended to the enforcement of nuisance violations, business licensing and the requiring of safety equipment. VHA was successful, along with others, in urging the Council to drop a proposal giving a neighbor a veto over whether or not short term rentals would be allowed in their multiunit building. Such a move could lead to the expropriation of property rights without compensation. The Town instead will rely on a complaint procedure that can result in an offender losing their business license. VHA believes that enforcement which prevents abusive behavior is preferable to causing property right disputes among neighbors. RBO disperses visitors throughout the entire community resulting in less reliance upon increasing densities creating even more supersized buildings. RBO should be considered as an opportunity to encourage a maturing of a market that, over time, incentivizes rentals for both visitors and residents.



Getting worse not better.

### **Public Parking and Traffic Congestion:**

- VHA notified the United States Forest Service that the number of vehicles parking on the Frontage Road is proximate to the unfilled commitment to provide 900 off-street public parking spaces laid out in the USFS approved 2007 Vail Mountain Development Plan. VHA suggests that until additional off-street parking is provided there should be a proportional reduction in the on-mountain occupancy of 19,900. A proactive solution, suggested by VHA to VRI, would be to adapt the Ever Vail site, in west Lionshead, to a surface parking lot, served by an up mountain lift and local/regional bus stop, until such time as the planned redevelopment of the site occurs. The amount of parking created could eliminate parking from the Frontage Roads 96% of the time that it now occurs annually.
- The TOV, in an effort to reduce parking demand during the summer season, experimented with increasing the frequency of bus service throughout the community. This in response to a VHA assessment that removing parking on the Frontage Roads was necessary to eliminate a pressing public safety traffic hazard. The result over the summer season saw an estimated 35% rise in bus ridership; there was an average daily drop in the

demand for parking in the Town's two major parking structures, but the reduced demand was insufficient to offset parking on the frontage roads which actually increased by over 20%. Consideration of additional incentives and disincentives to get people out of their cars and onto public transportation are still necessary. Expanding the frequency and coverage of regional bus service is currently under study. Demand pricing for public parking, both summer and winter, may become an unavoidable option.

- <u>VHA analysis of the TOV budgeting considerations</u> concluded that replacing and expanding the <u>Town public parking structures has not been adequately addressed</u>. The magnitude and timing of these potentially significant expenditures need to be given serious consideration in setting the TOV's short and long term spending priorities. VHA recommends, because of rapidly evolving technology and expanding service demands, the TOV initiate consultation with leading edge national and international experts to assist in setting out a long range pathway to guide major transportation investment decisions.
- VHA believes that greater emphasis should be placed on increasing regional bus service for commuting workers and guests as a means of stabilizing the demand for public parking and work force housing within Vail. Longer term solutions that take advantage of unused rail tracks and right of ways to locate park and ride facilities along the Eagle County I-70 corridor should be persistently pursued.
- VHA and property owner complaints caused a late summer enforcement clampdown by the <u>TOV to enforce a ban on Frontage Road parking in the Booth Creek neighborhood</u> for visitors seeking to access the nearby Booth Creek trailhead.
- The TOV adopted a Traffic Impact Fee to fund \$95 million in traffic circulation improvements to the Frontage Road. VHA cautioned that tying funding to increases in development density, an estimated 2000 additional residential units and ½ million square feet of commercial development, would exacerbate the community's short and long term public transportation needs as well as, likely, further compounding the congestion and negative effects from increased urbanization.
- VHA sponsored the presentation of a study exploring an approach to <u>reduce the environmental impact and</u> <u>footprint of Interstate 70 through the entire community</u>. The study also addressed methods to incorporate local and regional mass transportation service through dedicated travel lanes, trains and park & ride stations.
- On-street truck deliveries: Increased tourism adds to the congestion caused by on-street truck deliveries throughout Vail Village. VHA believes that the TOV needs to put greater emphasis on using the existing network of off-street distribution terminals serving Vail Village by investing in technology that would enhance the servicing of local businesses from these terminals.



Is Vail experiencing event fatigue?

# **Over Selling the Vail Experience:**

- The perceived decline in skier safety, tourism and resulting stalling sales tax receipts are due at least in part to a worker housing shortage and increasing traffic congestion. VHA believes these are indicators that the Vail experience is being over sold, inflationary pricing imbalances are occurring and that quality is being sacrificed for quantity. VHA calls for a rebalancing of economic development initiatives that are environmentally sustainable and serve both the needs of Vail's aging population and efforts to attract a younger demographic to the community.
- In response to safety complaints, VHA urges Vail Resorts and the USFS to publically report on-mountain accidents and to electronically monitor areas known for high accident and collision rates so that the accuracy of accident investigations can be publically verified as well as corrective measures taken.
- Event fatigue caused by the frequency and size of special events is an indication that events should be conducted as is advocated by VHA that maintain the character of the community and are within its carrying capacity to provide parking, emergency, police and other services. Events should be held in a manner that does not cause congestion, prohibit owner access to their property, jeopardize public safety, adheres to review procedures and does not burden the Town of Vail with budgetary or operational costs.
- Vail ranked the highest in a 2017 global survey of winter mountain resorts for cost and the quality of the experience provided. The sustainability of the resort's top ranked position was the subject of a probing article about Vail Resorts, which examines the strengths and vulnerabilities in the company's business practices and potential challenges from emerging competitors. VHA has expressed concerns that Vail needs to emphasize quality over quantity. It needs to move beyond concentrating its resources on perfecting its perceived public image and truly move forward with implementing the actualization of that image. The best can always be better.

#### **Public Governance Reforms:**



### Poll voting has less turn out than absentee/mail-in balloting. Vail voting needs to be more accurate and accessible.

• The Town of Vail is requested by VHA to expand participation and the training of future community leaders through the removal of its thumb from the information scale by conducting its business and affairs in impartial, transparent (via televised Internet accessible) public hearings of processes for all boards, commissions and committees. It should avoid practices which encourage select interest groups to promote its agenda through favored status, opacity and partnerships that lessen ethical, arm's length, revolving door, conflict of interest and inclusionary norms, standards and obligations. The same request is made of other organizations and institutions responsible for setting the ethics and vision for the community.

• Deferred maintenance and budget shortfalls: The indication of stalling sales tax receipts in recent months caused VHA to raise the issue of budgeting for the replacement or upgrading of major public facilities like the Town's two parking structures and municipal building among others. The TOV, currently, does not budget beyond a 15 year timeframe. Concern is that without a long term strategy, short term spending could deplete financial resources that should be set aside for longer term needs.

#### **Election Balloting:**



• Town of Vail Town Council Election: The Association sees progress with the TOV's effort to expand its mail balloting process. The prior Council established a permanent list for absentee voters eliminating the practice of requiring voters to request an absentee ballot for each election. The change yielded a dividend with a 71% voter participation rate for absentee ballots but only a 14% rate for poll voting. The combined participation rate of absentee and poll voters was 22% from a base of 4,374 registered voters. The turnout overall was

consistent with recent regular municipal elections. <u>VHA provided insight into a candidate's views</u> that was distributed to its constituencies through an online question and answer dialogue with the candidates. The Association does not recommend specific candidates; it advised on voting tactics to retain or change the 4-3 split which dominates the Council voting patterns on important community issues.



• Vail Recreation District Tax Increase Election: The <u>VRD</u>, because of a <u>Colorado tax payer bill of rights (TABOR) requirement that applies to tax increases, conducted a mail ballot election.</u> The pool of 4,458 voters was derived from a property owners list provided by the Eagle County Assessor and a list of Eagle County registered voters from the Clerk & Recorder.

Those eligible to vote are registered voters who reside in Colorado and own property within the recreation district or are registered voters living in the District. Election officials can confirm the voting status of eligible property owners not registered to vote in Eagle County through a statewide voter list maintained by the office of the Colorado Secretary of State.

The tax increase was approved (827/575). Nearly 10% (442) of the ballots were returned undelivered, one of the downsides of mail balloting. The voter participation rate was nearly 32%, 10% more than the Town of Vail's turnout with a difference of 84 in the pool of registered voters.

• Larger Issues at play: Why is there only an 84 voter disparity between the VRD and TOV voter registration lists? Each list contains nearly 4,500 names. The disparity is negligible. This is difficult to rationalize, particularly, when the VRD encompasses a somewhat larger territory and contains a much higher number of eligible voters. Resolving the underlying reasons why there is such an illogical, statistical anomaly, may shed light on the need to have a more advanced and secure voter record keeping system.

If the concept of an expanding electorate is to proceed, there must be trust in the procedures used to maintain an accurate registered voter database. Several of the Vail Town Council candidates favored a form of universal mail balloting but expressed concern about the need to assure the credibility of voter and voting records.

#### **Collaborative Initiatives:**

A series of VHA reports caused collaborative working relationships with property owners in areas affected
by proposals that would change uses or increase density, cause environmental degradation and would have the
potential of compounding public safety, traffic and congestion issues or changing the character of surrounding
neighborhoods. These relationships favorably altered or tempered the outcomes of the decisions under
consideration. VHA serves as an independent voice of analysis, advocacy and commentary for the Vail
community.

VHA Membership:

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