

## ABOR Observer JANUARY 2012

*A rundown of the government and business activity over the last month, with particular focus on issues and items that are important to the Real Estate community.*

### Aspen —

#### **Neighbors sue to stop Boomerang**

Opponents of an affordable housing proposal in the Shadow Mountain neighborhood have sued in local district court to block the development.

The lawsuit appeals City Council's decision to upzone the property at Fourth and West Hopkins. Plaintiffs argue that the rezone does not conform to the intent of the Aspen Area Community Plan. They also maintain it is not compatible with surrounding zone districts, and fails to consider existing land use and neighborhood characteristics.

Construction was slated to begin later this year, but the suit, if successful, will kill the project as currently conceived.

#### **Benton, Little Annie, parking lot redevelopment heading to Council**

The Historic Preservation Commission recommended conceptual approval of plans for a three-story, mixed-use commercial building in the parking lot at the corner of S. Hyman Ave. and E. Hunter St., next to Little Annie's and the Benton Building.

The proposal calls for 25,550 square feet of floor space with retail and office space on the first and second floors. The third story would contain a 7,000-square-foot penthouse residence. Developer Aspen Core Ventures LLC would also refurbish the historic properties next door.

City Council takes up the application on Jan. 9.

#### **Dancing Bear under contract**

The Dancing Bear fractional ownership lodge is reportedly under contract. James DeFrancia, who is managing the property for German bank West LB, confirmed an online report by Snowmass real estate broker Andrew Ernemann that the buyer is a developer with close Aspen ties.

Chicago-based real estate firm Jones Lang LaSalle began marketing the property in September.

#### **Hydroelectric rezone unanimously approved**

City Council conditionally rezoned property off Power Plant Road, beneath the Castle Creek bridge, to allow for a 1,761-square-foot hydroelectric plant operations center.

In the end, even the most skeptical councilman, Adam Frisch, voted in favor. The unanimous vote will be used by the city to demonstrate the community's commitment to hydroelectric power to the Federal Energy Regulatory Commission.

City Manager Steve Barwick stresses that the project is the best way to further the goal of supplying 100 percent renewable energy through the city's electricity utility. He also points out that every financial model shows that the new plant would save the community money in the long run.

Opponents nevertheless began gathering signatures in hopes of forcing a ballot referendum on the plan. Officially, the petition seeks a ballot question that would overturn the rezoning. Aspen residents Maurice Emmer and Ward Hauenstein are leading the effort.

### **Aspen retail economy improving**

Through the first 10 months of 2011, retail sales in Aspen have totaled \$401.93 million, a 5.9 percent increase over sales for the same period last year.

That growth was apparent through the off season, with sales up 6.3 percent in October when compared with the same month in 2010.

### **Council opts for continued AACP review**

City Council rejected a proposal by Councilman Steve Skadron's to adopt the Aspen Area Community Plan without any amendments to the version adopted by the planning and zoning commission. Four P&Z members had submitted letter asking the council to adopt the plan in its current form.

But city planners have identified sections needing further review, including a passage on house sizes and another on where housing should be located.

### **Value of TDRs drop sharply**

The value of local transferable development rights has fallen by about 50 percent over the last four years.

In 2007, 34 transferable development rights sold for anywhere between \$250,000 to \$318,000. So far this year, 11 have sold at prices ranging from \$125,000 to \$165,000.

### **Forest Service moving ahead with West End sale**

The Forest Service plans to sell approximately 1-acre of its property in Aspen' West end, at Eighth and Smuggler. The sale is part of a redevelopment plan to refurbish the visitor and administrative center and housing for USFS employees. The agency is taking public comments on the proposed sale this month.

### **Runway extension improving resort access**

The runway extension at the Aspen-Pitkin County Airport has proven beneficial this winter. United Express is able to carry an additional eight to 10 passengers on many outgoing flights this winter. The longer runway was also key to American Airlines' decision to start service to both Los Angeles and Dallas.

### **ACRA expands marketing efforts**

Revenues from the new lodging tax will be used by the Aspen Chamber Resorts Assoc. to expand international marketing efforts through a partnership with American Airlines.

ACRA has earmarked \$75,000 for the American Airlines partnership, with plans to promote Aspen in cities in South America and Australia, as well as Texas and California.

An additional \$20,000 has been budgeted in public relations for initiatives internationally, in partnership with Snowmass Tourism, the sales and marketing arm of Snowmass Village.

### **Cassin leaving Aspen Environmental Health Department**

Lee Cassin, the longtime director of the city of Aspen's Environmental Health Department who led the community's successful efforts to reduce air pollution, will retire in early January. Cassin had a hand in developing the measures that radically improved local air quality, including a law to limit the number of fireplaces and wood-burning stoves in houses and condominiums.

### **St. Regis renovations largely complete**

St. Regis Aspen completed a \$35 million renovation that includes makeovers of the 179 rooms and suites. A new restaurant space, previously occupied by Whiskey Rocks, will be renovated in the spring, after the ski season.

### **Food & Wine: Jimmy's among top bars in USA**

Food & Wine Magazine named Jimmy's An American Restaurant and Bar one of the 50 best bars in America. The magazine describes Jimmy's as "surrounded by the Rocky Mountains, this Aspen institution has more than 100 tequilas and mezcals, makes terrific margaritas and hosts legendary Saturday night Latin-dance parties."

#### **Art Museum exploring geothermal option**

Aspen Art Museum officials are exploring the possibility of using geothermal energy to heat their new building, which is set for construction beginning this spring. The contractor will be drilling to about 425 feet in search of the heat that's needed to warm water to heat the 30,000 square foot building.

#### **Snowmass Village —**

##### **New owners of Base Village looking to sell**

Mike Tande, senior vice president at Lowe Enterprises, said his firm will work with the new owners to find a buyer for the properties at Base Village.

There are several challenges facing the project, including the expiration of vesting rights, which expire in 2014. While there are provisions in the original approval that allow for an extension of vested rights, they require that certain construction milestones be met. The project is subject to a number of lawsuits, as well.

##### **Fossil find garners national media and a book**

The Denver Museum of Nature & Science and Carbondale-based People's Press are publishing a first-person account of the historic Ice Age fossil finds near Snowmass Village.

The find also will be featured in a one-hour NOVA-National Geographic program on Rocky Mountain PBS and in National Geographic magazine next year.

The book, "Digging Snowmastodon: Discovering an Ice Age World in the Colorado Rockies," describes events surrounding the discovery and includes more than 100 photos, illustrations and maps. The paperback is set for release on March 15. To learn more visit [www.diggingsnowmastodon.com](http://www.diggingsnowmastodon.com).

##### **Snowmass economy shows signs of recovery**

Snowmass Village this summer and fall saw a surge in restaurant and retail sales, with sales tax revenues making double-digit gains every month from June to October. Through October 2011, the town has seen sales tax collection rise 8.7 percent over collections for the same 10-month period in 2010.

##### **New Year's Eve skiing ruined by winds**

Winds gusting as high as 87 m.p.h. downed hundreds of trees across all four ski mountains and closed access for much of New Year's Eve day. Most lifts were open by mid-afternoon and remained so until 4 p.m., a half-hour later than usual. Walk-up lift tickets were still going for the full price of \$108.

#### **Basalt —**

##### **RFTA sues to condemn in Basalt**

The Roaring Fork Transportation Authority has sued two Basalt property owners in order to condemn property needed for a park and ride lot. Offers were rejected by the Cathers family and Meyers & Co. an architectural Materials manufacturer. Cathers said his family's appraisal put the value of the land at \$1 million, approximately \$35 per square foot. RFTA's highest offer was \$26 per square foot.

##### **Basalt recovery coming along slowly**

Basalt sales tax revenues show the town's economy is on the mend, but slowly and unevenly. Sales tax revenues have shown modest increases for five consecutive months, with a rise of more than 2 percent in October. It is the first

extended period of growth since the first half of 2008. Year-to-date through October, sales tax revenues are up just 1.25 percent, however.

### **Three area schools honored by state**

Basalt Elementary, Basalt Middle and Glenwood Springs High schools will receive the Governor's Distinguished Improvement Award, representing the top 8 percent of schools in the state. This is the second year in a row for Basalt Middle School to win the award, and the first year for Basalt Elementary and Glenwood Springs High School. Carbondale Middle School received the award in 2010.

### **Basalt Winter Market in full swing**

The winter market at the Willits Town Center is in business for a third consecutive year. This year it is open from 10 a.m. to 3 p.m. on Saturdays, through the end of February. Thirty vendors sell produce, eggs, meat, cheese, bread, pasta, baked goods, wine, soups, cider, honey, coffee, jewelry, art, apparel and accessories.

### **Basalt High Senior earns 144 merit badges on way to Eagle Scout status**

Drew Bair, of Basalt, earned his Eagle Scout designation last fall after garnering all 144 of the merit badges available. Just 156 Boy Scouts have earned all the merit badges in the history of the organization. Twenty-one merit badges are needed to become an Eagle Scout.

## **Pitkin County —**

### **Overnight cabins approved in Ashcroft**

John Wilcox, owner of the Pine Creek Cookhouse and Ashcroft Ski Touring, will be allowed to build and operate seven overnight cabins on his property.

The County Commissioners voted unanimously to amend the master plan for Ashcroft after taking steps to ensure they won't be converted to residences. Their use as short-term accommodations is linked to the continued operation of the ski area, run for the past 25 years by Wilcox and his wife, Juliet..

The seven guest cabins include five new buildings and two existing cabins that are currently used as employee housing. They will range in size from 540 to 800 square feet.

### **Resorts, Forest Service face off over water rights**

The 121-member National Ski Areas Association has filed a lawsuit over a new Forest Service policy that gives the federal government control over water rights inside newly permitted ski resorts.

The industry group argues that the change takes away tens of millions of dollars in private water rights, adversely affecting ski area economics.

A spokesman for the agency said the idea behind the policy is to protect the long-term viability of ski areas by keeping water resources tied to the land, not the operator. The Forest Service has already issued three permits under the new rule.

### **Property taxes down 12 percent**

Property tax collections over the coming year will total \$103.1 million, a drop of approximately 12 percent from last year.

County services, including its general fund, road and bridge fund and social services, will collect 6.4 percent of the total. Open Space and Trails will collect 10.2 percent of the total. The Healthy Community Fund will take in 1.5 percent of the overall sum.

The Aspen School District will receive 22.5 percent of the \$103.1 million. Aspen Valley Hospital, 7.1 percent. Colorado Mountain College 10.7 percent.

Some property owners will see higher tax bills because mil levies rose at a higher rate than their property values dropped. Most property owners, however, will pay less taxes this year.

### **Conservancy eyes Coal Creek clean-up**

Roaring Fork Conservancy hopes to use a grant from the Pitkin County Healthy Rivers and Streams Fund to launch a multi-agency effort to clean up Coal Creek, a tributary of the Crystal River. The funds will be used to analyze existing water-quality data for Coal Creek and host a technical workshop to review options.

Coal Creek regularly dumps large quantities of sediment into the Crystal River. Its confluence with the river is near Redstone.

### **Open space renamed "Sky Mountain Park"**

Pitkin County officially renamed the Droste open space property "Sky Mountain Park," after a public naming contest. The trail that runs across the property, more than 800 acres located between Brush and Owl creeks, has been named "Skyline Ridge Trail."

## **Downvalley —**

### **Carbondale to decide fate of mixed-use development**

Carbondale residents will decide the fate of a PUD proposal for 24 acres along Highway 133 with a mail-in ballot this month.

The Village at Crystal River promises a new grocery store as part of 125,000 square feet of new retail commercial development. The PUD also allows 164 units of housing and a 40-foot mixed-use building on the west side of the lot.

VCR was approved by the town trustees in November, but it must receive an OK from the voters before the ordinance goes into effect.

A group called Locals for Smarter Growth has formed to lead the charge against the development. It's primary objection is a 1% Public Improvement Fee that would apply to all taxable purchases in the development, including groceries. Another group, Say Yes to Carbondale, has been formed to defend the project, arguing that the development is needed to spur growth in the community of 6,000.

Ballots will be sent out around Jan. 10 and are due back by Jan. 31.

### **Carbondale bag ban headed for vote**

Three Carbondale citizens have gathered enough signatures to force a vote on whether plastic bags should be banned at the local grocery store. They presented their petition to the Town Trustees last month, and asked that the elected officials reconsider the ban, which is set to go into effect in May.

If the Trustees don't reverse the ban, voters will decide the question on the April 3 municipal election ballot.

### **Glenwood council considers recreation tax**

Glenwood City Council may ask voters to support a special tax on tourist attractions that would be used to fund promotional efforts and, possibly, new "amenities."

Currently, the city's 2.5 percent accommodations (lodging) tax is used to fund tourism promotion through a contract with the Glenwood Springs Chamber Resort Association. There is no such tax on attractions such as the Hot Springs Pool, rafting and other guided tours, miniature golf courses and movie theater tickets.

Council members agreed that there would have to be support from the business community before asking voters to support a new recreation tax.

### **County affordable housing rules likely to loosen**

A code amendment under consideration by the Garfield County Commissioners would change affordable housing rules in developers' favor in a number of ways.

Instead of applying housing rules throughout the county, an amended code would require affordable housing units for projects only in the Roaring Fork Valley portion of Garfield County.

The proposed amendment would also change the trigger point for requiring deed-restricted housing in new residential subdivisions, from five units to 15. And the percentage of affordable housing units required would also fall from 15 to 10 percent.

**If you haven't invested in the Political Survivor Fund yet this year please do so. This is the best investment you can make toward your career!**

**Please invest in the PSF at:**

[https://realtorparty.realtoractioncenter.com/site/Donation2?df\\_id=1500&1500.donation=form1&JServSessionIdr004=1oxf1q5dv1.app338b](https://realtorparty.realtoractioncenter.com/site/Donation2?df_id=1500&1500.donation=form1&JServSessionIdr004=1oxf1q5dv1.app338b)

For more information on our Political Survival Fund (PSF), please contact Mark Ronay, AREC, 920.2006 or CAR at 800.944.6550.



*"If Real Estate is Your Profession, Politics is Your Business"*

For more information on our Political Survival Fund (PSF), please contact Mark Ronay, AREC, 920.2006 or CAR at 800.944.6550.