

Existing view of Golden Peak - note cut to the summit, made in the 1960's, for a lift that was never built.



Approximate view of Golden Peak once construction of proposed race course and lift to the summit is completed.

VAIL HOMEOWNERS ASSOCIATION

Big Changes Coming to Vail

The East Vail Housing Project Expansion at Golden Peak December 20, 2018 With the expansion at Golden Peak and the impending development of the East Vail Housing project, big changes will be coming to Vail. In this report, VHA reviews some of the implications of those changes. But beyond the immediate impact of those changes, there is disturbing information about future changes which, if not addressed, could mean even more profound changes for the community.

For the first 50 years of Vail's existence, the governing focus was on development as the Town grew and established its brand. Now with Vail essentially built out and universally recognized as a premier international resort, the question arises whether it is time for governing authorities to shift their stewardship focus from development to preservation, lest the beauty and wonder of this unique place be lost. That issue is, particularly, called into question by some of the material underlying the two developments discussed in this report.

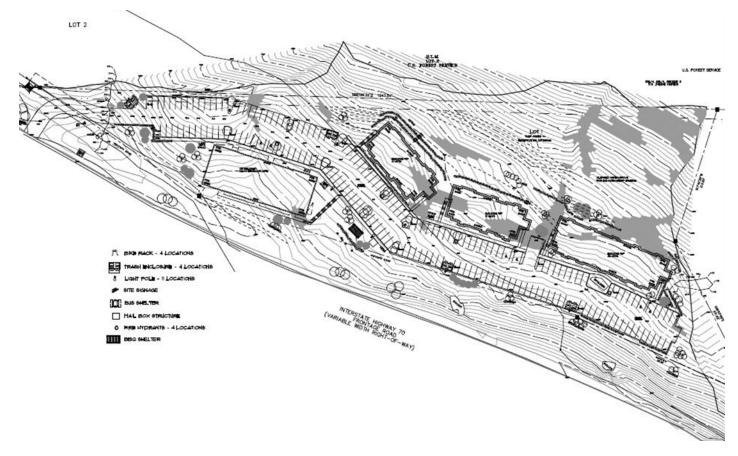


Site of the East Vail Housing Project.

The East Vail Housing Project

When VR sought rezoning of 23 acres of East Vail Property (on the north side of the East Vail I-70 Interchange), VHA raised concerns that a massive development on the site would change the character of East Vail and also that the site contained highly valuable wildlife habitat and migratory routes and was subject to severe rock fall hazards. At the time, a State wildlife authority indicated that development of the site, as well as other TOV plans, would further exacerbate a continuing decline in wildlife habitat within the Gore Valley. The Town of Vail, nonetheless, approved the rezoning, designating 5 acres for employee housing but noted that additional study of the issues raised by VHA would be given consideration, including a requirement for an environmental impact study, once an application for development of affordable housing was received.

Now VHA has learned that development of the site has been quietly moving forward on a path so construction could start next summer. As indicated last year, this is not going to be a VR project; instead, VR is passing the development mantle to Triumph Properties (the developer of the Chamonix affordable housing project) through a purchase contract that will close when all project approvals have been completed.



Proposed Site Plan for East Vail Housing Project - Above



If built per the proposed site plan, the above wildlife sanctuary will be replaced with a surface parking lot and 4 buildings.

Although no formal application has yet been submitted (one is expected in January), as VHA predicted at the time of rezoning, a massive project is being planned for the site. Triumph Preliminary Plans reveal that it is planning to construct four buildings – a four-story and three five-story buildings, with 143 total units (36 one bedrooms and 107 two bedrooms). Much of the rest of the site will be occupied by 174 surface parking spaces (25 less than required by the building code). A massive rockfall barrier is slated for portions of the northern part of the site although VHA has learned that Triumph has indicated that it will seek an "option" for rock fall mitigation. What this means remains to be seen.

If built, this development would be a huge change for East Vail where there are currently no buildings taller than 3 stories. It would mean upwards of an additional 400+ to 500 people in the East Vail area with up to an additional 174 vehicles or more, all of which would create attendant infrastructure and service impacts, none of which appear to have been addressed so far. While this is to be "locals housing", Triumph plans on having 30% (45 units) at market rates. To finance the project, Triumph wants the TOV to buy deed restrictions on those

units to the tune of \$5 million or more and has already begun discussions with the Vail Housing Authority. How this could fit into the TOV budgetary capabilities remains to be seen. In addition to the parking variance that would be required, Triumph, also, apparently, is going to seek other as yet undisclosed variances.

As VHA predicted when rezoning was sought, the planned development will be a virtual barrier to wildlife migration and its impact, which extends far beyond the limits of the actual site, will severely alter wildlife habitat.

There is not yet an indication of how this project will be received by the Town of Vail, although the lure of employee housing remains strong. An Environmental Impact Study will be required and the project has to go through both the Planning and Environmental Commission and the Design Review Board, a process that could take many months. But regardless of how transparent the process might be, how long it might take and how much public input is allowed, , the location, size and impact of this proposed development will, in a major way, call into question what the future of this community will be. VHA will continue to monitor the developments of this project and report to keep you informed.

Golden Peak Expansion.

USFS Map of Golden Peak Race Course Expansion Project

It was inevitable that race training at Golden Peak would be expanded. After all, ski racing was built into the Vail DNA and had much to do with its early success. Ski racing would probably still be a Vail feature had FIS requirements not been changed in a way that disqualified Vail Mountain which caused great consternation when Vail hosted the 1999 and 2015 World Cup Championships, and race venues had to be located at Beaver Creek. Therefore, it comes as no surprise that race enthusiasts and businesses that benefit from ski racing have wanted championship level racing to return to Vail.

Last year, Vail Resorts sought permission from the USFS to expand race facilities at Golden Peak. Although VHA was accused of opposing that project, it only raised concerns that certain subjects, such as, congestion, inadequate parking and environmental impacts be addressed in the approval process. Now a Final Environmental Impact Report (FEIS) for this project has been released for public review and comment. The following highlights some of the findings and conclusions in the report and the implications for the Vail community.

Overview. The FEIS concluded that the proposed Golden Peak expansion will not cause any significant impacts that cannot be mitigated, and that therefore, the proposed expansion should be approved, i.e., the Golden Peak ski area can be expanded to the top of Golden Peak with a new lift and 42 acres of ski trials for Women's Downhill, Men's Super G, Moguls and skier cross courses. This is not surprising given the shift in USFS focus from preservation and conservation of natural resources to a greater emphasis on economic development. That said, in spite of the presumed economic benefit bias, the report contains a wealth of information about not only the project but, also, future on-mountain development and community impacts, challenges that governmental agencies and taxpayers are going to have to shoulder.

While oversight and mitigation of construction related issues are comprehensive and through, as would be expected given 50 years of experience that both the USFS and Vail Resorts have in designing and building world class on-mountain facilities, most of VHA's concerns have been brushed aside as the report focused on the financial benefits emanating from the expanded facilities.



Expect More of this Not Less.

Increased Congestion. One of VHA's major concerns was increased congestion from additional use of the Golden Peak area. The report does not address increased daily use of the facilities. It avoids assigning any responsibility to VR for mitigating transportation impacts; instead, it deflects that responsibility onto the Town of Vail. The report also notes but, again, does not address the impacts of more events being hosted at Golden Peak, even though it is VR who provides the on-mountain services and facilities and reaps the publicity benefits from those events. Concerns over the consequences and base area logistics of increased activity associated with more mass spectator events are brushed aside by focusing the report's analysis on normal day to day activities rather than on the stresses associated with the influx of spectators and participants that races and similar events will generate.

Most disturbing for the future of the Vail community, the report reveals that in just six years (by 2025) traffic on south Frontage Road is expected to increase by 45%. By 2035, peak I-70 travel time through the Town of Vail is expected to more than double. Accessing Golden Peak from anywhere beyond the immediate neighborhood may hold challenges for residents.

The report, also, notes that the present 1.6 million winter season visitors are expected to increase through 2035 by 0.5% annually, yet the report did not require any adjustment in the 19,900 manage-to-peak, presumably because that peak has only been reached 1 to 2 days per season (it is projected to increase to 3 - 5 days by 2035). But even today, when there are fewer than 19,900 skiers on the mountain, there can be 20-29 days during the winter season when parking occurs on the Frontage Road; a situation which, according to the report, has "a considerable negative impact on the visitor experience."



The becoming Quality of the Vail Experience.

Given the annual increase in skier visitation, the FEIS report says, "It is expected that public parking shortages would be expected to occur and increase in frequency. Particularly with population growth in the Denver metropolitan area, the number of day skiers, who overwhelmingly require parking, is expected to increase." Therefore, without a significant increase in off-street parking and mass transit, the frequency of traffic congestion will increase, causing another negative impact on the visitor experience for public entities to confront.

It is problematic whether the Town of Vail would compromise its current 15 day self-imposed ceiling for winter parking on the frontage roads. But, the data says it should. With a projected 45% increase in traffic on Frontage road by 2025, parking on frontage road will become even more unsafe. According to figures in a 2009 Town traffic study, traffic through the Town center will slow to a frustrating crawl, and passing through some busy intersections will become nearly untenable. It is at this point that Vail's highly marketable image may begin to fade which further exacerbates a decline in available non-tax increase related funding for infrastructure improvements.

Significant amounts of additional parking should not be expected from the private sector. According to the FEIS report "recent proposed parking projects at [Vail Resorts'] Evervail project, [the Town's] Lionshead [parking structure] that would have created up to 1,300 new spaces have stalled." The Town of Vail, because of the cost of building structured parking (estimated at between \$90,000 and \$250,000 per space), is primarily focused on accommodating all visitors with improved efficiency of existing public and private facilities. Additional new parking in other private development projects are in construction or planned, but they are not expected to fully offset the increasing demand for public parking that occurs on peak demand days.

Cumulative Infrastructure Costs. Parking is not the only facility that is affected by expanding uses on Vail Mountain. The incrementalism that is used to justify the project masks another critical public infrastructure need, affordable housing for the work force. The report estimates that 11 new positions will be created by the expansion, under 1% of the Vail Associates workers employed in the Vail Valley. These employment numbers are averages and likely do not reflect additional jobs created by hosting more mass spectator events.

Each of the newly created positions will require housing for the 11 employees who will need living arrangements for roommates or families with children. Housing availability has remained a shortcoming for decades because of an ever expanding job base throughout Vail and Eagle County due to unrestrained tourism promotion.

The FEIS provides no cost benefit analysis of the cumulative economic impacts of the race expansion or who pays for them. Should it be the direct beneficiaries, Vail Resorts, Ski and Snowboard Club Vail, Vail Valley Foundation or the Town of Vail and/or Eagle County, in whose jurisdictions the ski area resides? If the quality level of the visitor experience is to be maintained as a priority, these infrastructure and operational costs should not be swept under the rug by analysis through incrementalism.

Vail's chronic parking shortage illustrates that transportation costs have not kept pace with demand. The Colorado Department of Transportation and Federal Highway Administration have shared construction costs with the Town on major projects. Colorado taxpayers, concerned with their own backyard, have consistently rejected tax supported funding for a statewide menu of highway improvements. Also, there are risks waiting for State and Federal matching grants to materialize in time for needed transportation improvements.

After years of haggling, the amount of the USFS pass through impact fees, as well as other fees collected locally from Vail Resorts, is neither sufficient nor has been appropriately spent by Eagle County to remedy Vail's transportation impacts. Local officials may have to turn to Vail and Eagle County taxpayers to fill an ever expanding financing gap.

The pass-through costs of every local tax increase, of which there have been many in recent years, makes it all the more difficult for residents to keep pace with the resulting rise in the cost of maintaining their mountain recreational lifestyle. There are plenty of examples of once well-known resorts that have not survived the cost spiral tied to providing the infrastructure and support services necessary to sustain the expansion of their once highly marketable image. If the proposed expansion of race terrain is to be truly successful and pay its own

way, it needs to be accompanied by a fairly assessed increase in financial subsidies from the benefiting business enterprises and governmental entities.

Ecological Concerns. Another of VHA's concerns involved the effects of maintaining race-ready conditions on the new trails, primarily the need to inject sizeable amounts of water to keep the courses in proper condition, and the construction of new snow cat facilities. The FEIS report gives extensive detail into the potential effect of soil and geologic disturbances. Detailed mitigation measures for drainage, erosion and landslide issues are addressed. Attendant to the snow cat maintenance/fueling and separate storage facilities is the burial of a 30,000 gallon (10.5'diameter x 45') fuel storage tank. The fueling facility is to service the racing and surrounding recreational improvements. If this is to be a first of its kind installation, special consideration should be given to the techniques available and to the need to clean up fuel spillage and to the long term monitoring of tank leakage. Such tank leakage into the ground water is not unknown in Eagle County and because of the proximity to an already environmental challenged Gore Creek, extraordinary precaution should be taken. Unlike how the construction of racing terrain will be accomplished, there is insufficient documentation in the FEIS as to how these mitigation measures would be achieved or if in fact they will be required.

Wildlife Impacts. The report goes to great lengths to inventory and assess the impacts on wildlife, but as with other controversial subjects, the cumulative effects when considered incrementally in the FEIS, show no lasting effects. These conclusions are reached in spite of evidence that elk and deer, as well as other species, are under stress due to increased recreational use of USFS lands including the fragmentation and urbanization of habitat on private lands. There was no substantive evidence provided that showed the relative increase in recreation activity throughout the region that surrounds the ski area permit. It is the increase in the marketability of these adjunct activities that are occurring because of their immediate proximity to the ski areas and their urbanizing dependent recreational communities, which according to State wildlife officials are contributing to the decline in habitat and lack of proliferation in non-human species.

Economic Impacts. The report identifies that a 31 to 48 percent downturn in the average sale price of residential real estate sales occurred beginning in 2008. Other information available documented a corresponding decline in employment and an accompanying reduction in demand for work force housing. To offset the resulting downturn in revenues, governing entities turned to hosting mass spectator events. Also, VR was granted greater latitude by the USFS to expand summer tourism opportunities on Vail Mountain which have been completed. The Town of Vail has reported that it has seen a 20% increase in summer tourism since these strategies where put into effect.

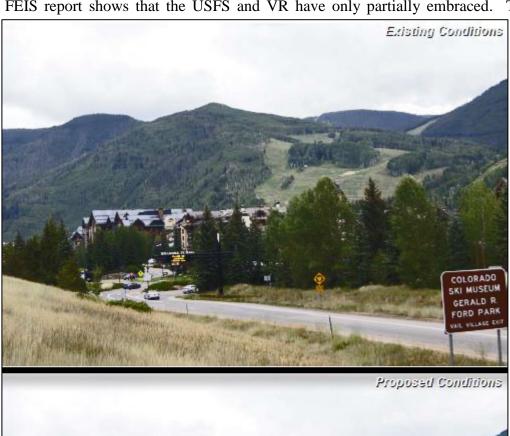
A recovery in real estate prices is occurring, and the chronic shortage of work force housing has returned. There is less availability of workers and public parking. The pressure from increasing the highly marketable image of the resort and surrounding area could result, as estimated in the report, in an Eagle County population increase 40% (to 76,600 residents) by 2035. The FEIS report documents growth related data but does not evaluate the ability of either the public or private sectors to keep pace with servicing the projected increasing volume of visitors and local residents.

Environmental Preservation, Conservation and Resource Development Issues. From an ecological standpoint, a benefit of the project is the long desired and awaited restoration of a nearby section of road and stream bank in the Mill Creek drainage. This is an atonement project for an environmental sin related to inattentive construction dating back to the days of the founders. The 2007 Mountain Development Plan sanctioned by the USFS, also, opened the door for the expansion project to erase the evidence of another misstep by the founders. In the 1960's, VR employees, acting without USFS authorization, cut a swath through

the aspens for a ski lift that they wanted to construct to the summit of Golden Peak. Their action, known as Pete's Boo-boo, set off a controversy about the necessity to regulate against the <u>unplanned</u> scarring of the natural landscape.

Pete's Boo-boo remains imprinted in the local community's lore because of the magnetic natural beauty that the Aspen forest which festoons the mountain's summit displays in the fall giving rise to its namesake, Golden Peak. Golden Peak symbolically became Vail's golden goose, to be protected against over development. The boo-boo, also, became a symbol of environmental scenic desecration signifying exploitive economic motivated indifference and insensitive bureaucratic resource management.

The controversy became a wellspring of change. It was the motivation for the Town of Vail to adopt comprehensive building/landscape design review and view preservation regulations: design functions that the FEIS report shows that the USFS and VR have only partially embraced. There are no specific procedures





USFS Scenic Preservation Exhibit

whereby a particular view of a specific area within a USFS controlled ski area or forest is to be preserved or protected.

Scenic Preservation.

Economic intangible and nonmitigatable scenic preservation issues are given short shrift in the FEIS in comparison to the plethora of associated scientific environmental data for items that are mitigatable. No heed was paid to weighing or exploring preserving additional scenic views from the nearby town center of the ski area itself, particularly when the comparative analysis must be contrasted with the economic value of increasing market demand by expanding racing or other recreational venues, nor has the Town of Vail initiated a call for preservation either.

The FEIS scenic view value analysis, whether viewed from near or afar, relies on the proximity of the new ski runs to those already existing to the west toward Vail Village and Lionshead. The study fails to acknowledge that when viewed

to the east or southeast, the existing forested summit of Golden Peak presents an uninterrupted pristine forested terrain. It is this scenic view that is fully exposed to nearly 50% of the residential community and the commercialized Town Center, as well as all travelers on Interstate 70. It is the juxtaposition of the ski runs and lifts within the larger natural setting that evokes an emotional response that is a major contributor to the marketability of the recreational resource.

Concern also exists about the design of a large 3000 sq. ft. (50'x 60') building servicing snow grooming equipment and an additional 1,500 sq. ft. (30' x 50') race equipment storage building. Structures should be required to blend well with their natural surroundings. Even though the USFS and VR have design guidelines for such structures, most of those that are large are not viewable from the community, and, therefore, the effectiveness of the guidelines are not adequately substantiated.

The concept of placing dispersed snow cat maintenance/fueling/storage facilities throughout Vail Mountain is a long desired aspiration by both mountain and Town planners. If successful, it will reduce and potentially eliminate the need for the VRI's centralized maintenance/staging facility in West Lionshead. Should other similar facilities be dispersed elsewhere around Vail Mountain, the West Lionshead facility will no longer be needed. The elimination or sublimation of the West Lionshead service facilities are critical elements needing to be decided for the redevelopment of this outmoded area to become viable.

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