

VAIL TOWN COUNCIL MEETING

Afternoon Session Agenda



Vail Town Council Chambers and virtually by Zoom.

Zoom meeting link: https://vail.zoom.us/webinar/register/WN_IEpWihQ1QkmmMyt0ppBUBg

1:00 PM, March 4, 2025

Notes:

Times of items are approximate, subject to change, and cannot be relied upon to determine what time Council will consider an item.

1. Call to Order (1:00pm)

2. Presentation/Discussion (1:00pm)

2.1 Housing Needs Assessment & West Middle Creek Update (1:00pm) 80 min.

Listen to presentation and provide feedback.

Presenter(s): Jason Dietz, Housing Director and Andrew Knudtsen, Economic & Planning Systems

Background: The first part of this agenda item includes a presentation with results of the most recent regional Housing Needs Assessment. Based on the housing needs identified, staff is asking for Council's feedback on the goals for the West Middle Creek development.

[Council Memo - Regional Housing Needs and West Middle Creek Regional Housing Needs Presentation](#)

2.2 Employee Home Ownership Program Update (2:20pm) 20 min.

Listen to update and provide feedback.

Presenter(s): Krista Miller, HR Director

Background: In 2008, Town Council approved the creation of an Employee Home Ownership Program. After 16 years of great success with the program, staff is providing Council with an update, modification recommendations, and will discuss possible additional funding support.

[Council Memo - EHOP Program](#)

[Attachment A. EHOP Program Chart with Recommendations](#)

[Attachment B. EHOP Basics Presentation](#)

3. DRB/PEC (2:40pm)

3.1 DRB/PEC Update (5 min.)

[DRB Results 2-19-2025](#)

4. Information Update (2:45pm)

4.1 February 2025 Revenue Update

[Revenue Update 3-04-2025](#)

5. Matters from Mayor, Council, Town Manager and Committee Reports (2:45pm)

5.1 Matters from Mayor, Council, and Committee Reports (15 min.)

5.2 Town Manager Report (5 min.)
[Town Manager Report 3-04-2025](#)
[Gore Creek Promenade Update](#)
[Future Topics](#)

5.3 Council Matters and Status Updates
[Council Matters 3-04-2025](#)

6. Executive Session (3:05pm)

(135 min.) Executive Session for the following purposes:

- 1. To consider the purchase, acquisition, lease, transfer or sale of any real, personal or other property interest, to hold a conference with the Town Attorney to receive legal advice on specific legal questions, and to determine positions relative to matters that may be subject to negotiations, develop a strategy for negotiations and instruct negotiators pursuant to C.R.S. § 24-6-402(4)(a), (4)(b) and 4(e), on the topics of: the development of West Middle Creek; and the leasing of other public property*
- 2. To determine positions relative to matters that may be subject to negotiations, develop a strategy for negotiations, and/or instruct negotiators, pursuant to C.R.S. § 24-6-402(4)(e), on the following topics: the Municipal Judge position; and an intergovernmental agreement regarding funding for an open space parcel*
- 3. To hold a conference with the Town Attorney to receive legal advice on specific legal questions, and to determine positions relative to matters that may be subject to negotiations, develop a strategy for negotiations and instruct negotiators, pursuant to C.R.S. § 24-6-402(4)(b) and (4)(e) on the topics of: an agreement with a single trash hauler; and naming and sponsorship rights*
- 4. To hold a conference with the Town Attorney to receive legal advice on specific legal questions, and to discuss specialized details of security arrangements or investigations, pursuant to C.R.S. § 24-6-402(4)(b) and (4)(d), on the topic of traffic enforcement*

7. Recess (5:35pm)

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VAIL TOWN COUNCIL AGENDA ITEM REPORT

DATE: March 4, 2025

TIME: 80 min.

SUBMITTED BY: Steph Johnson, Housing

ITEM TYPE: Presentation/Discussion

AGENDA SECTION: **Presentation/Discussion (1:00pm)**

SUBJECT: **Housing Needs Assessment & West Middle Creek Update
(1:00pm)**

SUGGESTED ACTION: Listen to presentation and provide feedback.

PRESENTER(S): Jason Dietz, Housing Director and Andrew Knudtsen, Economic & Planning Systems

ATTACHMENTS:

[Council Memo - Regional Housing Needs and West Middle Creek](#)
[Regional Housing Needs Presentation](#)



Memorandum

TO: Vail Town Council

FROM: Town Manager's Office
Finance Department
Housing Department

DATE: March 4, 2025

SUBJECT: Regional Housing Needs Assessment and
West Middle Creek Village Apartments Update

I. SUMMARY

The first part of this agenda item includes a presentation from Economic Planning Systems (EPS) with results of the most recent regional Housing Needs Assessment. Based on the housing needs identified, staff is asking for Council's feedback on the goals for the West Middle Creek (WMC) development. This memo will also inform Council of recent events impacting the proposed financial structure and will outline next steps and timing as we move forward in the process.

II. BACKGROUND

On December 17, Town Council provided direction to continue moving forward with the WMC development based on certain limits surrounding the financing structure. The chart below summarizes the financial structure approved by Council **at that time**:

- Up to \$60M in Town-issued Tax-Exempt Certificates of Participation (COPs) collateralized by Town assets.
- Up to \$134M of Housing Revenue Bonds issued by the Vail Home Partners Corporation.
- \$10M cash from the Town structured as a promissory note to the Corporation.
- Up to \$3M in additional cash subsidy from the Town in the first few years to help fund debt service payments exceeding net income of the development.
- 70% of the development would be rented at rates affordable to residents earning 100% - 110% of Area Median Income (AMI).
- 30% of the development would be unrestricted, and rented at near "market" rates, assuming 140% of AMI.

During mid-February, staff received legal advice from bond counsel that ***the 30% portion of the development intended for unrestricted "market" rents would have to be limited to Eagle County residents to be eligible for tax-exempt financing, citing a federal tax requirement of serving a "governmental purpose"***. The governmental purpose of this project has centered around workforce housing and providing employees for the area. If Council has concerns of the development being able to find enough renters at rates affordable to residents earning 140% of AMI (due to saturation of market at that level, for example), bond counsel advises that ***the 30% portion be financed with "taxable" town issued COPs***. In being taxable, there is a higher

interest rate, but allows flexibility to rent units to anyone, from anywhere (Denver, for example) for that 30% of the units funded with the taxable COPs. This would provide the most flexibility to reduce vacancy risk but also increases the cost of financing. Specifically, the increase in interest rate from issuing taxable COPs also increases the net operating income needed to pay the debt service. With approximately 30% of the Town's COPs using taxable debt, the financing structure would require 30% of the project to charge rental rates affordable to residents earning 160% of AMI.

Please note that the rental income is the most critical during the first few years of operation. After that, income generated will be sufficient to cover debt service requirements with some funds leftover. This means that the development would only have to rent to high earners (140% AMI) for the first four years if the project was fully tax-exempt (or 160% AMI if taxable portion). An important question to consider is whether or not Council has confidence that there is enough need for housing at the 140% AMI level in Eagle County considering the results of the housing needs assessment and the number of new rental housing projects expected to be built in the county in the next few years.

III. DISCUSSION

Considering the Housing Needs Assessment results:

- **What are Council's goals for West Middle Creek?**
- **What AMI levels are you looking to serve with this property?**
- **If higher AMI levels for a portion of the development allow the entire development to move forward, what is the limit Council is comfortable setting?**

Using the answers to the above questions, staff will return to Council on March 18th with various scenarios of rental rates serving a variety of AMI levels and how each scenario impacts the financial structure assuming updated interest rates.

On February 18, Town Council was set to approve the formation of a non-profit corporation for the purpose of issuing Housing Revenue Bonds for the West Middle Creek development. Given the possible changes to financing structure, Town Council tabled the first reading of Ordinance No. 1 Series 2025. Staff has brought back the second reading for Council's consideration this evening in order to keep the process moving forward contingent upon Council's approval of financing structure. ***The formation of a corporation does not commit Town Council to moving forward but allows us to stay on track with timing of the development.***

Also on March 18, staff will present the first reading of an ordinance authorizing the town to issue the certificates of participation (COPs) within parameters approved by Council. This ordinance would not commit Town Council to issuing COPs, and the COPs would only go to market if they fit within the approved parameters. Later that same week, the newly-formed Vail Home Partners Corporation board would authorize the issuance the Housing Revenue Bonds also based on the parameters set by Town Council. Based on the current timeline, financial closings would happen in May, allowing for an early June groundbreaking.

IV. ACTION REQUESTED OF COUNCIL

- **What are Council's goals for West Middle Creek?**
- **What AMI levels are you looking to serve with this property?**
- **If higher AMI levels for a portion of the development allow the entire development to move forward, what is the limit Council is comfortable setting?**

In the evening session, Town Council will be asked to approve first reading of Ordinance No. 1, Series 2025, authorizing the formation of the non-profit corporation.

EAGLE COUNTY REGIONAL HOUSING NEEDS ASSESSMENT

Vail Town Council Summary Presentation



Economic & Planning Systems, Inc.
The Economics of Land Use

730 17th Street, Suite 630 ■ Denver, CO 80202
303.623.3557 ■ www.epsys.com

STUDY PARTNERS

Town of Avon

Town of Eagle

Town of Gypsum

Town of Minturn

Town of Red Cliff

Town of Vail

Eagle County

PURPOSE

- Meet the requirements of SB-174
- Requires most local governments to prepare Housing Needs Assessments
 - Every 6 years
 - Promote planning for housing needs throughout Colorado
 - Estimate housing need by AMI, tenure, and jurisdiction (requirement)
- Plan for affordable housing needs in the Eagle River Valley
 - Identify gaps, underserved markets
 - Understand differences in housing need by group
- Build regional collaboration on housing

PURPOSE

- Proposition 123 Funding
 - HNAs are required for “Prop 123” funding
 - HNAs are required for a Rural Resort Designation petition
 - HNA’s completed just before full SB-174 guidance from DOLA are likely to be accepted
- Support Rural Resort Designation Petition
 - Proposition 123 funding caps out at ~60% AMI rental and 100% AMI ownership
 - Too low for Vail’s needs
 - Petition to be eligible for funding above Prop 123 income caps
 - Staff to prepare Petition based on weighted average AMI calculations
- Inform development projects, e.g. West Middle Creek

WHAT THIS IS NOT

- **Not a legally binding commitment to:**
 - Build the amount of housing identified in the HNA
 - Build housing in the locations identified in the HNA
 - Implement the action planning strategies being drafted by the Housing Partners

STAFF RECOMMENDATION

- Accept the Draft Report
 - Minor revisions may be needed prior to submitting to DOLA
- Direct staff to continue working on Action Plan
 - Action Plan is a required element of HNA
 - DOLA still in process of issuing guidance for Action Plans

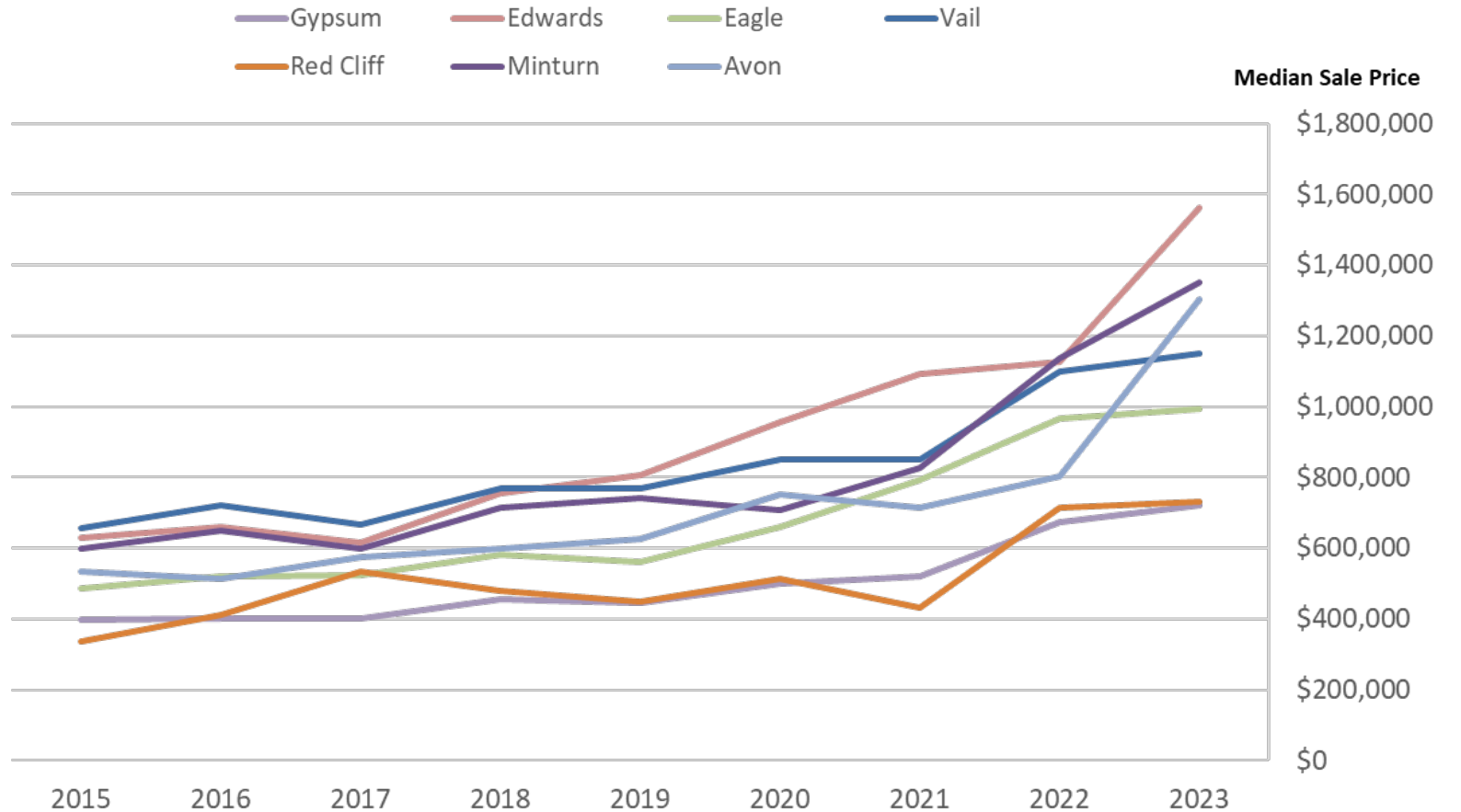
SCOPE OF WORK

1. Current and projected demographic and employment conditions
2. Housing market conditions
 1. Rental market
 2. For-sale market
3. Affordability analyses
 1. Rental
 2. For-sale
 3. By median income and wage
4. Outreach
 1. Community members
 2. Employers
5. Identify current and projected housing needs by location

REGIONAL HOME PRICES

- Data was segmented into neighborhoods in each community
- Strives to exclude “resort market” neighborhoods with the highest costs

Median Purchase Price, Non-Resort Areas, 2015-2023

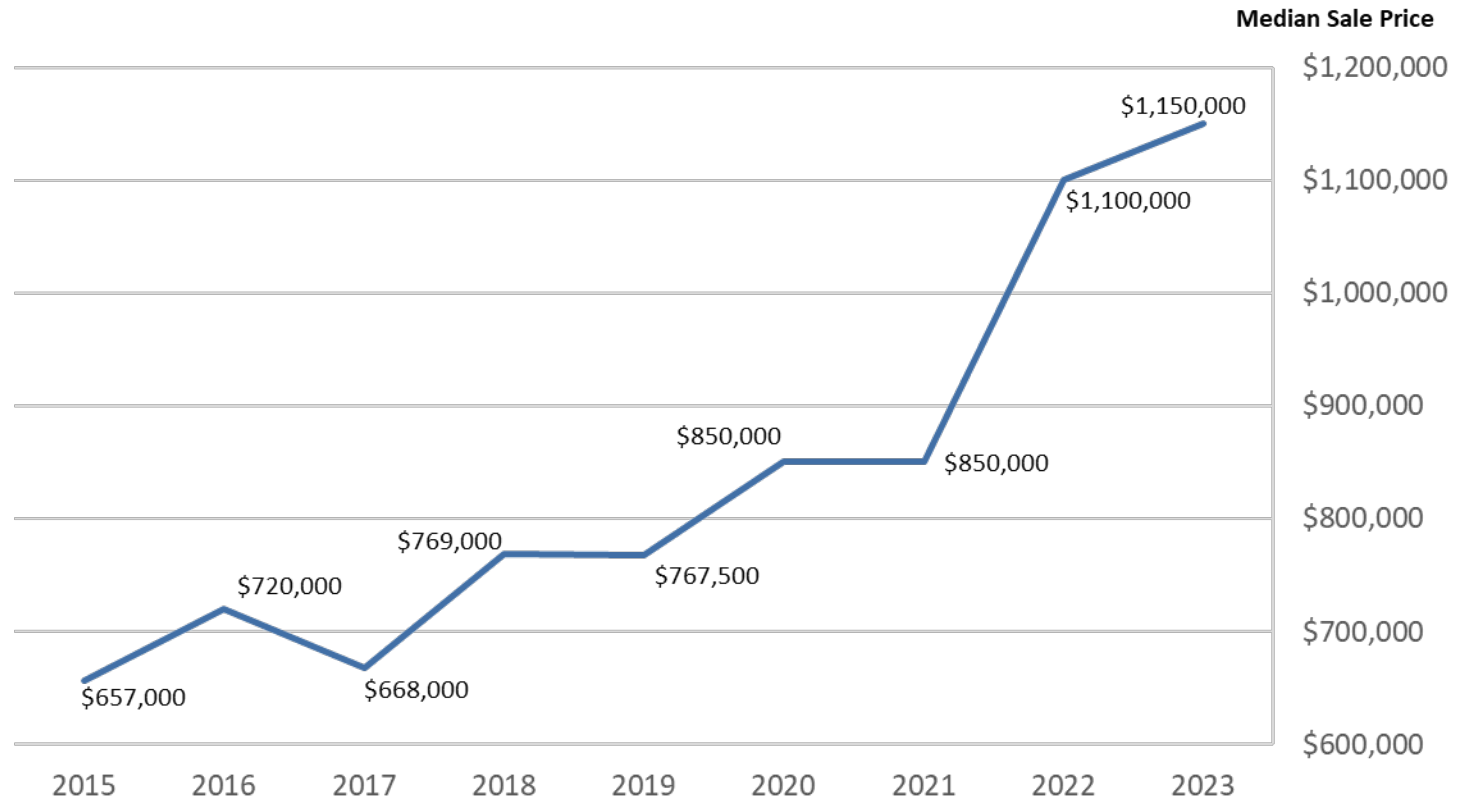


Source: MLS, Economic & Planning Systems

VAIL HOME PRICES

- Home prices have about doubled since 2015
- Median non-resort sale price increased \$490,000 from 2015–2023
 - 7% annual growth rate
- Largest price increase starting in 2021
 - 16% annual growth rate

Median Vail Home Purchase Price, Non-Resort Areas, 2015-2023

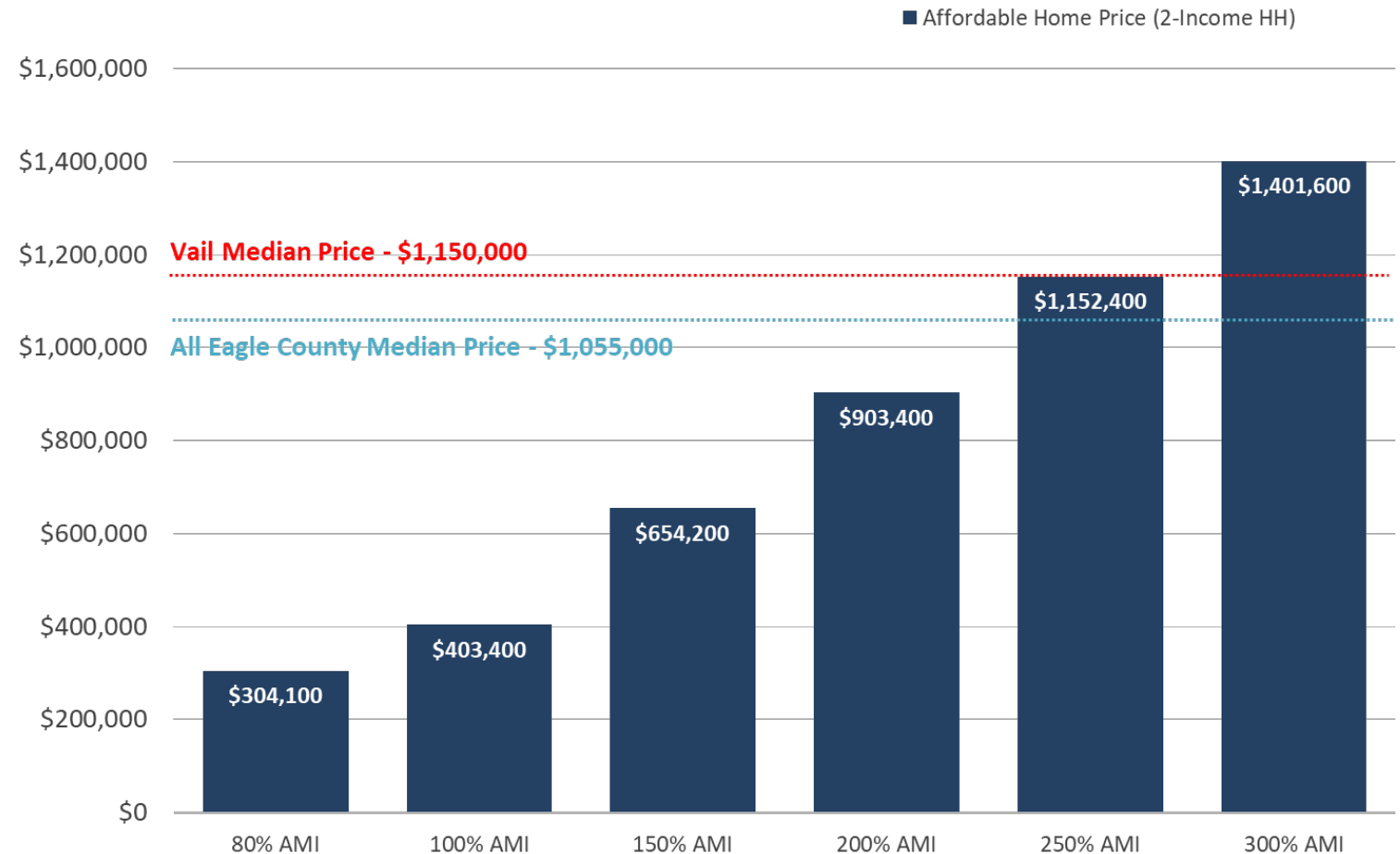


Source: MLS, Economic & Planning Systems

HOUSING AFFORDABILITY – INCOME

- Even with resort neighborhoods removed, the median 2023 home purchase price in Vail was \$100,000 above all Eagle County
- Only affordable for a 2-person household making 250% AMI

Affordable Purchase Price by AMI

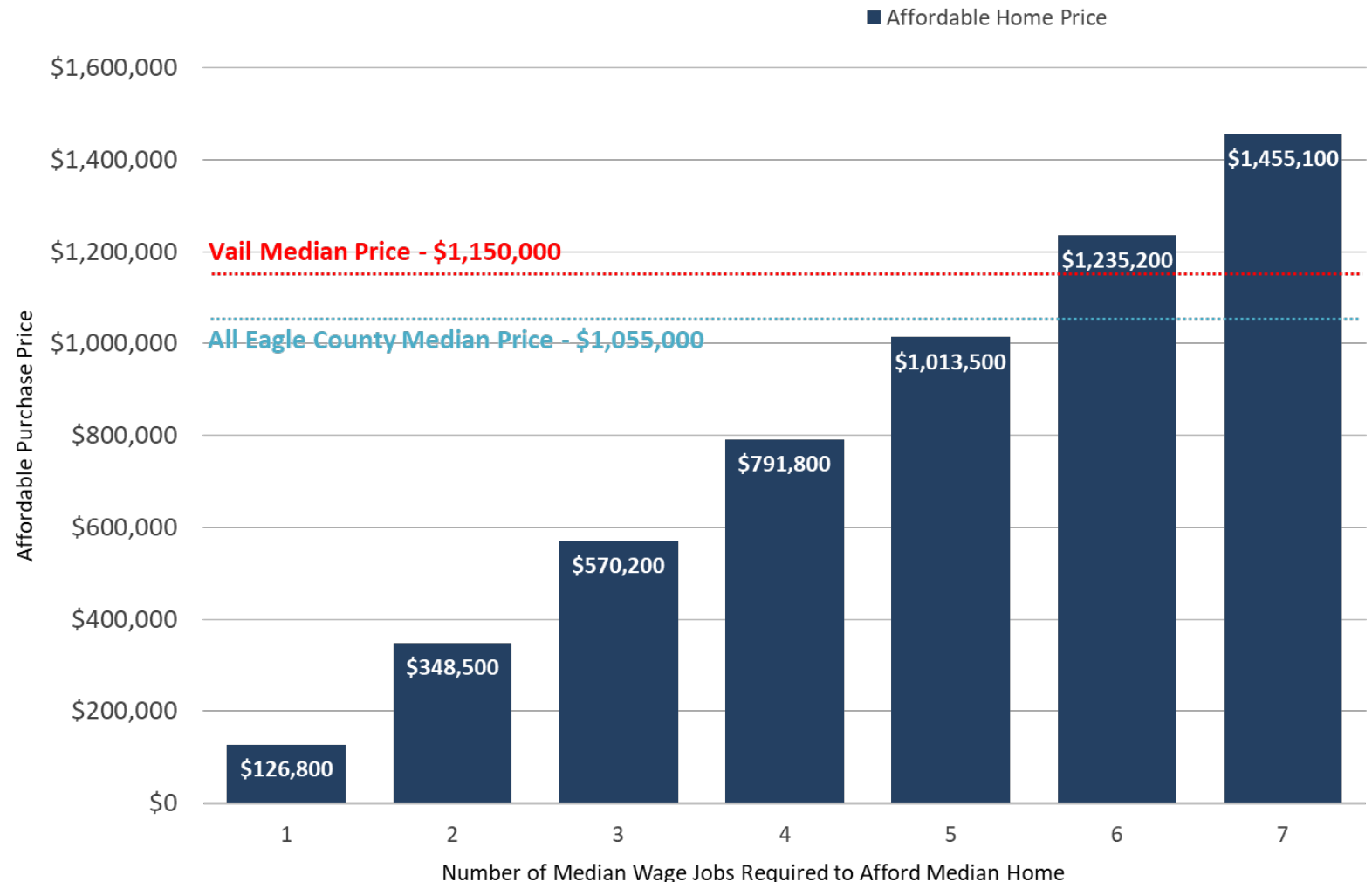


Source: MLS, U.S. Census Bureau, Economic & Planning Systems

HOUSING AFFORDABILITY – WAGES

- Households must have 5.6 median-wage earners to afford median-priced home in Vail
- Many occupations earn below median wage

Affordable Purchase Price by Median Wage Jobs

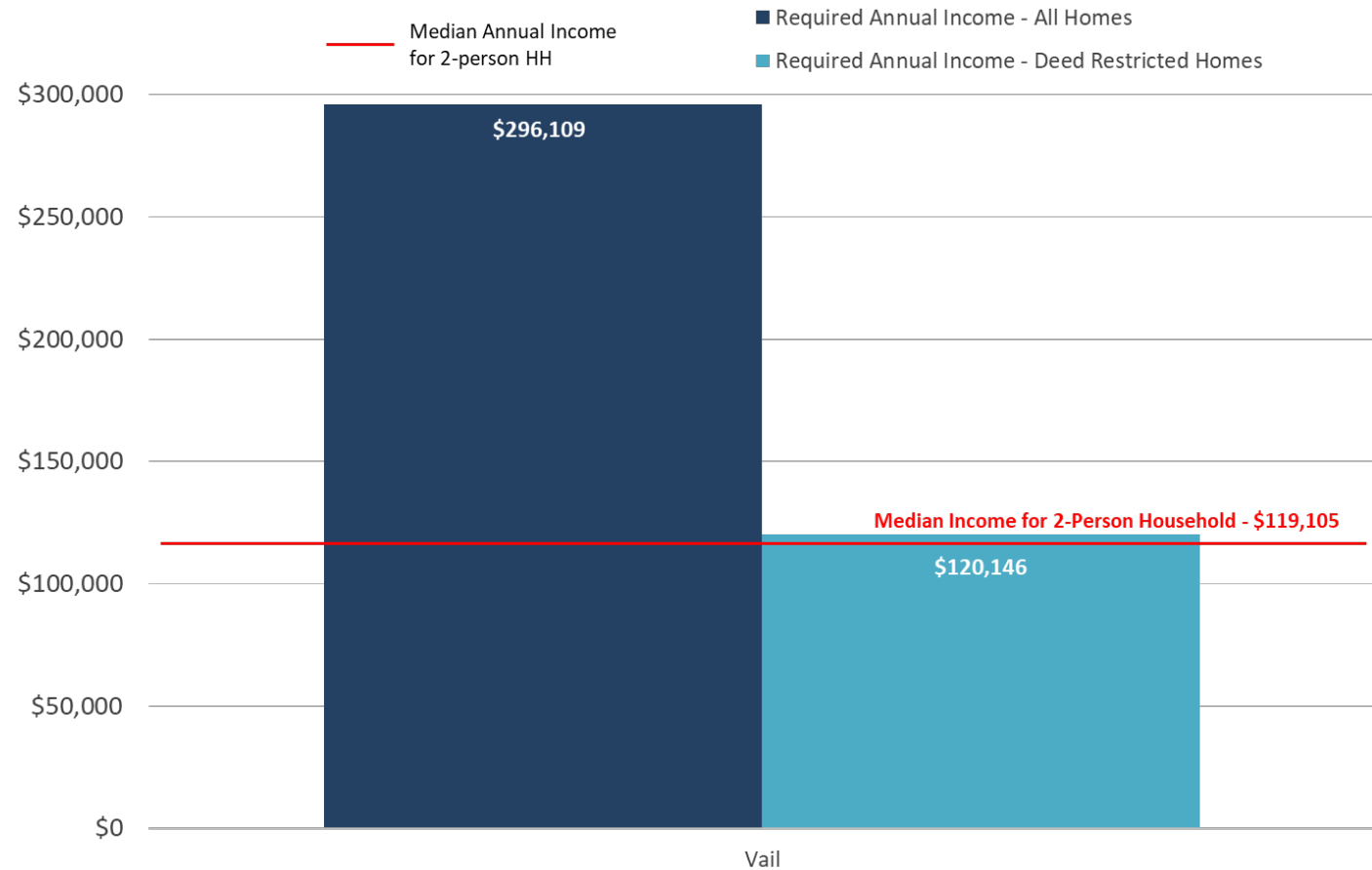


Source: MLS, JobsEQ, Economic & Planning Systems

DEED RESTRICTION PROGRAMS

- Deed-restricted homes in Vail InDEED program provide a more affordable option
- Median 2015–2023 out-of-pocket cost is close to affordable for 2-person HH at median AMI

Required Income to Purchase Deed-Restricted Home in Vail

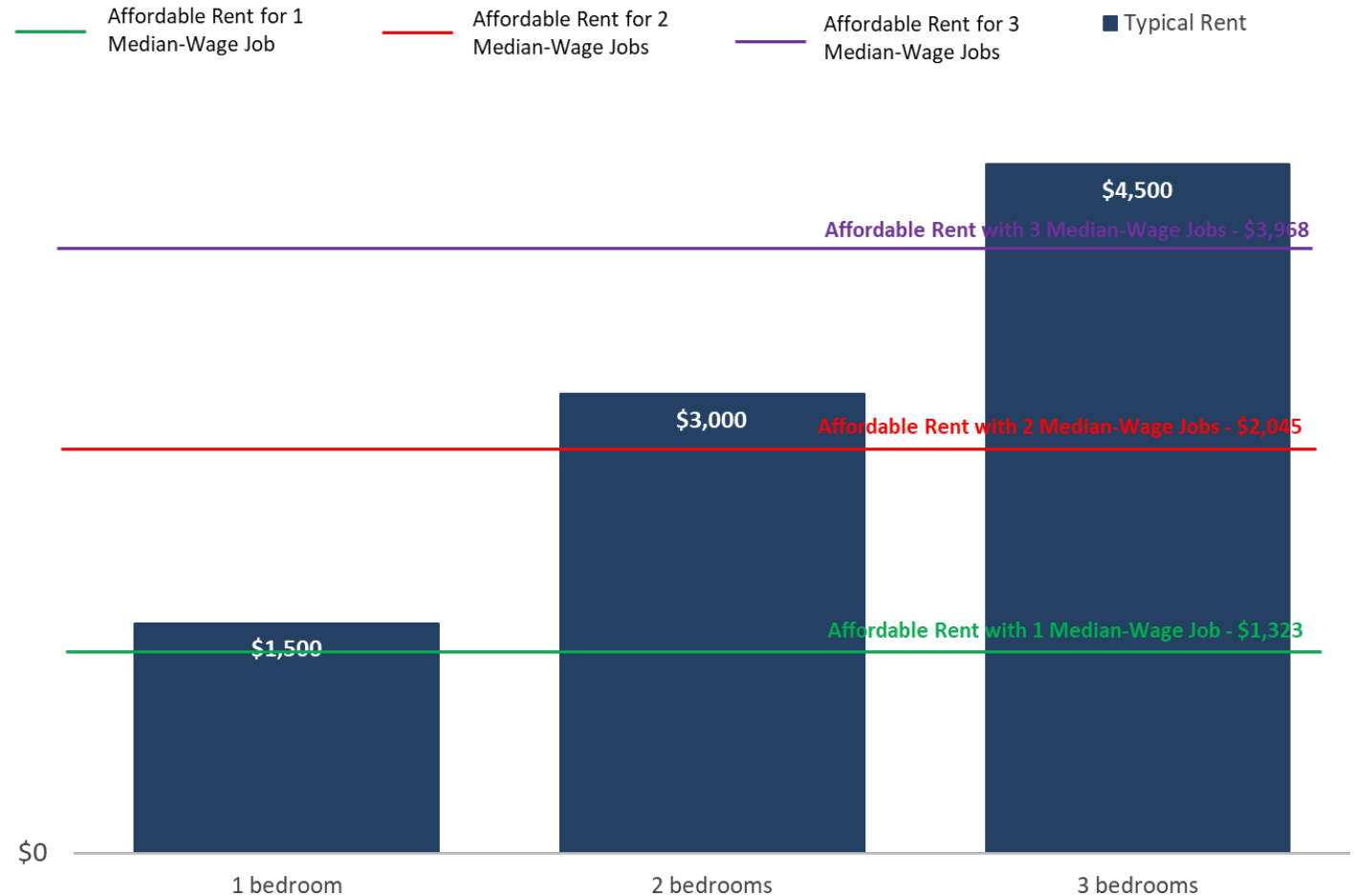


Source: MLS, U.S. Census Bureau, Economic & Planning Systems

HOUSING AFFORDABILITY – RENT

- Property managers and focus groups indicate “typical” rent of \$1,500/room
- Unaffordable for 1 – earner household

Affordable Rent by Wages



Source: U.S.Census Bureau, JobsEQ, Economic & Planning Systems

OUTREACH FEEDBACK

- Housing is unaffordable to many Vail residents. Many are doubled-up in units, living in substandard conditions, or commuting long distances to afford housing.
- Maintenance, transportation, and childcare add to already high costs.
- Housing is precarious. Renters are vulnerable to rent increases, life events (job loss, divorce, having children), and landlord sale of their property. Owners worry they cannot find a new home if they sell.
- Residents in stable housing situations (employer housing, deed-restricted housing, good landlord) feel incredibly lucky and many could not otherwise stay in Eagle County.
- Residents love their communities and want to stay if possible, but many have considered leaving due to cost.
- Programs like Habitat for Humanity and deed restriction programs are popular, but people lack information on how to access them.

TOWN OF VAIL HOUSING NEEDS

CALCULATION AND ALLOCATION OF NEED

HOUSING NEEDS METHODOLOGY

1. Calculate regional housing needs by tenure and AMI
 1. Existing shortage
 2. Projected demand
2. Allocate regional housing need to jurisdiction using percentage of jobs (state required method)
3. Deduct upcoming and proposed affordable housing developments by location
4. Distribute each location's net need by tenure and AMI

Methodology is defined in HNA Guidelines issued by DOLA in December 2024

10 YEAR REGIONAL GROSS NEED

- Total 10-year need is:
 - ~40% existing shortages
 - ~60% projected housing needs (e.g. job growth)
- Largest sources of need are employment growth, retirees, and in-commuters

Components of Regional Housing Need

Description	Total	% of Total
Existing Housing Shortage		
Overcrowding	686	10.8%
Temporary Housing	195	3.1%
Commuting	1,160	18.2%
Unfilled Jobs	598	9.4%
Total Existing Housing Shortage	2,638	41.4%
Projected Housing Need		
Employment Growth 2025-2035	2,090	32.8%
Retirees 2025-2035	1,646	25.8%
Total Projected Housing Need	3,736	58.6%
Total Units Needed through 2035	6,375	100.0%

Source: RRC Associates, U.S. Census Bureau, Colorado Dept. of Labor & Employment, JobsEQ, Economic & Planning Systems

REGIONAL ALLOCATION OF NEED BY JOBS

- Regional 10–year need is ~6,400 units
- Per SB–174, share of jobs is used to allocate existing shortage, projected need, and total housing need
- Pipeline developments are netted out of need
- Vail net housing need of 1,182 units

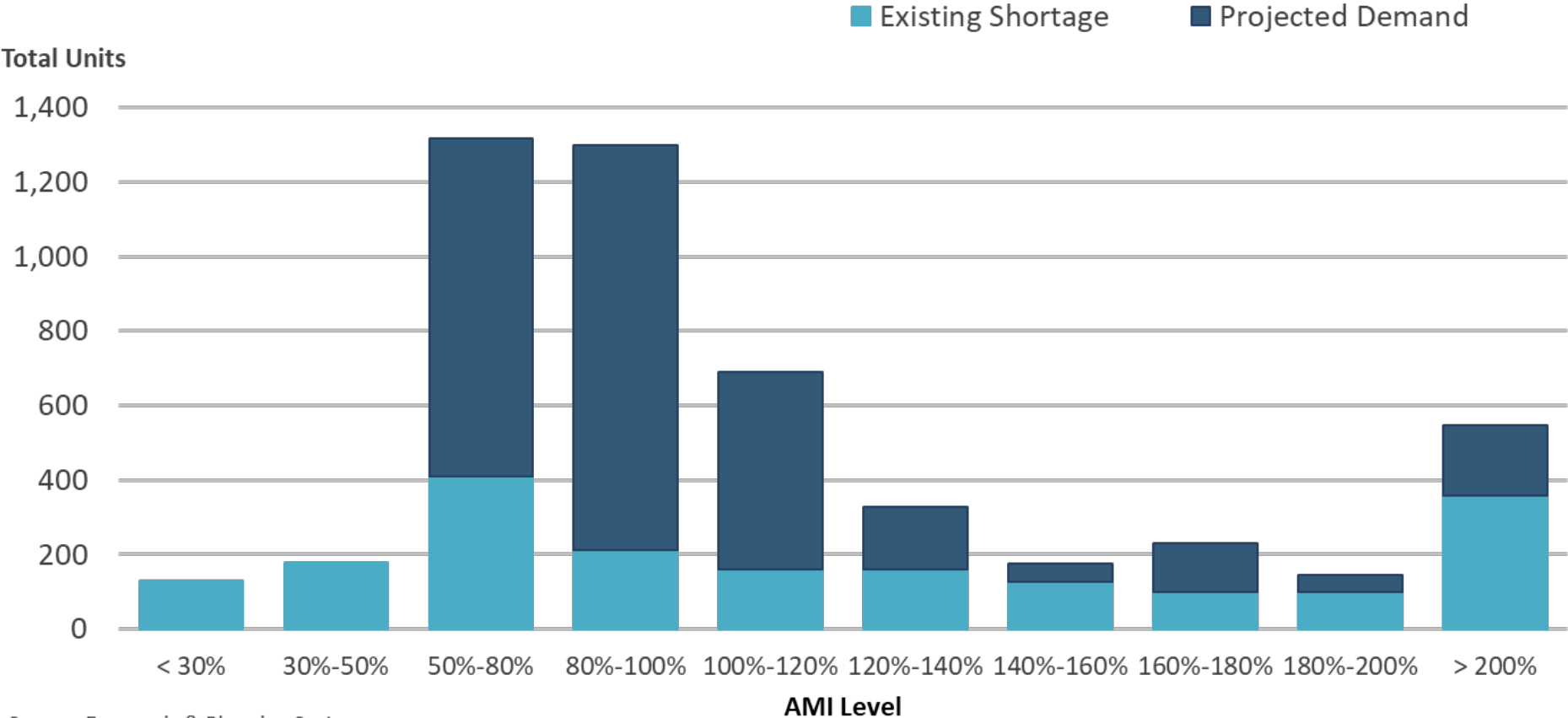
Regional Need Allocation by Percent of Jobs

Location	Existing Shortage	Projected Need	Total Need	% of Total Need
Vail	686	971	1,656	26%
Avon	660	934	1,594	25%
Eagle	413	585	999	16%
Gypsum	212	300	512	8%
Minturn	39	55	93	1%
Red Cliff	3	5	8	0%
<u>Other Eagle County</u>	<u>626</u>	<u>886</u>	<u>1,512</u>	<u>24%</u>
Total	2,638	3,736	6,375	100%

Source: RRC Associates, U.S. Census Bureau, Colorado Dept. of Labor & Employment, QCEW, JobsEQ, Economic & Planning Systems

REGIONAL NET HOUSING NEED BY AMI

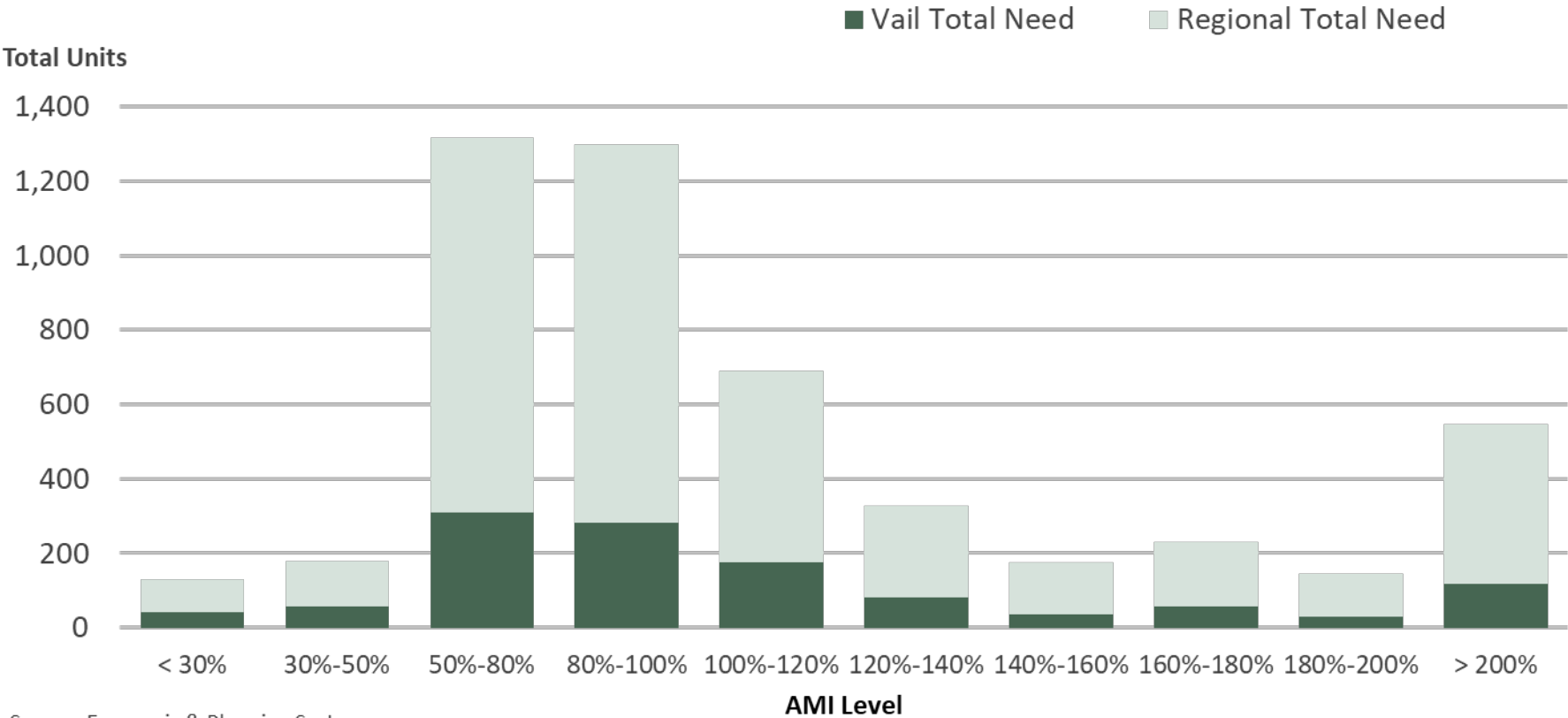
- Regional need is also concentrated at 50%–80% AMI and 80%–100% AMI



Source: Economic & Planning Systems

VAIL'S SHARE OF REGIONAL NEED BY AMI

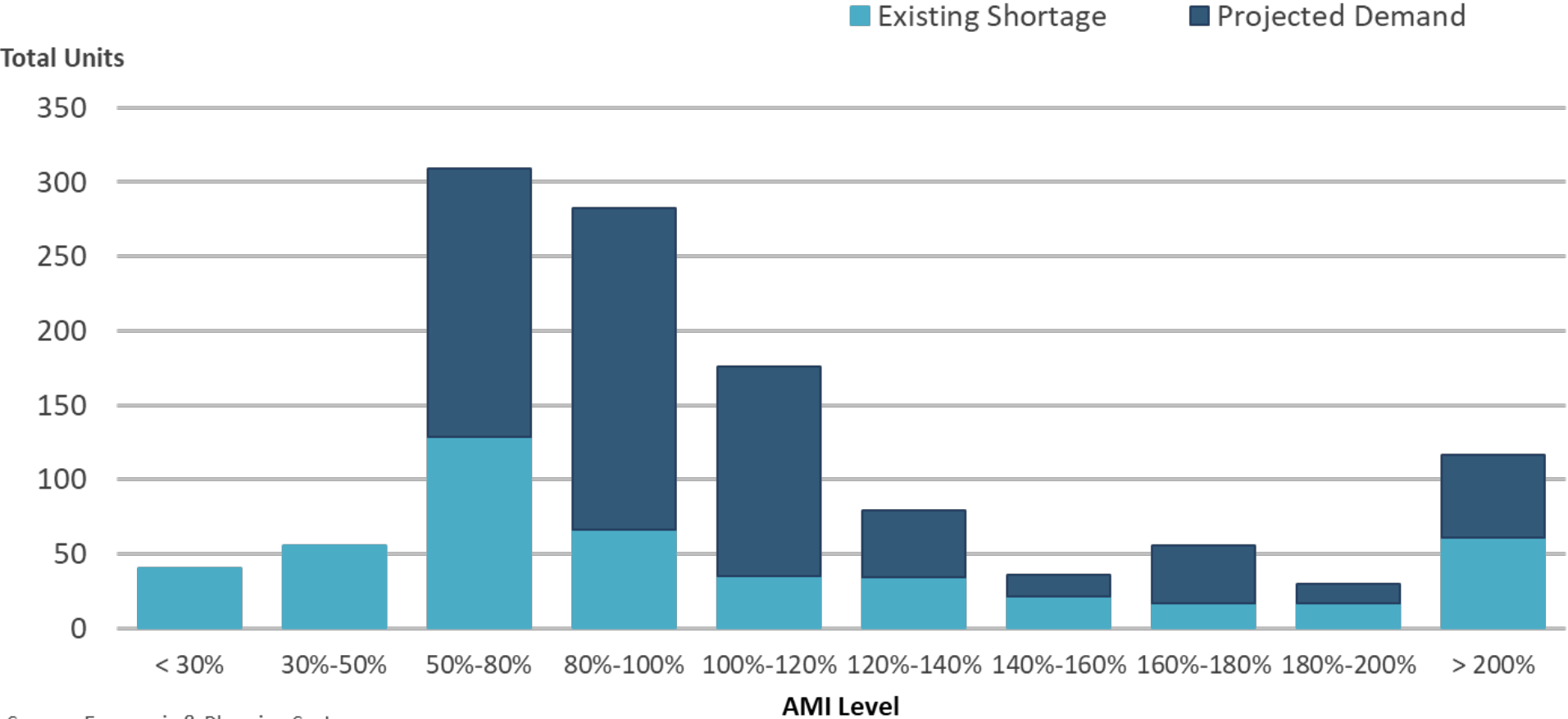
- Vail accounts for about ¼ of need at all AMI levels



Source: Economic & Planning Systems

TOWN OF VAIL NET HOUSING NEED BY AMI

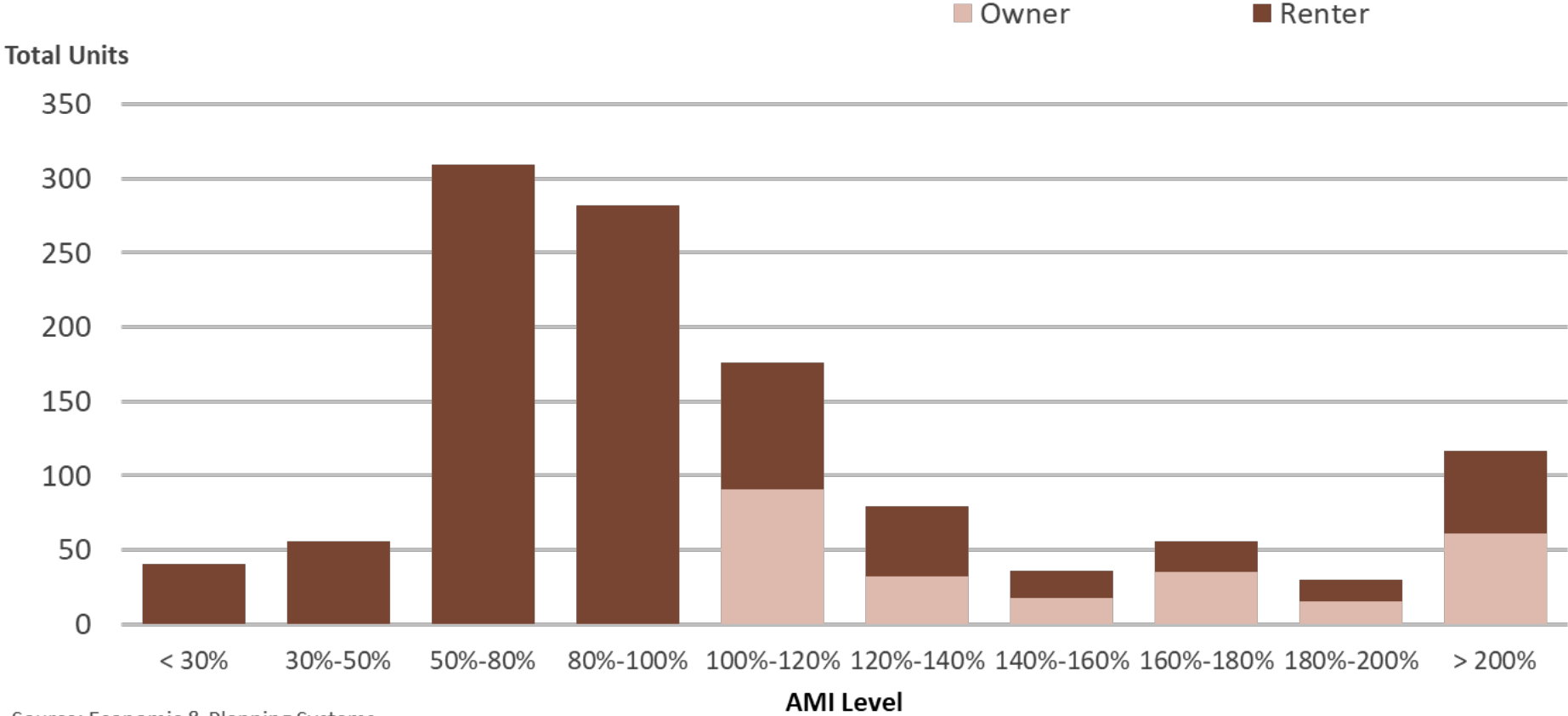
- Most need is at 50%–80% AMI and 80%–100% AMI



Source: Economic & Planning Systems

TOWN OF VAIL NET HOUSING NEED BY TENURE

- Need for rental units below 100% AMI



Source: Economic & Planning Systems

LOCATION PREFERENCE

- Top choices are Mid to Upper Eagle River Valley
 - Edwards
 - Eagle
 - Vail
 - Avon

Housing Location Preference

Location preference	% of survey respondents [1]
Edwards	36.4%
Eagle	22.7%
Vail	20.5%
Avon	19.2%
Gypsum	15.9%
Eagle-Vail	15.1%
Minturn	9.4%
Beaver Creek	7.2%
Red Cliff	1.4%

[1] Sum of top 2 choices.
Source: RRC Associates, Economic & Planning Systems

UNIT SIZE PREFERENCE

- “If you moved, how many bedrooms do you need?”
- Three-quarters of renters and homeowners indicated their next unit needs either 2 or 3 bedrooms
- Suggests adding larger units to projects

Survey Unit Size Preference

Number of Bedrooms	Owner	Renter
1	2%	15%
2	31%	42%
3	45%	37%
4	19%	6%

Source: RRC Associates, Economic & Planning Systems

VAIL HOUSING NEEDS

- Detailed needs by AMI for Town of Vail
- ~1,200 units over the next 10 years

Description	Vail								
	Existing Shortage			Projected Need			Total Housing Need		
	Total	Owner	Renter	Total	Owner	Renter	Total	Owner	Renter
Extremely Low Income (<30% AMI)	41	0	41	0	0	0	41	0	41
Very Low Income (31 - 50% AMI)	56	0	56	0	0	0	56	0	56
Low Income (51% - 80% AMI)	129	0	129	180	0	180	309	0	309
Moderate Income									
81% - 100%	67	0	67	216	0	216	282	0	282
100% - 120%	35	5	30	141	86	56	176	91	85
Middle Income									
120% to 140%	35	5	30	45	27	18	80	32	47
140% to 160%	22	6	15	14	11	3	36	18	18
160% to 180%	17	5	12	39	30	8	56	35	20
180% to 200%	17	5	12	13	10	3	30	15	15
Greater than 200%	61	18	43				61	18	43
200% to 220%				51	40	11	51	40	11
220% to 240%				4	3	1	4	3	1
Total	480	45	434	703	207	495	1,182	253	929

Source: RRC Associates, U.S. Census Bureau, Colorado Dept. of Labor & Employment, QCEW, JobsEQ, Economic & Planning Systems

QUESTIONS AND DISCUSSION

Item Cover Page

VAIL TOWN COUNCIL AGENDA ITEM REPORT

DATE: March 4, 2025

TIME: 20 min.

SUBMITTED BY: Steph Johnson, Town Manager

ITEM TYPE: Presentation/Discussion

AGENDA SECTION: **Presentation/Discussion (1:00pm)**

SUBJECT: **Employee Home Ownership Program Update (2:20pm)**

SUGGESTED ACTION: Listen to update and provide feedback.

PRESENTER(S): Krista Miller, HR Director

ATTACHMENTS:

[Council Memo - EHOP Program](#)

[Attachment A. EHOP Program Chart with Recommendations](#)

[Attachment B. EHOP Basics Presentation](#)



Memorandum

To: Town Council

From: Human Resources & Risk Management Department

Date: March 11, 2025

Subject: Employee Home Ownership Program (EHOP) Recommendations

I. INTRODUCTION

In 2008, the Town Council approved the creation of an Employee Home Ownership Program (EHOP) which provides equity share mortgage loans to town employees purchasing homes in the region. Funding to start the program was included in the 2009 General Fund budget. After 16 years of great success with the program, staff wanted to provide Council with an update, recommend some modifications and request additional funding support if needed.

Updates from December 2024 are highlighted below.

II. PROGRAM SUMMARY AND RECOMMENDATIONS

The current EHOP program is an Equity Share Mortgage Loan. With an equity share loan, there is no interest and no payments for the term of the loan. Instead, when the loan is repaid, the repayment is a proportionate share of the appreciation on the home in addition to the original principal of the loan. For example, an employee purchasing a \$400,000 property with a town EHOP loan of \$40,000 (10% of the purchase price) then sells the property several years later for \$500,000 generating \$100,000 in appreciation. The loan repayment would be the original \$40,000 plus 10% of the equity appreciation or \$10,000. The equity share arrangement is advantageous to the town in that appreciation of homes in the Vail area have outpaced interest that could be earned on these funds. From an accounting standpoint, these investments are reflected on the balance sheet as an asset, and do not show up as an expenditure each year. The General Fund fund statement displays the amount of funding at the bottom.

In 16 years, the EHOP program has provided 60 loans to employees with an average loan amount of \$41,015. To date, 38 of these loans have been fully repaid bringing an additional \$398,809 in increased equity value returned to the town. This equates to a return of 29%, with an annual average return of 6.5% for these repaid loans. The town has a positive track record in EHOP loans and the security of real property to back the loans.

At the program's creation in 2009, Town Council appropriated \$690,000 from internal housing programs and rental income (out of the General Fund) to be used to invest in the EHOP program. In 2010, 2018 and 2020, Council approved increases in funding available for a total investment of \$1,190,000. The additional earned equity of \$398,809 from loan turnovers has raised the available

funding to \$1,588,809. With 22 loans outstanding valued at \$1.087M, the current available funding for loans available for new loans is approximately \$500K.

The mortgage industry has new regulations and the housing market in the region is changing, thus staff is recommending several changes to the program. Fannie Mae and Freddie Mac are government-sponsored enterprises (GSEs) which support around 70% of the mortgage market, meaning that most conventional loans are either purchased or backed by one of these two entities. These entities have updated guidelines for down-payment assistance programs that limit the potential use of our EHOP for borrowers. Our current program is still viable for portfolio and other loans that are not backed by the GSEs. The guidelines for GSE backed loans no longer allow for an equity share loan when the term is shorter than the primary conventional mortgage, which are typically 30 years (current EHOP term is 15 years).

The Town has two options to allow pairing with these mortgages. **Staff recommend that both options below be offered in support of employee choice:**

Option 1 – Retain Equity Share

This option keeps the program much the same with an extended term from 15 to 30 years to match the primary mortgage term. The equity share allows the town to continue to use the gained equity (which is typically higher than an interest rate) to reinvest in the program for the future. Since the equity share program does not have a monthly payment, it maximizes the employee's ability to qualify for a primary mortgage.

Option 2 – Convert to an interest rate-based loan

This option changes the program to establish an interest rate (utilizing a low interest rate index) with monthly payments and retains the 15 year term. The interest rate can also be set to change upon separation of employment which could incentivize retention and/or early repayment. The monthly repayments impact an applicant's debt-to-income ratio equating to less borrowing capacity in the primary mortgage, although provides a regular and faster repayment to the town. For example, a \$150k loan at 3% interest, amortized over 30 years, repayment would be \$632/month. **To minimize the impact on debt-to-income ratios, deferring the monthly payment for 60 months would provide for regular payments after the 5 year deferral to facilitate repayments that support future loan funding. In the \$150k loan example above, the monthly repayment would be \$665 after the 5 year deferral.**

The chart attached outlines the two options presented compared to the current program. The chart also includes some recommended program updates and the two options.

- **Several employees have requested extending the 50 mile distance for eligible properties. Extending the distance to 75 miles expands the allowable distance to support the employee requests.**
- Staff recommends increasing the available loan amounts to the lesser of: **\$200,000** or 20% of the purchase price. (Current maximums: \$10% for deed-restricted property, \$120k in Vail, \$75k within 50 miles of Vail)
- Staff recommends adding a First Right of Refusal when available which would allow the Town to acquire the property upon sale if desired.

Several other EHOP programs provide a forgiveness of interest/equity during employment or if repaid early. For example, Eagle County forgives the equity gain if repaid within 24 months, and the ambulance district forgives 10% annually if they remain employed. If interested, the town could consider equity forgiveness if Town of Vail employment is retained for five years and the loan is repaid within 10 or 15 years (IE: forgive 50% of equity gain if employed five years after loan closing). While this could incentivize retention and early payoff, it will limit the equity/interest gain for future

program funding. At this time, staff recommends delaying any forgiveness provision until such provision can be considered in conjunction with a comprehensive Internal Housing Strategy.

The town has two other programs to support employee housing for municipal workers which includes town-provided rental units and rental deposit loans. The town staff are proposing creation of a more comprehensive Internal Housing Strategy for all of town's municipal employee housing programs to provide a framework for future decision making in supporting municipal employee housing programs.

III. ACTION REQUESTED BY THE TOWN COUNCIL

Staff asks the Town Council to provide direction on the recommended program changes noted.

- Does the Town Council support increasing loan limits to \$200k or 20% of purchase price?
- Does the Town Council support providing two EHOP loan options by extending the equity share loan to 30 years and adding an interest rate loan as an alternative option?
- Does the Town Council support expanding the permissible loans to a 75 mile region?

Employee Home Ownership Program (EHOP)	Current Program	Recommendations Retain Equity Share Model – extend term to 30 years	Recommendations Move to Interest rate Model
Eligible Borrowers	Full-time municipal employees with 6 months of service.	No changes	No changes
Eligible Properties	Primary residences taxed as real property within the Town of Vail limits or within 50 miles of town.	Primary residence within 75 miles of Vail (between Bergen Park and New Castle or Oak Creek and Buena Vista)	Primary residence within 75 miles of Vail (between Bergen Park and New Castle or Oak Creek and Buena Vista)
Loan Maximum Amounts – Within TOV limits – Within 50 miles of TOV – Deed restricted properties	– \$120,000 – \$75,000 – 10% max up to above limits	Increases recommended Allow all loans up to max value and percent: – \$200,000 – 20% of purchase	Increases recommended Allow all loans up to max value and percent: – \$200,000 – 20% of purchase
Interest Rate	None – Equity share (repayment based on pro-rata share in equity growth)	None – Equity share (repayment based on pro-rata share in equity growth)	Set interest rate: 3.0% during employment (Can tie to community rate index or adj fed funds) Interest Rate Increases to match primary mortgage rate upon separation of employment.
Debt ratio	Maximum total debt to income of 43%	No changes	No changes
Assets	May not have net assets exceeding 1.5x income (retirement accounts excluded)	No changes	No changes
Borrower minimum investment	5% of purchase price	No changes	No changes
Term and Repayment	Max term - 15 years Repayment upon: – Sale – Refinance – No longer primary residence – Secure additional loans against property – Bankruptcy or foreclosure filings	Max term - 30 years No changes to repayment	Max term - 15 years Monthly payments of principal and interest. Amortized over 30 years with balloon payment at 15 years. Full repayment upon sale, refinance, no longer primary residence, other loans, or bankruptcy/ foreclosure. Monthly payments deferred for 60 months (5 years)

First right of refusal	None	Recommendation Include a first right of refusal allowing town to acquire property	Recommendation Include a first right of refusal allowing town to acquire property
Pros / Cons		Pros: -Maximizes borrower primary mortgage eligibility - TOV shares in equity growth which typically outpaces interest rates	Pros: -Improves borrower primary mortgage eligibility by deferred payments - Repayments begin after 5 years to reinvest in future loans -Encourages employee retention with favorable interest rate
Pros / Cons		Cons: -Commits to long-term investment of TOV monies -May require additional funding to maintain until loans begin repayment	Cons: -Interest rates may be less than in equity share loans.



PRESENTATION BY
Human Resources/Risk Management

EHOP
Employee Home
Ownership Program



EHOP – Previous Program Outline

Previous Program – EHOP Equity Share Loan

Loans to Full-time Municipal employees with 6 month service

- Maximum Loan:
 - \$120,000 in Vail
 - \$75,000 within 50 miles of Vail
 - 10% cap for deed-restricted properties
- Term 15 years
- Borrower minimum investment: 5% of purchase price
- Repayment – 15 years:
 - Repayment of pre-rata share in equity growth of property value plus original principal
 - Repayment due at 15 years or upon sale, refinance, no longer primary residence, or foreclosure



EHOP – Equity Share Loan



Revised - EHOP Shared Equity Loan

2025 updates:

- Maximum Loan: 20% up to \$200,000
- Extend term to match mortgage (up to 30 years)
- Extend distance for eligible (75 miles)

EHOP – Interest Rate Loan

New Option – EHOP Interest rate

- Maximum Loan: 20% up to \$200,000
- Term = 15 years
- Initial Discounted Interest Rate = AFR or other community lending rate (3.0% – 4.5% expected)
 - Post-employment Interest Rate: Match primary mortgage
- Deferred Payments for five (5) Years
- Payments amortized over 30 years with balloon payment at 15 years (monthly payments for years 5 to 15)



Thank you



Item Cover Page

VAIL TOWN COUNCIL AGENDA ITEM REPORT

DATE: March 4, 2025

SUBMITTED BY: Greg Roy, Community Development

ITEM TYPE: DRB/PEC Update

AGENDA SECTION: DRB/PEC (2:40pm)

SUBJECT: DRB/PEC Update (5 min.)

SUGGESTED ACTION:

ATTACHMENTS:
[DRB Results 2-19-2025](#)

Present: Herbert Roth
Roland J Kjesbo
Kit Austin
Mary Egan
Rys Olsen

Absent:

1. Virtual Meeting Link

Register to attend [Design Review Board Meetings](#). Once registered, you will receive a confirmation email containing information about joining this webinar.

2. Call to Order

3. Main Agenda

3.1 DRB24-0443 - One Vail Place

Final review of an exterior alteration (paint)

Address/ Legal Description: 244 Wall Street, Lot A & C, Block 5C, Vail Village Filing 1

Planner: Jamie Leaman-Miller

Applicant Name: Represented by One Vail Place Condominiums

[DRB24-0443 Documents.pdf](#)

[Existing Conditions Photos.pdf](#)

[DRB24-0443 Plans.pdf](#)

Rys Olsen made a motion to Approve with the findings it meets 14-10-5; Herbert Roth seconded the motion Passed (5 - 0).

4. Staff Approvals

4.1 DRB21-0266.002 - Sheridan Residence

Final review of new construction (exterior lighting)

Address/ Legal Description: 2447 Garmisch Drive/Lot 10, Block H, Vail Das Schone Filing 2

Planner: Heather Knight

Applicant Name: Stephen Sheridan, represented by Sentry Construction

4.2 DRB23-0442.002 - 167 Rockledge LLC

Final review of a change to approved plans (windows)

Address/ Legal Description: 167 Rockledge Road/Lot 10A, Block 7, Vail Village Filing 1 / Raether
Minor Subdivision - Replat

Planner: Jamie Leaman-Miller

Applicant Name: 167 Rockledge, represented by Suman Architects

4.3 DRB24 -0022.002 -Peterson/French Residence

Final review of a change to approved plans (A/C)

Address/ Legal Description: 2359 Chamonix Lane/Lot 13, Block A, Vail Das Schone Filing 1

Planner: Jamie Leaman-Miller

Applicant Name: Hannah French & Daniel Peterson, represented by Harrison French & Associates

4.4 DRB24-0327.001 - The 62

Final review of a change to approved plans (landscaping)

Address/ Legal Description: 278 Hanson Ranch Road 221/Lot A-C, Block 2, Vail Village Filing 1

Planner: Greg Roy

Applicant Name: Bolanovich Trust, represented by Mauriello Planning Group

4.5 DRB25-0005 - Vail Health

Final review of an exterior alteration (garage door)

Address/ Legal Description: 108 South Frontage Road West/Lot 2, Vail Village Filing 2

Planner: Jamie Leaman-Miller

Applicant Name: Vail Health, represented by Davis Partnership Architects

4.6 DRB25-0022-Turnier Residence

Final review of an exterior alteration (door)

Address/ Legal Description: 675 Lionshead Place 643/Lot 1 & 2, Lionshead Filing 6

Planner: Jamie Leaman-Miller

Applicant Name: Ronald Turnier, represented by Martin Manley Architects

4.7 DRB25-0024 - El Segundo

Final review of an exterior alteration (deck)

Address/ Legal Description: 223 Gore Creek Drive/Lot A, Block 5B, Vail Village Filing 1

Planner: Jamie Leaman-Miller

Applicant Name: El Segundo, represented by The Reynolds Corporation

5. Staff Denials

6. Adjournment

Roland J Kjesbo made a motion to Adjourn ; Rys Olsen seconded the motion (5 - 0).

Item Cover Page

VAIL TOWN COUNCIL AGENDA ITEM REPORT

DATE: March 4, 2025

SUBMITTED BY: Jake Shipe

ITEM TYPE: Information Update

AGENDA SECTION: Information Update (2:45pm)

SUBJECT: **February 2025 Revenue Update**

SUGGESTED ACTION:

ATTACHMENTS:
[Revenue Update 3-04-2025](#)

**TOWN OF VAIL
REVENUE UPDATE
March 4, 2025**

4.0% General Sales Tax

Upon receipt of all sales tax returns, January 2025 collections are estimated to be \$5,841,857, up 0.6% from 2024 and up 0.9% from the budget.

Inflation as measured by the consumer price index was up 3.0% for the 12-months ending January 2024. The annual budget totals \$42.1 million.

0.5% Housing Fund Sales Tax

Upon receipt of all sales tax returns, January 2025 collections of the 0.5% housing sales tax are estimated to be \$710,732, up 0.8% from 2024 and down (0.1)% from the budget. The annual budget for the housing fund sales tax totals \$5.2 million.

Real Estate Transfer Tax (RETT)

RETT collections through February 24 total \$997,508, down (28.5)% from 2024. The number of property sales (excluding time-shares) is tracking down (50.0)% from 2024, while the average collection amount is tracking up 39.5%. The budget for RETT collections totals \$7.7 million for 2025.

Construction Use Tax

Use Tax collections through February 24 total \$273,699 compared to \$112,415 in 2024. The budget totals \$2.5 million for 2025.

Lift Tax

Lift tax collections for January 2025 total \$1,635,073, up 1.6% or \$25,666 from January 2024. The amended budget totals \$6,915,427.

Daily Parking Sales

Daily sales from the parking structures from November through February 24th total approximately \$4,865,567, down (2.4)% from time last year. This amount includes daily fees charged to the parking pass holders.

Parking Pass Sales

Parking pass sale revenue through February 24th for the 2024/2025 winter season totals \$1,230,244, up 7.7% or \$88,463 from this time last year. In order to provide a better customer service experience while staff explored a new pass sales system, the annual fees for the Eagle County Local and Vail Local passes and were automatically renewed for the 2023/2024 winter season. A total of 4,487 passes have been sold this season compared to the 4,438 passes purchased and utilized to date during the prior winter season. Had the town not waived fees for local passes, pass sales would be down \$(18,110) or (1.5)% from the prior season.

Pass Type	2024/25 Season Sales	2023/24 Season Sales*	2023/24 Auto- Renewed Passes Utilized*	Total 2023/24 Pass Sales/Utilized*	Change from prior season
Premier	21	25	-	25	(4)
Vail Village Business Premier	69	60	-	60	9
Lionshead Business Premier	7	5	-	3	2
Employee	487	426	-	426	61
Employee Plus	330	351	-	351	(21)
Eagle County Local*	1,896	393	1,437	1,830	66
Vail Local*	1,677	352	1,389	1,741	(64)
Total	4,487	1,612	2,826	4,438	49

*2023/24 Season figures represent November 2023 through February 2024.

Town of Vail Revenue Update

March 4, 2025

4.0% GENERAL SALES TAX 2025 Budget Comparison

	2020	Actual 4.0% Collections 2021	2022	2023	Preliminary 2024	2025 Budget	4.0% Collected Sales Tax	Budget Variance	% change from 2024	% change from Budget
January	\$ 4,076,145	\$ 3,422,209	\$ 5,217,125	\$ 5,911,572	\$ 5,805,199	\$ 5,791,927	\$ 5,841,857	\$ 49,930	0.63%	0.86%
YTD	\$ 4,076,145	\$ 3,422,209	\$ 5,217,125	\$ 5,911,572	\$ 5,805,199	\$ 5,791,927	\$ 5,841,857	\$ 49,930	0.63%	0.86%
February	4,285,633	3,691,850	5,686,585	6,041,108	6,079,509	6,063,693	-			
March	2,243,518	4,364,797	5,912,059	6,055,992	6,412,535	6,162,148	-			
April	427,518	1,751,528	2,234,296	2,264,892	1,842,893	2,082,859	-			
May	503,828	1,061,516	1,227,974	1,118,011	1,176,622	1,152,860	-			
June	1,023,517	2,149,312	2,317,931	2,272,457	2,356,761	2,355,770	-			
July	2,084,644	3,491,668	3,507,973	3,412,277	3,643,186	3,629,309	-			
August	2,138,838	2,877,550	2,997,389	2,932,111	3,052,213	3,038,643	-			
September	1,767,393	2,359,528	2,441,331	2,508,064	2,417,132	2,414,174	-			
October	1,371,727	1,734,964	1,729,558	1,773,358	1,753,393	1,752,419	-			
November	1,425,461	1,880,397	1,902,643	1,901,141	1,844,431	1,843,961	-			
December	3,625,189	5,749,365	5,602,018	5,691,428	5,814,947	5,776,237	-			
Total	\$ 24,973,411	\$ 34,534,683	\$ 40,776,882	\$ 41,882,411	\$ 42,198,819	\$ 42,064,000	\$ 5,841,857	\$ 49,930	0.63%	0.86%

0.5% HOUSING SALES TAX 2025 Budget Comparison

	2022 Collections	2023 Collections	2024 Collections	2025 Budget	Sales Tax	Budget Variance	% change from 2024	% change from Budget
January	\$ 645,487	\$ 720,906	\$ 705,167	\$ 711,525	\$ 710,732	\$ (793)	0.79%	-0.11%
YTD	\$ 645,487	\$ 720,906	\$ 705,167	\$ 711,525	\$ 710,732	\$ (793)	0.79%	-0.11%
February	702,730	736,788	741,549	753,337	-			
March	719,717	738,244	783,123	769,644	-			
April	269,018	271,930	222,032	249,107	-			
May	146,657	132,333	139,792	143,483	-			
June	280,460	275,113	284,485	291,846	-			
July	424,602	412,849	439,142	448,039	-			
August	361,165	352,887	369,212	377,205	-			
September	294,861	304,068	293,066	299,772	-			
October	207,397	213,568	210,360	217,051	-			
November	230,383	229,092	222,635	228,495	-			
December	671,982	687,985	699,743	712,030	-			
Total	\$ 4,954,459	\$ 5,075,763	\$ 5,110,306	\$ 5,201,534	\$ 710,732	\$ (793)	0.79%	-0.11%

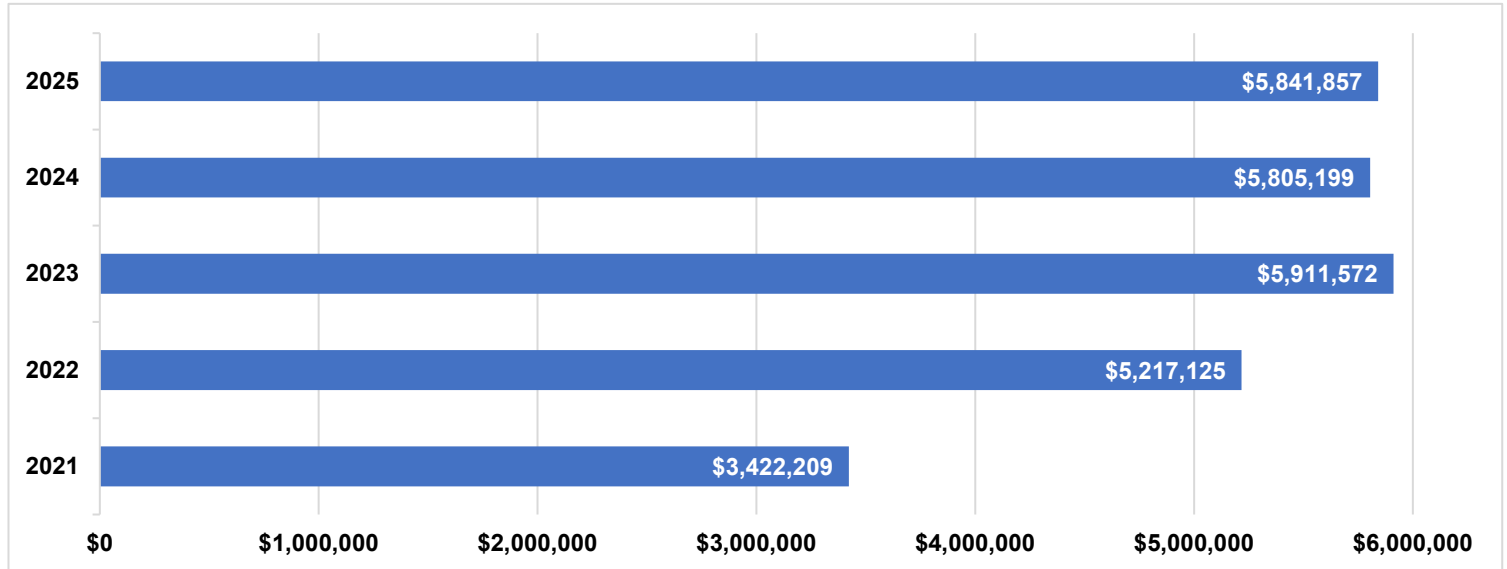


Town of Vail Revenue Update

March 4, 2025

4% General Sales Tax Collections By Year

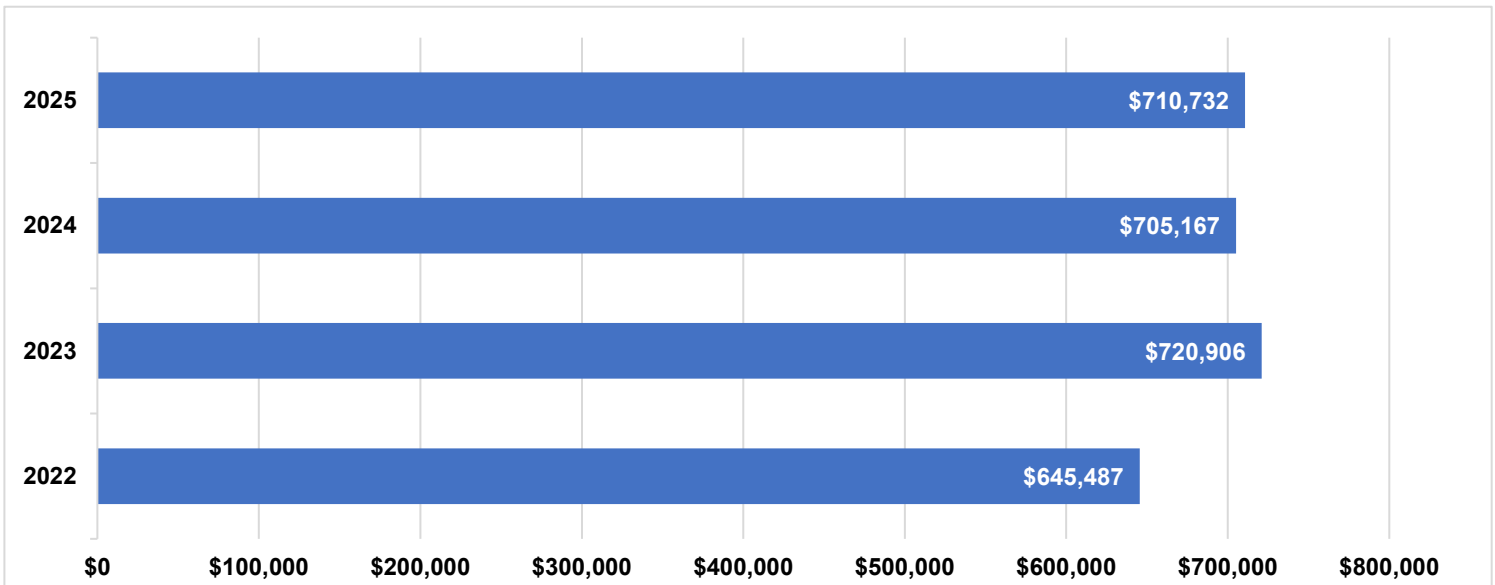
Through January 31



- January collections of \$5,841,857 are up 0.6% from prior year and are up 0.9% from the budget.
- Inflation as measured by the consumer price index was up 3.0% in January.

0.5% Housing Sales Tax Collections By Year

Through January 31



- January collections of \$710,732 are up 0.8% from prior year and are down (0.1)% from the budget.

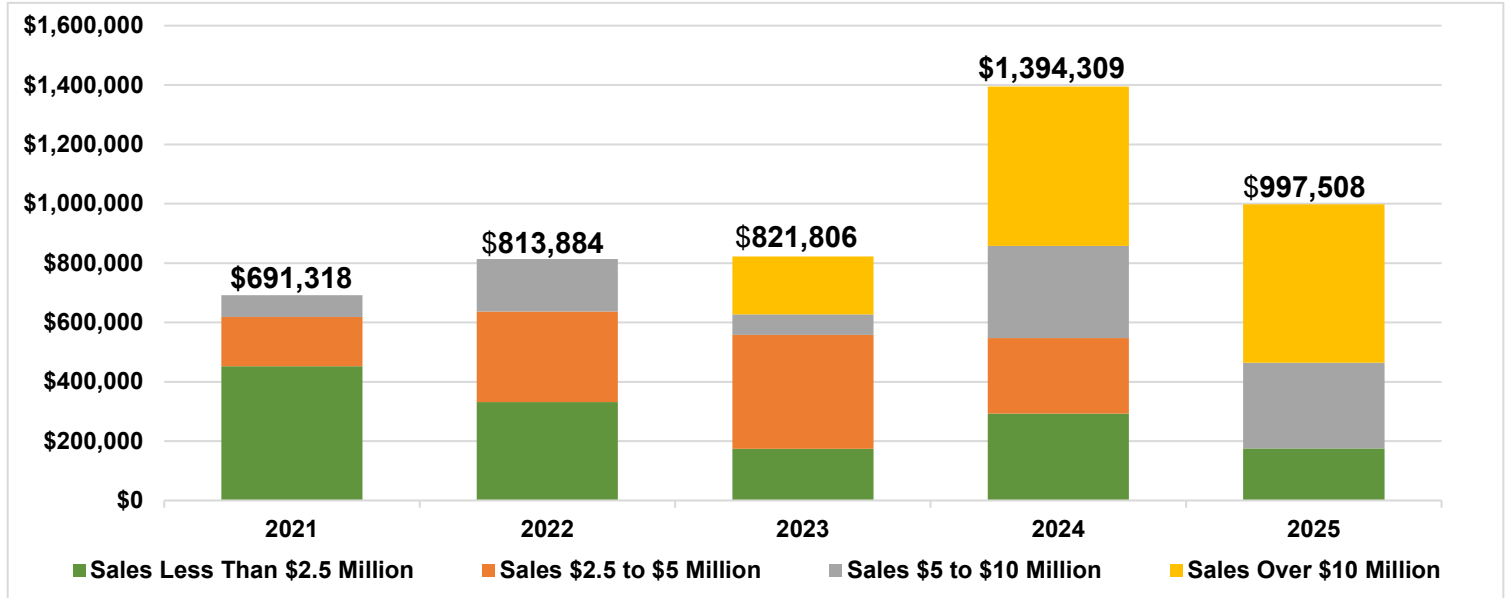


Town of Vail Revenue Update

March 4, 2025

Real Estate Transfer Tax by Year

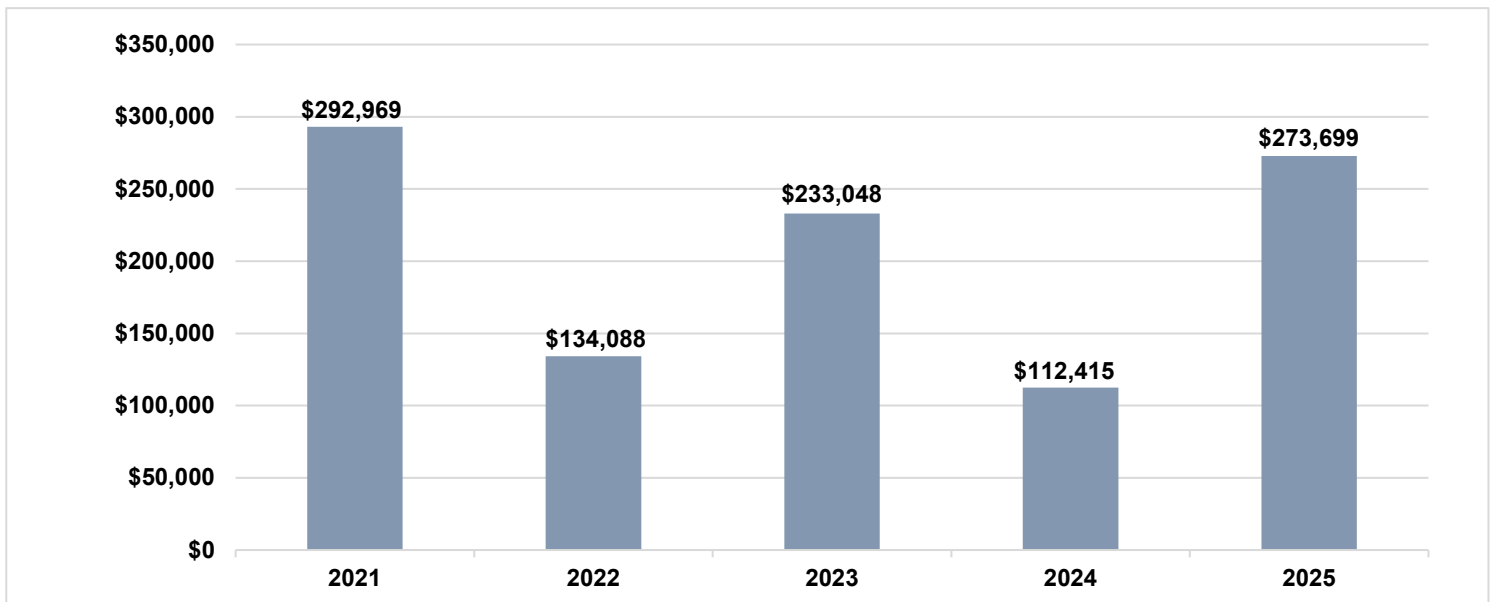
YTD Through February 2025



- This chart shows YTD collections of 1% RETT, segmented by real property values. 2025 collections down up (28.5)% from the prior year.

Construction Use Tax by Year

YTD Through February 2025



- Use Tax collections through February 26 total \$273,699 compared to \$112,415 from this time last year. This is an increase of 143.5%.

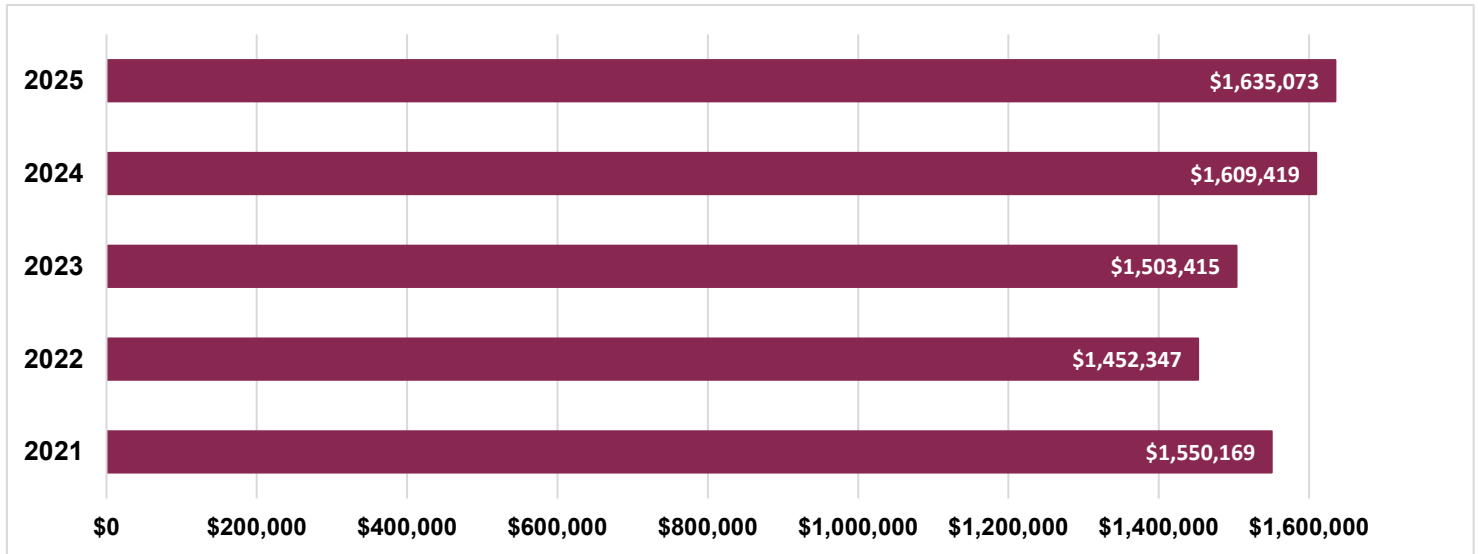


Town of Vail Revenue Update

March 4, 2025

Lift Tax Collections

YTD Through January 2025



- 2025 YTD lift tax collections of \$1,635,073 are up 1.6% or \$25,655 from the same time last year.

Vail Business Review January 2025

March 4, 2025

The Vail Business Review breaks down the 4.5% sales tax collected for the month of January. The 4.5% sales tax includes the town's general 4% sales tax and the 0.5% housing sales tax supported by Town of Vail voters during the November 2021 election, effective January 1, 2022. The housing sales tax sunsets on December 31, 2051.

January 4.5% sales tax was up 0.7% from the prior year. Retail decreased (2.4)%, lodging increased 2.2%, food and beverage increased 6.9%, and utilities/other decreased (17.2)%. Excluding the out-of-town category, sales tax for the month of January was up 1.4% compared to prior year.

Town of Vail sales tax forms, the Vail Business Review, and sales tax worksheets are available on the internet at vail.gov. You may email me to request to have the Vail Business Review and the sales tax worksheet emailed to you automatically.

Please remember when reading the Vail Business Review that it is produced from sales tax collections as opposed to actual gross sales.

If you have any questions or comments, please feel free to call me at (970) 479-2125 or Carlie Smith, Finance Director, at (970) 479-2119.

Sincerely,

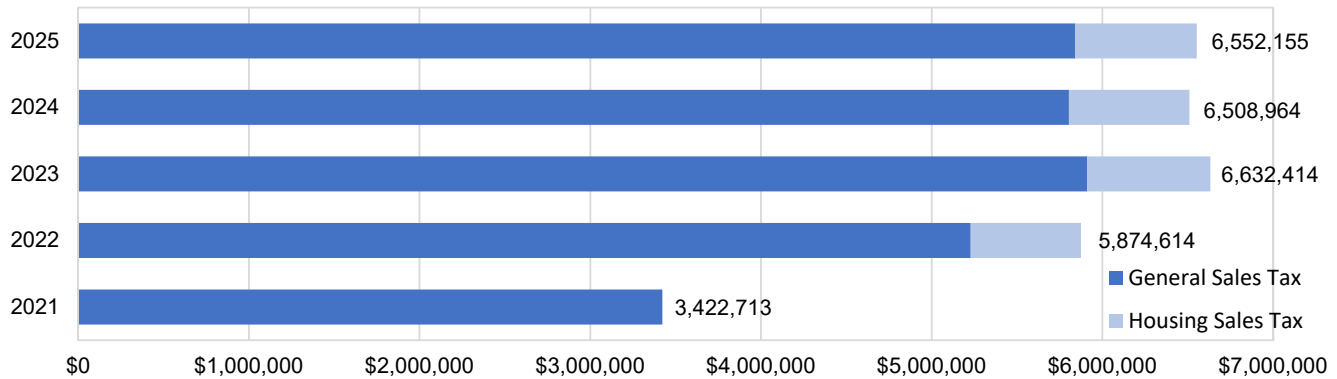
Lauren Noll
Revenue Manager



Town of Vail Business Review

January 2025 Sales Tax

January Sales Tax Collections by Year

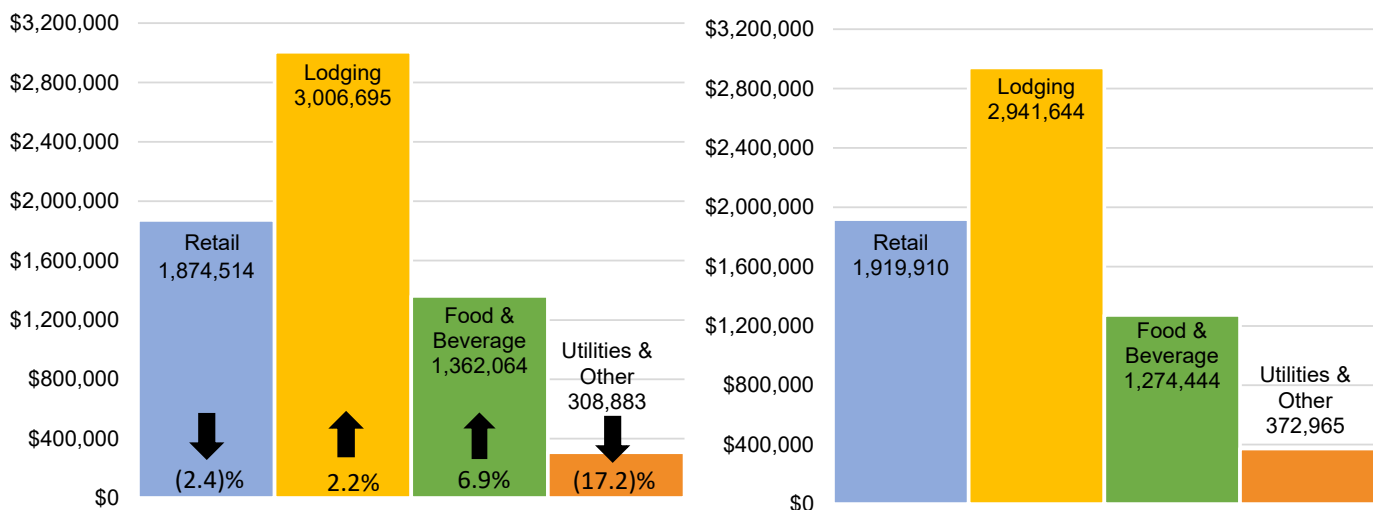


- This report represents collections of Town of Vail sales tax, as opposed to actual gross sales.
- On January 1st, 2022, Town of Vail sales tax increased from 4.0% to 4.5% on all items except food for home consumption. **2022-2025 above include the 0.5% increase to sales tax, depicted in light blue. 2021 shows 4.0% sales tax collections.**
- Total January 2024 collections were \$6,508,964; January 2025 collections were \$6,552,155, up from the prior year 0.7%.

Sales Tax Collections by Business Type

January 2025

January 2024



- January 2025 retail sales decreased (2.4)%, lodging increased 2.2%, food and beverage increased 6.9%, and utilities and other decreased (17.2)%.
- The figures above reflect 4.5% sales tax.



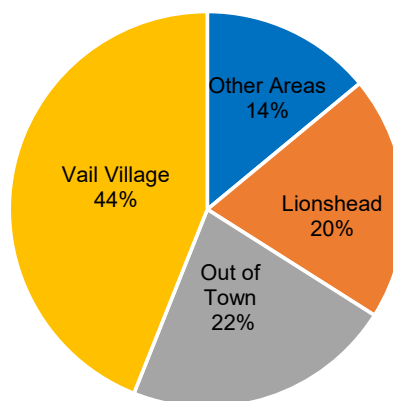
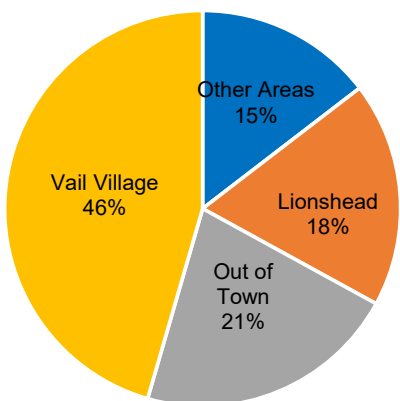
Town of Vail Business Review

January 2025 Sales Tax

Sales Tax by Location

January 2025

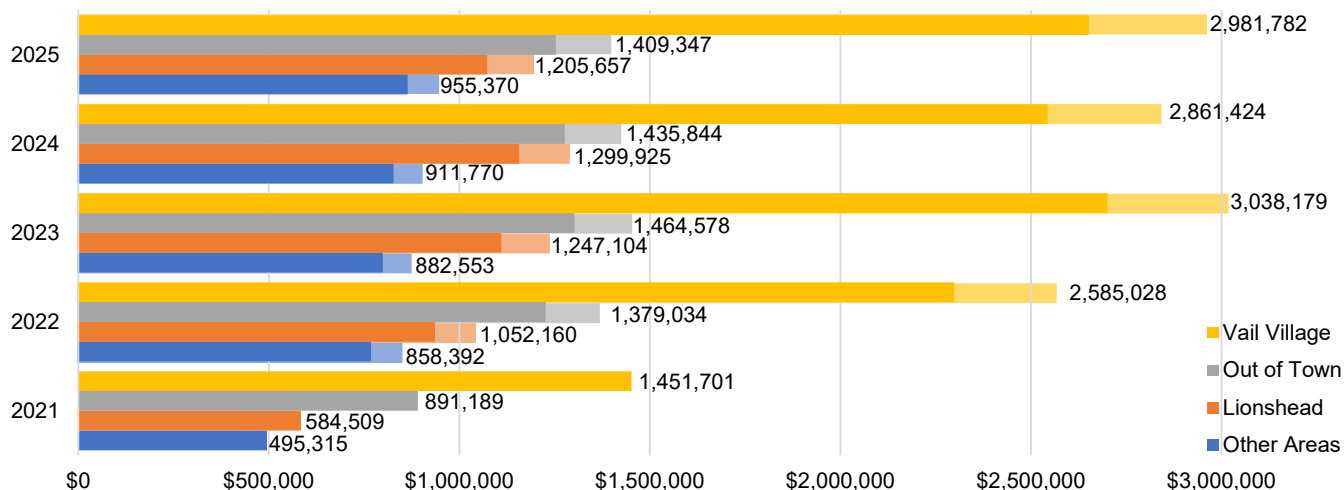
January 2024



- Vail Village sales tax increased 4.2%, Lionshead decreased (7.3)%, Other Areas increased 4.8%, and Out of Town decreased (1.8)%. Excluding Out of Town collections, all areas were up 1.4%.
- The figures above reflect 4.5% sales tax.

Geographic Area Trends by Year

January Sales Tax



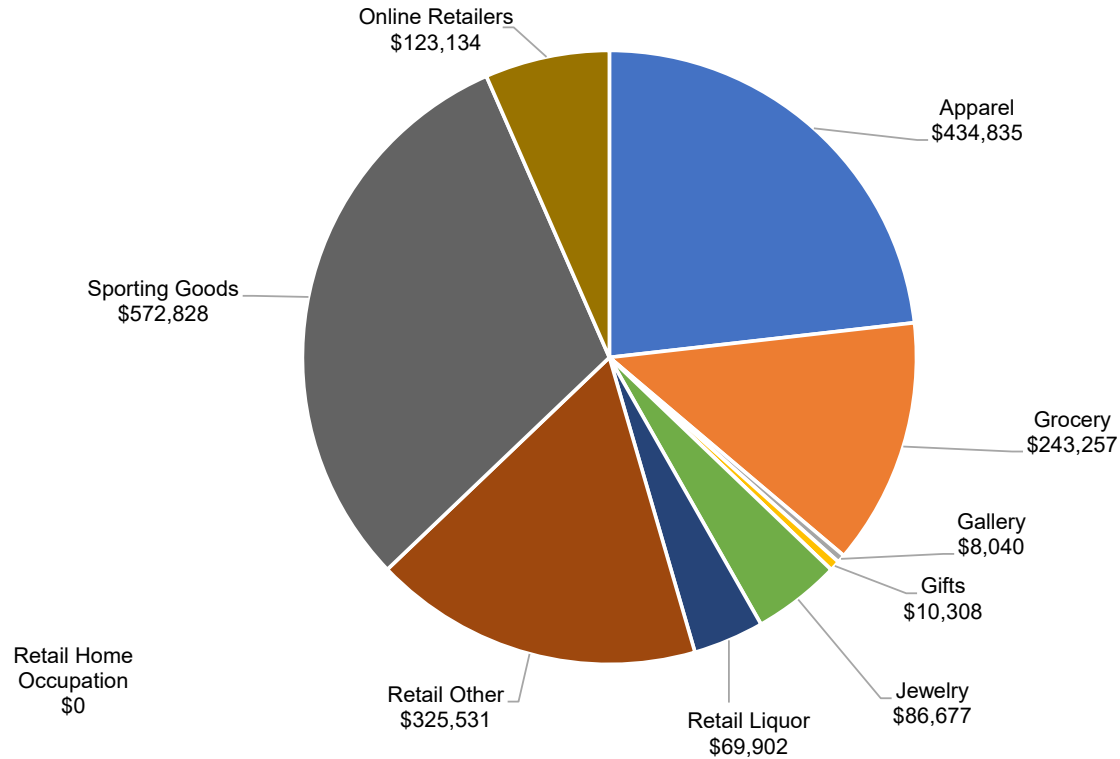
- This chart shows January sales tax collections by geographic area over time.
- 2022-2025 include the 0.5% increase for housing sales tax, depicted in lighter shades. General 4.0% sales tax collections are shown in darker shades.



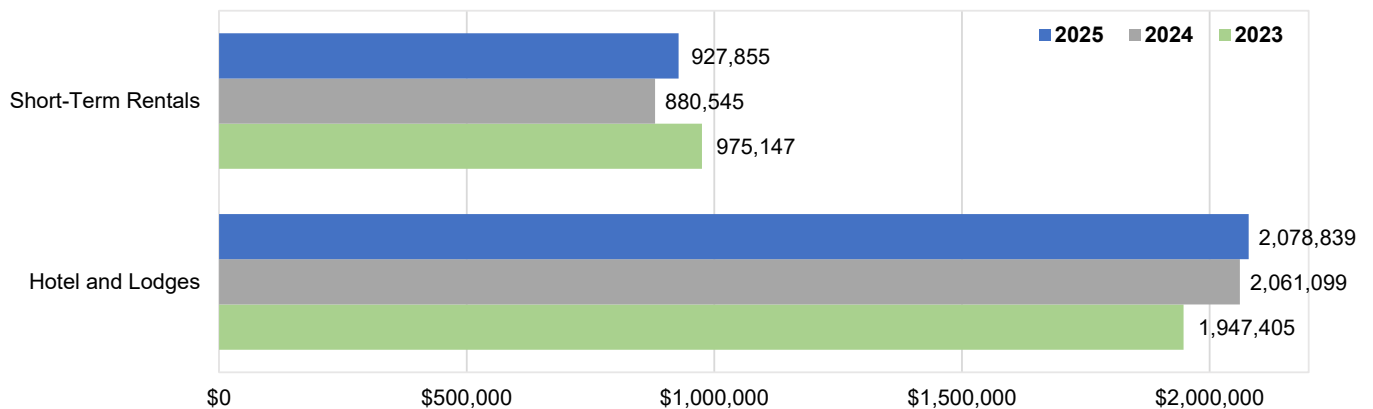
Town of Vail Business Review

January 2025 Sales Tax

Retail Business 4.5% Sales Tax Detail



Accommodation Services Sales Tax by Year



- January 2025 accommodations services increased 2.2% from the prior year. Short-term rentals increased 5.4% and hotels and lodges increased 0.9%.
- The figures above reflect 4.5% sales tax.
- Short-term rental sales tax collection numbers include online marketplace facilitators like Airbnb and VRBO. Revenue collections from facilitators may include some hotels and lodges.



Town of Vail Business Review

January 4.5% Sales Tax

	2025 Collections	2024 Collections	YoY % Change
Cascade Village / East Vail / Sandstone / West Vail			
Retail	258,154	310,670	-16.90%
Lodging	561,541	485,280	15.71%
F & B	132,582	111,996	18.38%
Other	3,093	3,825	-19.14%
Total	955,370	911,770	4.78%
Lionshead			
Retail	308,630	316,630	-2.53%
Lodging	641,898	673,655	-4.71%
F & B	246,666	251,791	-2.04%
Other	8,463	57,849	-85.37%
Total	1,205,657	1,299,925	-7.25%
Out of Town			
Retail	361,291	401,832	-10.09%
Lodging	780,880	755,533	3.35%
F & B	3,154	2,564	22.98%
Other	264,022	275,915	-4.31%
Total	1,409,347	1,435,844	-1.85%
Vail Village			
Retail	946,439	890,778	6.25%
Lodging	1,022,375	1,027,176	-0.47%
F & B	979,662	908,093	7.88%
Other	33,306	35,376	-5.85%
Total	2,981,782	2,861,424	4.21%
Total - All Areas			
Retail	1,874,514	1,919,910	-2.36%
Lodging	3,006,695	2,941,644	2.21%
F & B	1,362,064	1,274,444	6.88%
Other	308,883	372,965	-17.18%
Total	6,552,155	6,508,964	0.66%
Retail Summary			
Retail Apparel	434,835	421,491	3.17%
Retail Food	243,257	287,798	-15.48%
Retail Gallery	8,040	8,027	0.17%
Retail Gift	10,308	9,711	6.15%
Retail Home Occupation	-	326	-100.00%
Retail Jewelry	86,677	58,745	47.55%
Retail Liquor	69,902	78,938	-11.45%
Retail Other	325,531	357,205	-8.87%
Retail Sport	572,828	579,943	-1.23%
Retail Online Retailer	123,134	117,728	4.59%
Total	1,874,514	1,919,910	-2.36%

Item Cover Page

VAIL TOWN COUNCIL AGENDA ITEM REPORT

DATE: March 4, 2025

SUBMITTED BY: Steph Johnson, Town Manager

ITEM TYPE: Matters from the Chairman and Authority Members

AGENDA SECTION: **Matters from Mayor, Council, Town Manager and Committee Reports (2:45pm)**

SUBJECT: **Matters from Mayor, Council, and Committee Reports (15 min.)**

SUGGESTED ACTION:

ATTACHMENTS:

Item Cover Page

VAIL TOWN COUNCIL AGENDA ITEM REPORT

DATE: March 4, 2025

SUBMITTED BY: Steph Johnson, Town Manager

ITEM TYPE: Matters from the Chairman and Authority Members

AGENDA SECTION: **Matters from Mayor, Council, Town Manager and Committee Reports (2:45pm)**

SUBJECT: **Town Manager Report (5 min.)**

SUGGESTED ACTION:

ATTACHMENTS:

[Town Manager Report 3-04-2025](#)

[Gore Creek Promenade Update](#)

[Future Topics](#)

**Town Managers Update
February 18, 2025**

1. Vail Nature Center

The Vail Nature Center has provided interpretive programs on the town-owned site for over 50 years to guests, residents, and youth. In 1993, the Vail Recreation District took over programming at the VNC. In 2003 the VRD began contracting with Walking Mountains Science Center to provide site maintenance, interpretive services and programs and in 2013 WMSC took over full operations. In 2017 VRD discontinued involvement with the Nature Center and contracting was directly with the town, to provide oversight and integration with town environmental programs. The VNC, as you know, is in disrepair and is currently operating out of a temporary yurt with limited access to the farmhouse. In 2018/19 the Town received a Conditional Use Permit for a yurt and several porta-potties during the summer season located on the site. These temporary uses were allowed to be on site in 3 yr increments.

Staff have been working with Ford Park partners including Betty Ford Alpine Gardens and Walking Mountains on options for a path forward for the Vail Nature Center. Staff have pulled the Ford Park Master Plan, [Vail Nature Center Interpretive Plan](#) and the [Hopkins Architecture Phase 0 Process](#) to identify common goals and outcomes for the guest experience. Each has identified items to be addressed:

- Toilet facilities
- ADA access
- Fire Access
- Poor condition of the existing farmhouse and shade structure
- Temporary facilities degrading the natural and visual character of the stie.
- Interpretive displays need to be updated and modernized
- Trail access and riparian buffer to be improved

The Betty Ford Alpine Gardens has recently communicated to staff that they have an interest in providing interpretive services for the Nature Center. This raises the question of considering a request for proposals if there are two entities interested in operating the Nature Center. Given the history and current interest in the Nature Center, staff would suggest that Council identify what the management goals are for the Nature Center and the area it is located in.

For this summer, staff proposes to continue to contract with Walking Mountains (budgeted \$109,000) to provide programming and site maintenance. In addition, a Ford Park Advisory Committee is working on the implementation of the [Ford Park Master Plan](#) and reviewing future improvements to the park. Staff recommends that the Council meet and discuss goals for the Nature Center site in the context of Ford Park, and staff will work with the Council to identify goals, outcomes, and site improvement ideas that could contribute to a Request for Proposals for VNC services and improvements in 2026.

Does Council support scheduling a work session on March 18th to discuss future goals and next steps for the Vail Nature Center?

2. Gore Creek Promenade

See attached memo.

3. Letter of Support for a GOCO Grant for VVTA

The Vail Valley Trails Alliance (VVMTA) is requesting a letter of support for a GOCO grant.

Public lands in Eagle County provide tremendous recreational, economic, and ecological value to our communities. However, with increasing visitation, our trails, open spaces, and watersheds face significant pressures. This initiative will directly address these challenges by expanding the Trail Conservation Crew (TCC) and creating the Outdoor Stewardship Crew (OSC), ensuring much-needed on-the-ground stewardship, restoration, and sustainable recreation management. This expansion of VVTA's capacity is critical to supporting the USFS and BLM as they face increasing staffing shortages. Staff recommends supporting this grant request. A letter of support for this purpose is on your evening consent agenda for March 4th.

4. Request from Greg Hall on sole source for Transportation Center/Village Parking Structure.

Staff requests Town Council's permission to negotiate the 2025 structural repairs with Restruction Construction. They are a specialty parking structure repair contractor who have performed most of the structural repairs for the Town over the last 5 years and are highly recommended by the Town's structural engineer as well as town staff on their past performance. If permission is granted, the town staff will return with two options: performing work within the approved budget, and an option which includes a more realistic look at the work needing to be performed over the next couple of years, the time needed, and disruption impacts noting limiting work performed during times where it is less impactful to users, but may extend longer into the summer season where we have the ability to isolate the work and function without impacting parking capacity and the guest experience.

5. Deed Restrictions Released by the Town

It has been suggested that when the Town releases an underperforming deed restriction and receives compensation for that release, a homeowner could contribute the amount due to Habitat for Humanity. This would be with the condition that Habitat would utilize those funds in the Town of Vail for new housing. Habitat is working with the Town to create highly affordable units at Timber Ridge and leverages money it receives with other private dollars to create a significant impact in providing affordable housing. Staff would like to explore an agreement with Habitat to facilitate this type of a transaction. **Would Council be interested in this concept?**

6. Other

There may be other topics the Town Manager needs to share with the Town Council.

To: Vail Town Council

From: Department of Public Works

Date: March 4, 2025

Subject: Town Manager Report
Gore Creek Promenade Renewal - Tree Removal Update

During the February 18th Town Council meeting, staff offered to look more closely at the proposed tree removals and to provide additional information. The design team looked at ways to create additional gathering spaces in the park that would still protect the tree.

After spending some time working with the design, staff still recommends for the removal of Trees B and C, as proposed during the February 18th presentation, with the following explanation (Please refer to the attached drawings):

- In the current park design, most park users gather in the larger, eastern end of the park. This heavy use results in degraded turf due to compaction.
- There are several approaches proposed for improving that scenario:
 - a. Provide new durable walking and gathering surfaces (flagstone, stone seating, etc.) throughout the park
 - b. Create additional gathering spaces on the western end of the park that engage with Gore Creek, both physically and visually. This also a way to increase the “linger time” in the park, which is one of the project’s goals.

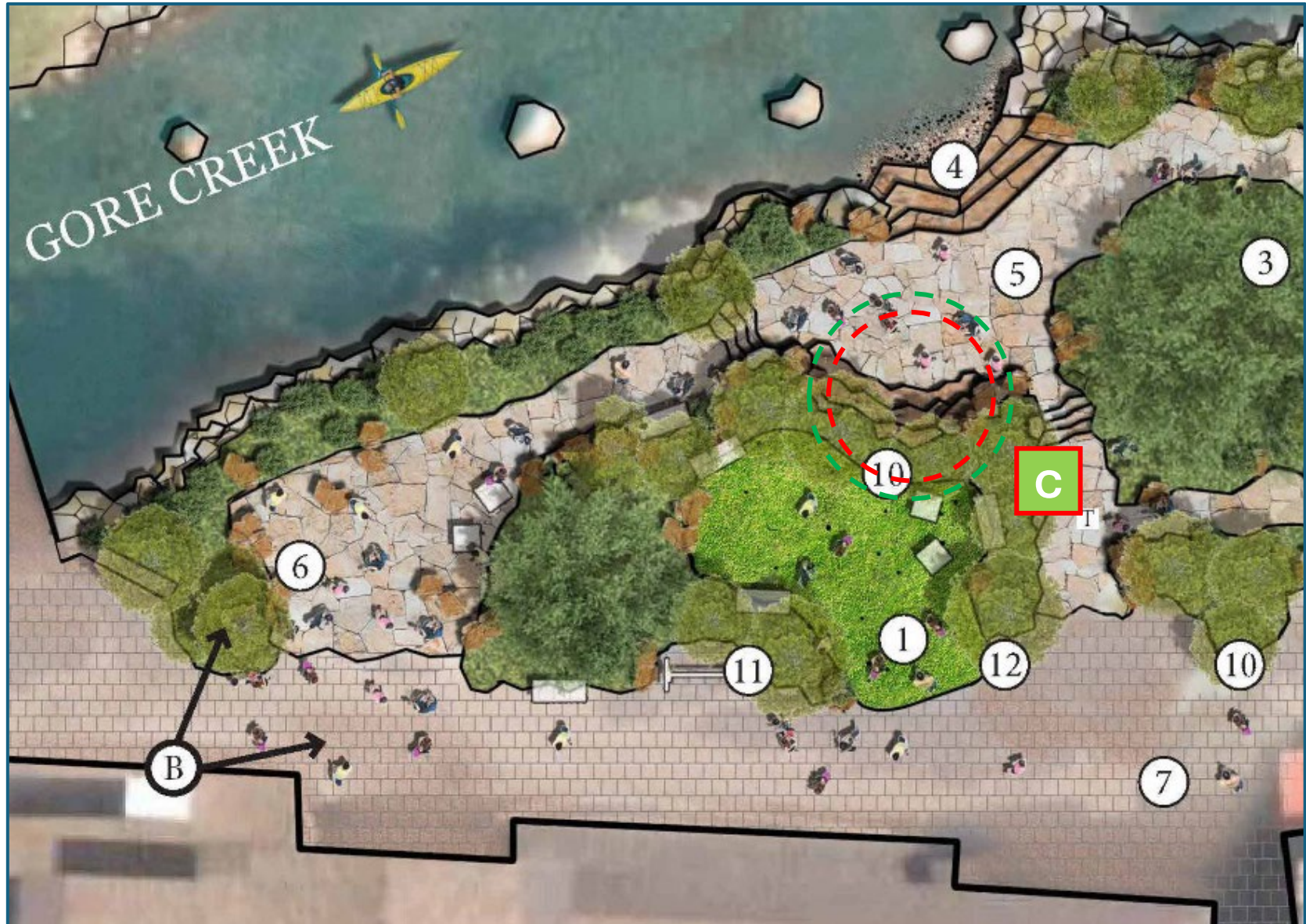
The current design of the Promenade is over thirty years old (1993). It has been highly successful, but as the vegetation within the park has grown, the useable space has decreased. While keeping Tree C is always an option if the Town Council desires, it essentially eliminates the western gathering space along the creek and reduces the useable space in the park.

As we look to the next thirty years for this public space, it’s important to consider that the vegetation will continue to grow. Creating a planting plan that will allow gathering spaces to remain viable should be a priority, especially as we look to protect other large evergreens and ensure they have room to grow and thrive.

PROPOSED PLAN

Removes Tree C

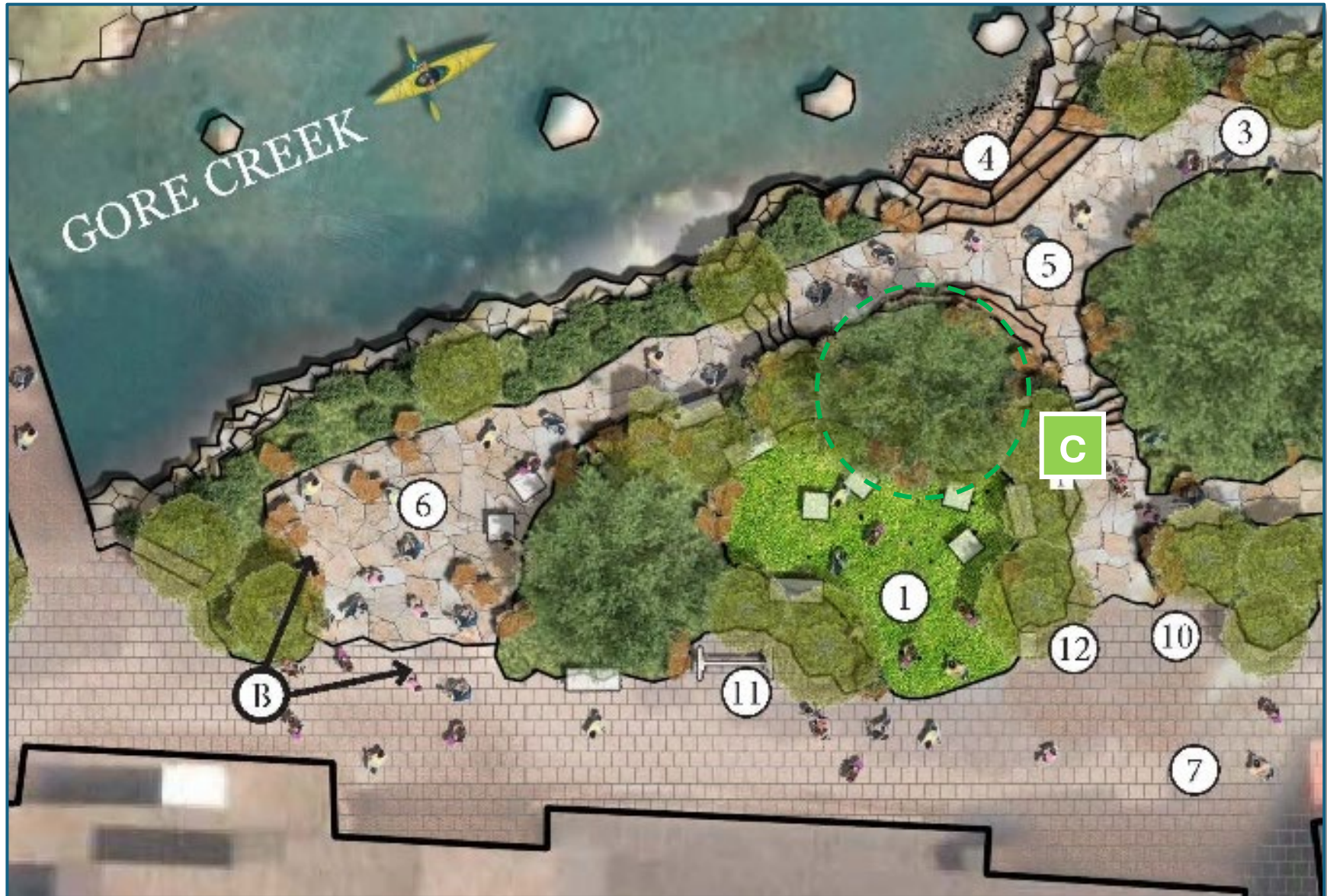
This drawing shows the proposed plan to remove Tree C. Removal of the tree opens up a significant space for the creation of an additional durable gathering space and additional room for a more intimate lawn/turf area. The dark green dashed line shows how the tree will continue to grow in the coming years.



OPTIONAL PLAN

Protects Tree C

This drawing shows keeping Tree C. The gathering space (5) is significantly reduced to simply an intersection of flagstone trails. The lawn/ turf area would be impacted as the tree continues to grow. Note that the green line isn't the future full size of the tree, just a representation that it will continue to grow.



PROPOSED PLAN

Removes Tree C

This Perspective B shows the view from the west end of the park with the protection of Tree A and the removal of Trees B and C.



PROPOSED PLAN

Removes Tree C

This Perspective the view from the north side of Gore Creek towards the park with the protection of Tree A and the removal of Trees B and C. The gathering space (5) along the creek is in the foreground and shaded by aspens during the summer.



<u>TOPIC</u>	<u>DEPARTMENT</u>
• Land Trust Agreement	Environmental Sustainability
• First Budget Supplemental	Finance
• Town of Vail Social Media Review	Communications
• Interviews and Appointments for AIPP	Art in Public Places
• Interviews and Appointments for DRB	Community Development
• West Middle Creek Financing Update	Finance
• Vail Trailblazer Proclamation	Town Manager's Office
• Interviews and Appointments for PEC	Community Development
• Ford Park Committee Update	Town Manager's Office

Item Cover Page

VAIL TOWN COUNCIL AGENDA ITEM REPORT

DATE: March 4, 2025

SUBMITTED BY: Steph Johnson, Town Manager

ITEM TYPE: Matters from the Chairman and Authority Members

AGENDA SECTION: **Matters from Mayor, Council, Town Manager and Committee Reports (2:45pm)**

SUBJECT: **Council Matters and Status Updates**

SUGGESTED ACTION:

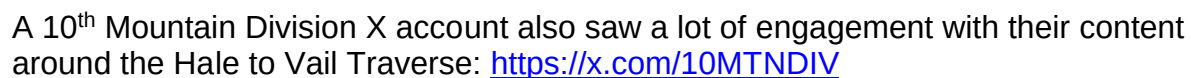
ATTACHMENTS:
[Council Matters 3-04-2025](#)



Comments from the February 18 Town Council meeting during “Matters”:

- ## Social Media Listening

The John Summit concert and pop-ups also rose to the top with 10.8k engagements:



Reddit was alight with discussions of I-70 traffic and parking at ski resorts, this thread was one that showed there is some good awareness around the more affordable parking options in and around Vail:

https://www.reddit.com/r/vail/comments/1imlexa/ski_parking_options/

Food for thought - here is another first time Vail visitor's criticism of signage being confusing for where to park to access skiing (via Reddit):

One irritation that I had is that they really do not want you to ski there... When you arrive there should be giant signs that say "this way to ski". We followed signs from the parking lot to Golden Peak/Riva Bahn only to discover that you can't get there from the lot. The road was blocked by a giant pile of snow and a stairway labeled "no pedestrian traffic". Instead all arriving skiers are directed into the village past all the stuff I don't want to see. Really if you want to create a mountain village where people come and spend thousands of dollars to not ski why not build a new village somewhere else and let skiers ski. Even once on the hill the signage is awful. "This way to 2 elk Lodge" in giant bold letters on a giant sign. "This way to Riva Ridge" on a tiny sign obscured by tree branches. Really frustrating

In the News

Feb. 12

Letter to Gov Polis re: I-70

<https://www.aspentimes.com/news/colorado-bill-aims-to-give-truckers-more-help-installing-chains-on-i-70/>

<https://www.postindependent.com/news/colorado-bill-aims-to-give-truckers-more-help-installing-chains-on-i-70/>

<https://www.msn.com/en-us/public-safety-and-emergencies/traffic-and-transportation-incidents/vail-asks-governor-for-help-enforcing-traction-law-on-commercial-motor-vehicles/ar-AA1yRqMf?ocid=BingNewsVerp>

Pedestrian Safety - Letter

<https://www.vaildaily.com/opinion/letter-only-a-matter-of-time-before-somebody-gets-hit/>

Feb. 15

Letter to Gov Polis re: I-70

<https://www.9news.com/article/news/local/local-politics/mayor-vail-tougher-chain-law-penalties-i-70/73-93649502-cfda-468a-a49c-12da558db115>

Timber Ridge

<https://www.vaildaily.com/news/off-the-hill-timber-ridge-in-vail-offers-energy-efficient-workforce-housing/>

Feb. 18

Ice Sculpture Damage

<https://kdvr.com/news/local/suspect-wanted-in-vail-for-alleged-3k-damage-to-ice-sculpture/>

<https://www.yahoo.com/news/suspect-wanted-vail-alleged-3k-210841069.html>

Feb. 19

Gore Creek Promenade Renewal

<https://www.vaildaily.com/news/vail-reimagining-popular-town-park-gore-creek-access/>

Truck Noise in East Vail - Letter

<https://www.vaildaily.com/opinion/letter-trucker-noise-in-east-vail/>

Feb. 20

Hawai'i Looking at Vail InDEED

<https://www.hawaiipublicradio.org/local-news/2025-02-20/hawaii-homeowners-could-be-paid-to-carve-out-workforce-housing>

DRB and AIPP Openings

<https://www.realvail.com/town-of-vail-looking-to-fill-slots-on-drb-aipp-board/a21474/>

Timber Ridge Apres

<https://www.realvail.com/hoist-a-green-beer-at-the-fitz-on-st-paddys-day-learn-how-to-become-a-timber-ridge-village-homeowner/a21477/>

Feb. 22

Truck Noise in East Vail - Letter

<https://www.vaildaily.com/opinion/letter-same-old-story-with-trucker-noise-in-east-vail/>

Feb. 27

Romer: Plastic water bottle bans are a well-intentioned misstep

<https://www.vaildaily.com/opinion/romer-plastic-water-bottle-bans-are-a-well-intentioned-misstep/>

Upcoming Dates

March 25 Annual Community Meeting; Donovan Pavilion

September 9 Vail Social!