



Gondola cable in Lionshead has been replaced this year and a future capacity increase to the adjoining chairlift may follow.

VAIL HOMEOWNERS ASSOCIATION

Letters to Vail

Vail Resorts Performance Trends

July 11, 2024

Some Wall Street analysts foresee in the 2024's 2nd quarter divination of Vail Resorts post-pandemic performance a normalization over the next few years to pre-pandemic levels. Their forecast is optimistic in spite of trends in pass and ticket sales, which are shifting because of declines in new initiates entering the mountain sport theater. Profitability will, in part, come from leveraging operational efficiencies which includes labor and associated resource costs.

The VR/USFS 2024 Vail Development Master Plan (VDMS) proposed lift upgrades, intended to relieve crowd congestion at base portals. Base area lifts are to be augmented and will add greater base to summit capacity. The Lionshead gondola will be replaced this summer. VR and the TOV are pledged to continue cooperation on a local operational level. Due to VR's projected revenue shrinkage, it should be a consideration of VR dependent entities that they may encounter the same shrinkage.

The VDMP is a Master Plan and, as such, is subject to change. Budgeting for the plan is ongoing. VHA urges both the TOV and VR to coordinate their master planning so that advantage can be taken of expenditures timed to be in sync with available investment funds. The TOV is the determining agency for improvement proposed within the base areas at Golden Peak, Vail Village, Lionshead, West Lionshead and Cascade Village.

VR participation in funding the expense of their workforce housing obligations remains at issue. The 2024 VDMS anticipates having an additional 5,000 visitors due to the upgrades related to its lift system. Using a rough estimate of 1 worker to 10 visitors yields a need for 500 additional pillows to be added to the community's existing inventory. VHA has called for a workplace inventory of workers living in TOV subsidized housing to determine to what degree the community has sufficient and suitable housing for those working in the town and on the mountain.

The Colorado Court of Appeals clarified the legitimacy of negligence claims against the company resulting from on-mountain injuries. The company continues to be engaged in employee litigation and unionization actions and is facing opposition from some local governments over development and land management issues. VR employees are indentured to a one-year lease if they are renting company housing. This practice limits the flexibility of an employee to seek alternative or additional employment locally or elsewhere.

The TOV's acquisition of the big horn sheep habitat in East Vail, Booth Heights, remains in litigation. The \$17,5 million payment from the TOV to VR for the site remains suspended while the TOV's condemnation action works its way through court proceedings. In addition to the land acquisition payment, related legal fees incurred by VA are to be paid by the TOV. It would benefit all parties, if VR would use the court cash awards to make improvements to their infrastructure in Vail, which includes not only improvement to on-mountain facilities, but building housing for their employees who work in Vail.

Meeting Notice:

Vail Homeowners Annual Membership Meetings

July 24, 25 and 26, 2024

1:30 pm-3:00 pm

Vail Public Library – Community Room

Prior registration is required

Registration: vailhomeownersassoc@gmail.com

Zoom access available.

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