



Eyeing Redevelopment of the Golden Goose - Vail Village

# Vail Homeowners Association Newsletter

*Reconstructed 032724*

News, Analysis, and Commentary for Vail Homeowners

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## Redeveloping the Golden Goose?

**Vail Economy:** The Town of Vail reported record sales tax collections for 2012, surpassing the previous high set in 2008. The boost in collections was due largely to an increase in summer special event business and occurred in spite of a slow start to the winter season. The source of the [highest sales tax](#) increases occurred from properties redeveloped during the boom years with Vail Village continuing its unending trend of outpacing Lionshead. [Lodges and restaurants led retail](#) as the dominant beneficiaries. Some critics are saying that the Town's economic reports are misleading because not all sectors in the Vail business community are benefiting to the degree the reports portray. TOV [2012 Revenues](#) across all funds were down -3.0% when compared to 2011. The [Town's March 2013 Revenue Highlights Report](#) shows sales taxes thru February were up 7.9% over same period in 2012. There was positive growth in parking fees but a -6.7% drop off in real estate transfer tax revenues.

Vail Resorts is reporting a [strong winter season](#) so far for its mountain resorts and announced the [replacement of Chair 4](#) with a new lift having a 33% increase in capacity. [Improved mid and late season snow](#) conditions may mean that first quarter 2013 sales tax collections will continue to trend upward.

Vail and Eagle County's real estate appeared to be riding the [consumer confidence](#) wave born on low borrowing rates, along with other [western mountain resorts](#), with a [strong close to 2012 sales](#). Inexplicably, perhaps due to the fallout from congressional budgetary wrangling, since the beginning of the year, Vail/Eagle County property sales have shown a [drop off](#) in performance as have [Aspen/Pitkin](#) County. Nonetheless, the recovery in the [national housing market](#) is stirring some local developers to begin laying the groundwork for a renewal of speculative redevelopment projects.

Eagle County [foreclosures rates](#) have dropped and the number of transactions filed is down by roughly 42% over this time last year. County [employment trends](#) are improving with the number of jobs and workers on the increase. The county's unemployment is at 5.94%, the lowest rate since February of 2009, well below both State and Federal current levels.

**Bridge Street on a Saturday Morning in March - When is Too Much Enough?**

**Town Moving To Selectively Stimulate Real Estate Redevelopment in Vail Village:** The Town of Vail also appears to be readying its political processes to selectively stimulate more construction and development tied to tourism. This time around it has its sights set on Vail Village and the surrounding neighborhoods. However, there are indicators that there may be a pull back by the Town from its highly aggressive pre-recession development posture.

Some in the community are asking; when does enough growth become too much redevelopment? It started in the 1990's with zoning incentives to upgrade Vail's less than competitive high end guest bed base, then moved on to the need to add more commercial

space to drive down lease rates. Now there are those asking where will it end? Is more, and bigger, better?

[Town studies](#) are underway to identify the [historic attributes of Vail Village](#) that could be used to shape the architectural character and size of redevelopment as well as expand the area where [overlay design guideline regulations](#) would apply. There has been a growing sense, as the community adjusts to its latest surge of development, that a line has been crossed that has brought over-commercialization and excessive urbanization.

### **When is Too Much Enough?**

The Town's 50th anniversary celebration has caused many to reflect on the historical record of how and why the community evolved the way it has. The Town has produced a [50 year historical retrospective](#), and during its production the authors rediscovered the founding Town planning principles that are the basis of the community's long run of success. One of the implied principles of the founding 1960 and 1970 decades was "less density adds more value"; a perspective that some believe has been lost in the rush to redevelop in the most recent decades.

## **Vail Renaissance - Round Two**

The Town is now [armed with an argument](#) to again emulate its past performance on economic stimulation by encouraging more real estate development. It can portray its pre-recession redevelopment agenda to expand or improve the inventory of resort guest beds and commercial retail space, as being the primary source of its current increases in sales tax revenues. There are indications that the stage is being set by some advocates for another round of zoning incentives to again prime the pump in the ongoing efforts to replace the old with the new. Several who participated in Town sponsored scoping meetings did not believe there was the market potential for redevelopment that would markedly change the scale in the heart of the Vail Village Bridge Street district.

It is the fringe Vail Village residential neighborhoods which are coming under the most scrutiny from redevelopers. Several of these Vail Village residential neighborhoods did not experience all that much redevelopment during the pre-recession building boom. Most fall outside of the more restrictive design regulations for the commercial center of Vail Village.

This is one reason the Town is moving to further regulate in anticipation of political efforts to increase the value potential of certain properties that would entice their redevelopment as commercial or resort residential properties. Those neighborhoods with effective restrictive covenants may have a stronger defense against the propensity in recent decades to entertain immoderate commercialization and urbanization.

**Vail Village - West Side:** Larger and older properties such as the Lodge at Vail and those in the Bishop Park neighborhood have come under discussion in the Town's planning sessions as candidates for redevelopment. To do that, the Town must find a way to remove the traffic congestion from Vail Road and West Meadow Drive, caused by the Medical Center traffic and increased recreational pedestrian traffic.

**Vail Valley Drive Traffic on a 2013 March Saturday Morning - Congestion is Reduced But Still Remains.**

**Vail Village - East Side:** On the east side of Vail Village, the Golden Peak neighborhoods have also been mentioned in the Town's redevelopment discussions. The proposed

redevelopment of the [Ski and Snowboard Club Vail](#) building has shed light on the extent to which the entire neighborhood could be made more commercial and urban.

Vail Resorts believes it has the wherewithal to someday build a residential/commercial complex at Golden Peak on a parcel of undeveloped recreational open space land east of Chair 6. There are those who hypothesize that Golden Peak is the most ideal place to put a bottom to top-of-mountain gondola once the effects of global warming become more apparent. They speculate that the northern orientation of the skiable terrain in this area, with the expanded snowmaking coverage, can retain snow earlier and later than any other on the front face of Vail Mountain. The presence of a gondola is a magnet for high density development.

### **Town Attempt to Rezone Not Setting Well With Some Neighborhood Property Owners**

The Town's creation of a new Town House zone district that could reduce the neighborhood's development potential below pre-recession master plan levels has not set well with some property owners in the larger Golden Peak neighborhood. These owners believe they should have the right to redevelop their aging properties to the same height and size as pre-recession redeveloped buildings in the immediate area, which are between 4 and 5 stories (56 feet), whereas the Town House zone district has a 38 feet height limit.

**Keeping the Traffic Flowing:** The amount of parking required by the Town for these types of buildings could at times overwhelm the roadway system, which is already inadequate during peak tourism seasons. A cursory analysis of the amount of parking that could be generated by two levels of structured parking on all properties that are likely to be further developed throughout the entire area show these structures could yield enough parking for an estimated 1,200 cars. This amount of parking, which is not uncommon for the size of the buildings desired, is equivalent to the number of parking spaces in the Lionshead Parking Structure and is a several fold multiple increase beyond what currently exists in the area. This potential eventuality creates a scenario whereby any neighborhood expansion of lasting significance should be accompanied by practical remedies to the neighborhood's persistent traffic congestion on Vail Valley Drive.

**Means to an End:** The solutions to the challenges of congestion are tied to the financing of potential costly traffic circulation projects, or, as has happened in other areas of Vail Village, restricting vehicular access to only property owners, public buses and private shuttle service. Importantly, at some point and perhaps the most complicated to resolve, there must be political agreement among all those most affected, the neighborhood property owners, so that the proposed scope of the speculative redevelopment can correct these persistent traffic access challenges.

### **Town Council Changing Course on Ford Park Phase Two Improvements**

In response to concerns from within the community and VHA about overdevelopment in Ford Park, the [Town Council \(4-3 vote\) reversed](#) their earlier decision to add "phase two" projects to its list of Ford Park projects enabled by the reallocation of the conference center fund. Those additional projects involved improvements to the amphitheater courtyard entrance

and educational center building with an office and greenhouse for the Betty Ford Alpine Gardens. The decision caused [considerable upset](#) and even anger from the proponents who had been led along by the Town's actions of "appending" the additional improvements to the primary phase one Ford Park projects of ball field improvements and amphitheater lawn seating changes. It was said that the [Vail Valley Foundation](#) potentially complicated the issue by accepting substantial financial contributions by philanthropic donors to match the reallocated Town funds in order to build a "package" of Ford Park projects sponsored by the Foundation.

The Vail Homeowners Association, some weeks ago, suggested to the Town Council that there should be a pull back on moving forward with Ford Park phase two, at least until construction was completed and the public had adjusted to the changes brought about by phase one. Further, VHA asked that the current Town Council honor the promises made by the former Town Council to not allow artificial turf, no matter how seemingly inconsequential in area, to be installed on the Ford Park ball fields. The opposition to "artificial turf" on Ford Park has been a long held symbol of excessive commercialization and urbanization by many of the community's open space preservationists and conservationists. This perspective reflects one of the core principles at the heart of the opposition to the over-development of Ford Park.

The proposed "phase two" park improvements have run afoul of the well-entrenched community desire to preserve open space including Ford Park and hundreds of acres spread throughout the community. The phase two proposals had been appended to the primary phase one Ford Park projects that include improvements at the ball fields and amphitheater.

Over the last couple of years, the proposed second phase improvements, had, under cover of being appended to the review of phase one, been quietly moving through the approval of a very low keyed master planning and operational revision procedure. Some of these revisions were at odds with and sought to hopscotch over earlier 1985 and 1997 Ford Park planning documents that were themselves highly contentious during their authoring. The train pulling the 2nd phase proposals came off its track, creating a rallying point for political activists, once preservationists began to see the extent of the urbanizing features in the construction of the phase one Ford Park project.

**Public Attitudes are Changing About Town Development Preferences:** The Ford Park matter now joins a similar urbanization/open space controversy over the redevelopment of the Golf Clubhouse site, also being funded from the reallocated conference center fund. These two projects are part of a larger package of other major redevelopment initiatives being considered by the current Town Council, including the Medical Office Building/New Town Hall and the [Ski & Snowboard Club Vail building](#). All of these projects are being called into question by either political, potential legal, or economic complications.

### Town Council Takes Step On Troubled Golf Course Clubhouse Project

The Town Council recently took steps on the Golf Clubhouse redevelopment in what some see as a faint attempt to appear to be placating the objections of the neighborhood. This is a matter on which the Vail Homeowners Association has been engaged for months. The point of contention is that the commercial uses of the Clubhouse and its grounds, for weddings, parties, special events or conferences, violate protective covenants on the property.

**Town's Claims of Changes to Project are Not Substantive:** In its most recent action, the Council stated that it was reducing the number of guests that could be accommodated at a group event in the indoor commercial event facilities but they did not substantively change the interior layout of the Clubhouse, nor the proposed size of the building, nor did they abandon the use of the area to be vacated by the relocation of the 18th green (pictured below) for outdoor social events. In addition, critics of the proposed uses say the Town's method of calculating the number of people remains ambiguous and misleading. In a further effort to mollify the neighborhood, the Council committed to not allow "event" or golf parking on neighborhood streets, which is prohibited by Town Code anyway. Instead, it would implement "valet parking" in the Clubhouse parking lot when events occurred.

#### **18th Green Proposed for Outdoor Parties**

While these minor changes are welcome, they seem at odds with the Town's [economic analysis](#) that appeared to say that it would be "profitable" for it to conduct as many commercial events at the facility as was feasible throughout the entire year. They also do not address the core issue of the protective covenant on the property and the concern of many about the commercial nature of the proposed uses of the Clubhouse.

**Neighbors' Court Action Moving Forward:** On a separate front, the neighbors who have brought protective covenant litigation contesting the Town of Vail's authority to change the residential character of the neighborhood received another favorable ruling from the Court. The neighborhood plaintiffs gained agreement from the judge to move forward on narrowly-focused motions dealing with the key issues in the case. The motions would include issues such as determining the scope and prohibitions conferred by the protective covenants. The plaintiffs may now get resolution on many of the key issues of their case even though the Town has yet to complete the self-approval of its own application.

**Town Should Compromise for the Good of the Entire Community:** Some observers have expressed concern that the Town's ego has become too tied up in the outcome of this project. There are those who believe the Town is making a lasting, serious error in not working toward a meaningful compromise with their neighbors. The perception of a negative ripple effect on residential property values throughout the entire community is fueling the over-commercialization sentiment that is finding voice well beyond the protesting Golf Clubhouse neighborhood.

**As Residential Owners Lose Property Right Protections, They Will Vote With Their Feet:** Over 80% of Vail property owners are non-voting second home owners. The Town's action to weaken protective covenants may be perceived as an effort to undermine property values, which will have an adverse affect upon both non-resident and resident property owners. The Town's wholesale emphasis on growing tourism to benefit certain business interests, at the expense of downgrading residential property rights, will likely cause a widespread move by homeowners to vote with their feet, finding other resort communities that are less hostile to their residential quality-of-life interests.

**VHA Watchful Eye:** It is likely that in April the Ford Park "phase two" items will be back before the Town Council and the Golf Club House redevelopment will be before the Planning and Environmental Commission. VHA will continue to monitor the process, voice its position as necessary and report on developments.

**Sales Tax Record Signals Shift in Focus From Community To Economic Emphasis**

## Vail's Eye View

VRI Groomers sculpt Golden Peak monumental competition course for Burton US Open Snowboard Championship.

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