VAIL HOMEOWNERS ASSOCIATION, INC.



Vail's crowd friendly business model is good for some but not all.

Is Vail A Sustainable Community:

August 12, 2016

Vail's Future: Moving In The Right Direction?

There is good reason to believe that Vail is now moving in the right direction. Recent action to address the parking and affordable housing issues, together with community discussion of Vail's "sustainability", are exciting developments, but concerns still loom for Vail's future. In recent years, Vail has steadily slipped in consumer ratings, notwithstanding major mass marketing efforts and a growing list of special events. While tourism has increased so has congestion; there is a growing concern about "safety" issues both in the town and on the mountain, and businesses are stressed by a shortage of available workers as affordable housing has failed to keep pace. A number of Vail's key competitors have moved ahead as Vail has trended downward to a middle-of-the-pack position.

Solving Vail's parking crisis and ensuring an adequate work force through affordable housing would be major steps in the right direction as it would also be placing Vail on a sustainable tourism "footing". And nothing could be more important than improving safety for both visitors and residents. Two of those issues, parking resources and affordable housing, have suddenly come to the forefront and raise immediate questions that need to be understood and resolved if we are to reach satisfactory results. The answers to those questions will go a long way toward determining the success of any proposed solutions. Other sustainable tourism issues are emerging to be address, while some are still mostly being ignored.



Vail's ageing parking structures are in need of being expanded and refurbished.

Parking Issues. With apparent consensus that Vail needs additional structured parking capability, the second most pressing issue in the recent town survey, the focus has now moved on to how to finance additional parking. The Town Council is currently considering doubling the town's lift ticket tax. The current tax generates approximately \$4.7 million. Doubling that revenue could raise \$50 million over the next 10 years which would enable major parking improvements. For example, adding a 5th deck to the Lionshead Parking Structure, one of several projects under consideration, would provide 400 additional parking spaces. The nearly 40 year old building is in need of structural strengthening which was the advice from the Vail Public Works Department in an evaluation of the potential expansion of the Lionshead structure given to the former Town Council. At that time, nearly two years ago, the project was estimated to cost \$35 million.

There has not yet, however, been any public hearing on this tax proposal, and Vail Resorts has yet to be heard, although, given its response to Breckinridge's proposal to do the same thing, a negative response would not be surprising.

This proposal has a built-in urgency. To get on the November ballot, a decision needs to be made in the next few weeks. While VHA fully supports solving the parking crisis, there is concern that placing a tax increase on the November ballot without a well thought out and publicly vetted plan could lead to defeat. Currently, there are several possible sites but no shovel ready plans or cost projections. Nor is there a campaign apparatus ready to educate voters. "Trust-us-to-spend-your-money-wisely" proposals usually have DOA all over them as soon as they are proposed.

This year, it appears that there will be a number of proposed tax increases on the ballot, maybe as many as five (see below). Putting the cart before the horse with a premature tax increase but no concrete plans could result in a setback that will delay any eventual solution for a number of years. The VHA counsels caution and urges that only a well prepared proposal be placed on the ballot, even if that means a delay in the process. That time could be effectively utilized to select a location, develop plans and cost estimates and prepare a voter education plan.



Affordable Housing and Day Care Center in West Vail.

Affordable Housing. The availability of sufficient workforce housing has been a perennial problem in the Vail valley, but this past year it reached a critical mass. It was the number one concern in the recent town survey as business owners are saying they are working longer hours as they struggle to offset a shortage of employees; some are even giving serious consideration to closing up shop and leaving the area. And on the other side of the cash register, there are growing complaints about the availability of service in the businesses. In some ways, we are fast approaching a perfect storm.

Unfortunately, action has not yet matched the rhetoric. Now, however, both the Town of Vail and Eagle County are swinging into action, albeit in not the most effective or responsible way. Both entities are considering "trust-us" tax increases for housing on the November ballot. Eagle County is considering a 0.3 percent sales tax increase; the Town is considering an unspecified property tax increase to create a permanent housing fund. Neither have any specific plans for how to spend the money and no cost projections to give the voters. Nor is any campaign apparatus in place for either venture. This comes at a time when the School Board already has announced it will seek a two-pronged property tax increase, and Eagle County is eyeing an additional sales tax for child care.

Is It Legal? The Colorado Constitution requires that any tax increase must be uniform in its application but to make the property tax increase acceptable to the voters, the Town is considering rebating all or part of the property tax to full-time residents. That means the burden of the proposed tax will fall on second home owners who have no say in Town elections. Thus, those who use Town services the least, because they are only in Vail on a part-time basis, would be required to pay the full amount of the tax increase. This may be illegal. Rebates

can only be used for a "public purpose", and passing a tax increase is not a public purpose. Already concerns about the legality and fairness are being heard.

VHA fully supports the provision of affordable housing. However, with almost no available sites within the Town limits, this is a complex problem that calls for leadership and a community/county-wide solution. It borders on foolishness for the Town and County governments to be working separately on the same problem. VHA urges community leaders to work together to find



Vail Affordable Housing. Will more ever be enough?

realistic, responsible solutions, and if they involve tax increases, which is most probable, that they be brought to the voters only after there are concrete plans in place. The VHA also strongly urges that any proposed tax increase be soundly legal. The Town does not need another round of contentious litigation. For now, the Town Council should say "NO" to this ill-defined idea. That way, when it is brought to the voters, they will have specific proposals to evaluate when deciding whether to authorize a tax increase.

Housing Regulation. Two other housing related developments are circulating in the Town. Both have a potential impact on some or all homeowners. The first involves a new municipal court enforceable authority for the Vail Fire Department that would override the Town's 40 year commitment to encourage tree planting and native ground cover to prevent erosion. Recently the Town Council approved the first step of fire officials request that could lead to the repeal of some of the design approaches used to screen development and meld it with the natural landscape of the surrounding forest. The Fire Department can now require the removal of living trees at the expense of homeowners that were required to be installed by the Town to comply with its design review approval.

The other involves consideration of new housing policies for the Town. The recent growth in rent-by-owner and other similar new ways for owners to realize additional income from their homes has helped to exacerbate the housing shortage. In another effort to expand work force housing, the Town of Vail is considering taking regulatory steps to set local housing policies. Discussions, to date, indicate that the regulations may involve banning rental-by-owner opportunities and other similar occupancy and use restrictions. Such policies could easily become confiscatory and amount to social engineering. VHA will be monitoring these proposals as they emerge and will report as soon as concrete information is available.

Public Safety. As already reported, the Town is moving to address one glaring aspect of public safety, Frontage Road By creating more parking parking. facilities, parking on the Frontage Roads will be reduced or eliminated thus increasing public safety. Of course, if the tax issue is rushed to the ballot without the necessary consensus building, it could be doomed to failure which would ensure that this particular public safety issue will remain for years to come.

This action on parking is none too soon. With the crush of Labor Day still to come, Vail has already had more than



Frontage Road parking is public safety risks for both drivers and pedestrians.

17* days of illegal Frontage Road parking this summer. That parking is illegal because, unlike the winter season, there is no agreement in place to authorize the Town to utilize Frontage Road for summer parking. And because the parking is illegal, Vail is going to be on the hook for any accident that happens; something that virtually all concede is bound to happen sooner or later.

The same cannot be said for on-mountain safety. Vail Resorts (VR) claims that it is taking steps to improve on-mountain safety, but there is no data available on the number of on-mountain collisions or injuries, and therefore, no way to measure the effectiveness of its commitment or efforts; nor is there any way for the skiing public to compare Vail's safety record with those of other areas. Off the record insiders concede that VR knows the most dangerous areas on the mountain, but even that information is not made public. That is because ski

resorts are not required to release collision/injury information, and VR, therefore, holds its records as one of its most closely guarded secrets.

Compounding the problem, in 1982 the ski industry flexed its political muscle to pass the Colorado Ski and Safety Act which effectively shields ski resorts from responsibility. Between iron-clad legal protections and carefully crafted releases of liability, ski resorts enjoy almost total immunity from lawsuits, and there is no incentive to aggressively promote on-mountain safety. In the absence of any empirical information, antidotal evidence indicates that collisions and injuries are on the rise as tickets sales and skier days continue to increase. It would seem that mountain safety would have strong marketing appeal, but so far, that does not appear to be something that interests VR.

Sustainability As A Goal. Sustainability is about balance, conservation and long term vision. A sustainable community is one that can be maintained long term. For example, a community that focuses its efforts in only one direction will not long survive. Think Ft. Lauderdale in the heyday of its Spring Break infatuation. Had it not reassessed where it was heading, it would not be the successful community it is today.

The good news for Vail is that several initiatives are currently underway to inform and advocate that Vail needs to adopt a "sustainability" focus. In the context of Vail's current problems, for Vail to be sustainable, it needs adequate parking and work force housing; public safety needs to be improved; Gore Creek and other environmental assets need to be protected. From a tourism perspective, there needs to be balance between high impact, "heads in beds" numbers, and the impact of those numbers on the community's natural and cultural assets.

A sustainability focus would examine what is good about the community and assign value to adopting practices to maintaining those features. In terms of Vail, that might be its natural environment, outdoor living, skier enjoyment and cultural treasures. Once identified, those factors should drive government decisions and investments so that those values are maintained and not overwhelmed by change or congestion.



Holy Cross Wilderness. One of Vail's environmental treasurers to protect from overcrowding

Membership:

The Vail Homeowners Association has entered into a sharing relationship with the following "community building" not-for-profit organizations. In this way we increase the reach of our advocacy and together we seek to improve our community in ways that will benefit all. From time to time VHA will report on the agendas and activities of these organizations. This is a non-exclusive relationship and other "community building" not-for-profit organizations may join our endeavors.



Colorado Ski & Snowboard Museum and Hall of Fame 231 South Frontage Road East Vail, Colorado 81657 970-476-1876

www.skimuseum.net

The museum's purpose is to preserve and communicate the lore of the modern winter sports movement in Colorado and its contribution to the evolution of the Vail community.

Read more:



PO Box 100 | Vail, CO 81658 P: 970-680-3525 C: 970-315-2675 www.vailcentre.org

The Vail Centre organization exists to provide learning experiences to those taking responsibility for inspiring Vail and the communities of the future.

Read more:



Walking Mountains Science Center

318 Walking Mountains Lane | PO Box 9469 | Avon, CO 81620 970.827.9725

www.walkingmountains.org

The mission of Walking Mountains is to awaken a sense of wonder and inspire environmental stewardship and sustainability through natural science education for the Vail community and Eagle County.

Read more: