

ULI ADVISORY SERVICES PANEL Final Report

Eagle-Vail

Eagle County, Colorado

June 22-27, 2008



Eagle-Vail Advisory Services Panel
Eagle County, Colorado



Introduction

John McIlwain

Urban Land Institute

Eagle-Vail Advisory Services Panel
Eagle County, Colorado



ULI—The Urban Land Institute

ULI—the Urban Land Institute is a nonprofit research and education organization.

Mission:

Promote leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

Advisory Services

Assembles teams of land use professionals to make strategic recommendations on land use challenges.

- Program started in 1947**
- 15-20 panels each year**
- Teams composed of ULI members**
- Panels organized around the world**

The Panel Process

- Define the scope of the assignment
- Prepare background briefing materials
- Assemble the expert team
- Tour the site
- Interview stakeholders
- Debate and form recommendations
- Produce a final report

The Panel

Chair:	John McIlwain
Market:	Greg Cory Belinda Sward
Development:	Lorne Bassel Steve Ormiston
Design:	R. Terry Schnadelbach Deanna Weber
Implementation:	Peter Forsch Ruth Wuorenma
ULI Project Staff:	Jennifer Green Matthew Rader David Stocker

Sponsors

- **Eagle Vail Metropolitan District**
- **Eagle County School District**
- **Eagle Vail Property Owners Association**

Special Thanks

- Neil Mulholland
- Steve Barber
- Ben Welsh
- John Nichols
- Jeff Layman
- Brian Nolen
- Interviewees from the Community

Our World is Changing

- We are all faced with choices that have major impact on our lives, families, and homes.
- Land is limited, good land is precious.
- Your land is stunningly beautiful and very valuable.

Facing Community Challenges

- **Today, people want community, yet communities face challenges.**
- **Energy and gas prices are rising and will continue to do so.**
- **Global warming and climate change challenges require a reduction in driving and carbon based energy use.**

Facing Community Challenges

- The shortages of workforce and attainable housing are getting worse in the U.S. and even more so in Vail Valley.
- Education, transportation and recreation are all being challenged, and we are being asked to reinvent our way of thinking.

Facing Community Challenges

- Those who ignore the changing world around them will the values they hold precious fade away.
- You have to chosen to face these challenges head on and we are excited about your future and the opportunities for your community.



What We Saw at Eagle-Vail

- A community with many leaders genuinely working to come together, and genuinely recognizing that there is work to be done.
- A tension between preserving the essence of Eagle-Vail versus competing with Vail and Beaver Creek.

What We Saw at Eagle-Vail

- Our hearts opened when we saw your children playing in pocket parks, teenagers driving balls, mothers with their babies, and families wading in the pool.
- You are a fortunate community; often I am involved in communities in crisis. You are part of the lucky few.



Specifically, We Saw

- **Eagle Vail is perfectly located between Avon/Beaver Creek and Vail.**

Specifically, We Saw

- It is a family-oriented community with a mix of housing types and incomes.**
- But with an out-dated design and aging housing.**
- And a community that is in search of an effective, economical way to manage and control itself**

Specifically, We Saw

- You have your own individual gathering places, yet lack a center for the community.
- You have many recreation amenities, but time has made it essential to “recreate” your recreation.

Specifically, We Saw

- You have a car-oriented lifestyle in a time of rising gas prices and a need to reduce driving to reduce greenhouse gases.

What We Heard from You

- You have a mix of aging, long time residents and newer, younger residents with kids.
- You have a growing number of second-home buyers attracted by the moderate prices, location and child-friendly atmosphere.

What We Heard from You

- We want to keep our family orientation.
- We all want to evolve and grow here.
 - Renters and first time homeowners
 - Single family home owners looking for more space, or home owners looking to downsize.
 - People want to grow with Eagle Vail, not away from it.

What We Heard from You

- We want to be sustainable, affordable, educational, modern and friendly.
- ***We want it all. And now please!***

What You Will Hear in our Report

- Our recommendations on how to meet the desires we heard from residents.
- These are an effort to balance conflicting desires and to keep the development of Eagle Vail affordable to its residents.

What You Will Hear in our Report

- Our recommendations take advantage of Eagle-Vail's special location within the Vail Valley.
- We have short-term, Phase 1 plans and longer-term, Phase 2 and Phase 3 recommendations.

Striking a Balance

- There are trade-offs – not everyone will be happy with all our recommendations, but they are based on our vision for Eagle Vail:

“A welcoming sustainable mountain residential community located between two world-class resort communities.”

Striking a Balance

You will now hear briefly from the panel of eight international experts ranging from environmentalists to resort developers.

We had many opinions. In the end we sought a balance

- which honors the past of Eagle-Vail
- while creating an exciting, sustainable future for today's residents and those in the future.



Market Potential

Belinda Sward
Cecilian Worldwide

Eagle-Vail Advisory Services Panel
Eagle County, Colorado



A Balanced Community

Diversity in housing is supported by
diversity in people

– Who they are and how they live



A Balanced Community

- People live in a lot of different ways and at different times in their lives.
- People want choice in housing and recreational amenities based on their lifestyle.



A Balanced Community



- All of these are the faces of different types of families.
- Families create community.

Projections for the Future

- Echo Boomers and Baby Boomers will primarily drive growth in housing over the next ten years.

Generational Group	Year Born	Current Age Range	Population
Echo Boomer	1979 - 1999	9 - 29	77 million
Baby Boomer	1946 - 1964	44 - 62	78 million

Projections for the Future

- Over the next ten years, Baby Boomers will empty nest and some will retire.
 - As the younger Baby Boomers move into their peak earning years they will purchase housing for secondary and seasonal living
- Echo Boomers will enter the housing market, seeking to rent or purchase moderate priced, smaller homes.

Projected Housing Demand

- There is support for approximately 500 to 600 new workforce and market-rate for-sale housing units per year in Eagle County.
 - *(This does not include additional demand for affordable and rental housing.)*

Projected Housing Demand

- **Strongest Demand Segment: Workforce Housing (for households with incomes of \$50,000 to \$150,000):**
 - Based on job growth projections, including a high percentage of service and middle management jobs
 - *Workforce housing supply is critical to support future job growth.*

Projected Housing Demand

- **Strongest Demand Segment: Workforce Housing (for households with incomes of \$50,000 to \$150,000):**
 - High priced housing stock and strong price appreciation
 - Desire to live closer to jobs and services

Projected Housing Demand

- **Growing demand for rental housing**
 - **Demographic growth in younger, less affluent households**
 - **Low inventory of affordable and workforce housing supply**



Consumer and Housing Trends

- **Blurring of work and leisure time and places**
- **Consumer choice and diversity of leisure activities**
- **Time famine and growing desire and preference to live within mixed-use walkable communities and areas that offer proximity to conveniences**

Consumer and Housing Trends

- Greater support of environmental and “green” as a standard (versus an exception)
- Consumer decisions based on lifestyle versus age or demographic group

Consumer and Housing Trends

- **Smaller homes with design and technology that make better use of space**
- **Full spectrum of healthy living (physical, emotional, spiritual)**

Consumer and Housing Trends

- **Consumer personalization of how they spend their time and money**
- **Stronger desire for social connections and community**
- **Growing desire to live within a multi-generational community**



Opportunities for Eagle-Vail to Maintain Housing Diversity

- **Emphasis on community lifestyle and on-going investment in recreational amenities**
 - **Includes intentional programming events and activities targeting specific consumer segments**

Opportunities for Eagle-Vail to Maintain Housing Diversity

- **Balance of seasonal and long-term rental housing**
 - **Provides support for amenity operations**
- **Encouraging construction of smaller housing units**

Golf Courses

Greg Cory
Economics Research Associates

Eagle-Vail Advisory Services Panel
Eagle County, Colorado





State of Play

- **Strategic plan for golf led to oversupply in 2000.**
- **Participation rates are largely unchanged over the years.**

State of Play

- **Challenges to growing the game.**
 - **Difficulty in learning the game**
 - **Perception as expensive**
 - **Time investment in the experience**
 - **Player retention**
 - **Competing venues for leisure time & money**

State of Play

- **Eagle-Vail caters to three markets: residents, second home owners, Vail Valley visitors.**

Concern Over Golf Supply

- **Majority is focused on private clubs.**
- **Public venues not as competitively located.**
- **Public access to private courses is limited and expensive.**

Concern Over Golf Supply

- New entrants are not likely near to immediate term.
- Eagle-Vail operating near practical capacity.
- Future expansion of Summer visitors.

Future of Golf in Eagle-Vail

- It is very difficult to re-engineer a community plan when the golf course was designed to maximize real estate frontage.
- Removal of the course would negatively affect property values.

Future of Golf in Eagle-Vail

- **Converting course to open space would remove operating revenues of \$1M/yr. and increase operating deficit**
- **Conclusion: the 18 hole course should be retained.**

Leveraging Use Patterns

- Play pattern shifting – residents have more options and play “home” course less frequently.
- Resort play remains strong.

Leveraging Use Patterns

- Resort play has higher economic value than resident/country play.
- Conflict between resort and resident play can be managed, but will require more human resources and

Phase 1 Recommendations

- **Keep the existing course 'as is'.**
- **The existing club house is functionally obsolete and should be replaced.**
 - **Sell the existing property.**
- **Change the marketing to cater to resort users requires a marketing shift in how the course is managed and used.**

Phase 1 Recommendations

- **Eliminate the nine hole course.**
 - **Eliminates the operating loss.**
 - **Opens up land for potential reuse.**

Phase 1 Recommendations

- **Planning considerations**
 - **Near term operating losses may continue.**
 - **No major course reinvestments required.**
 - **Minor course improvements over 2-3 years.**

Schools

Steve Ormiston, Shea Homes

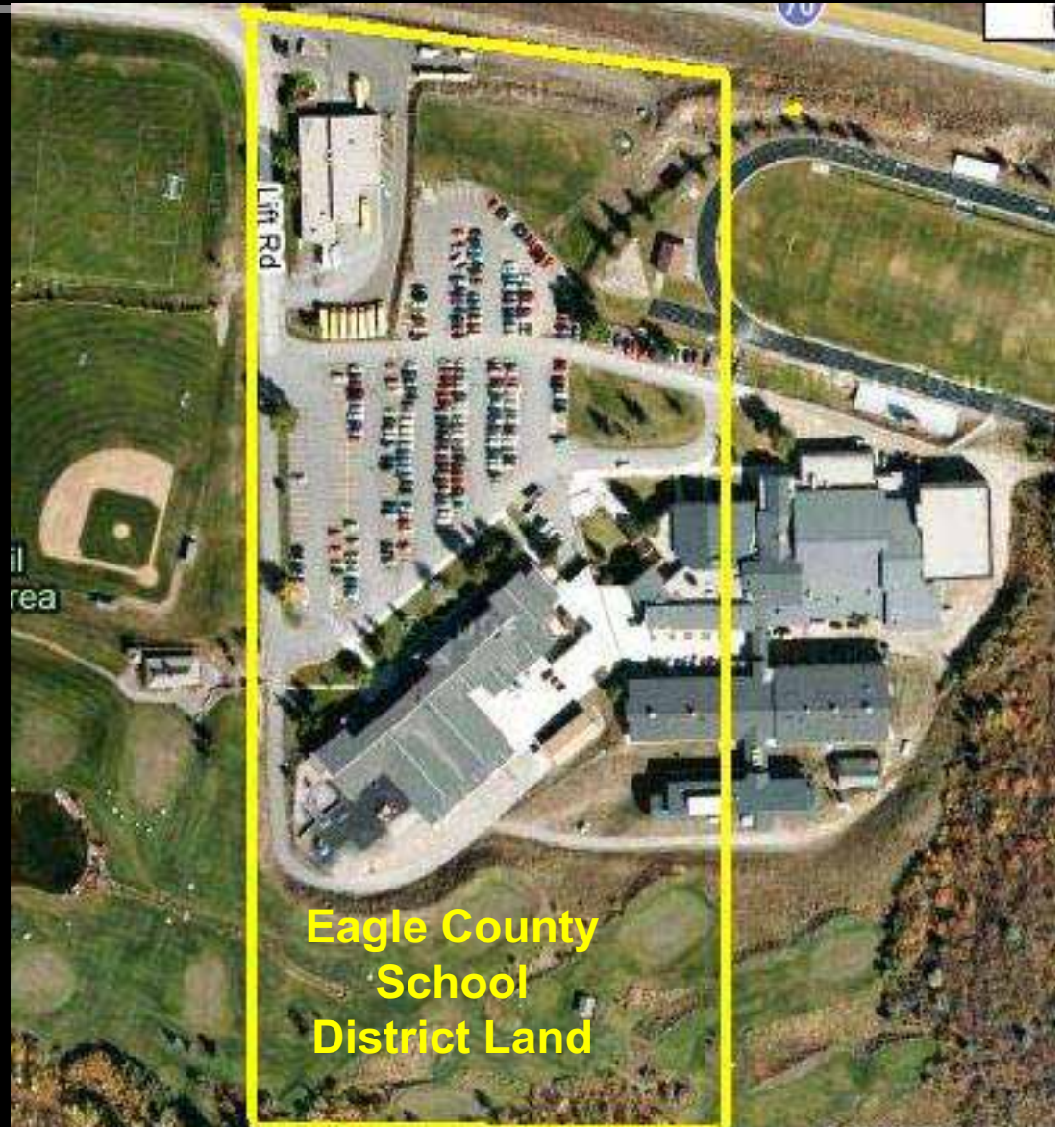
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Eagle County, Colorado



Assumptions

- **Eagle-Vail residents want a neighborhood school.**
- **Eagle County School District prefers non-traditional school funding options that don't require bond elections.**
- **The State Land Board wants to maximize revenue from its land, if vacated.**

School District Land



Eagle County
School
District Land

Dilemma

- Value of developing 10 acres of school land is less than the cost to renovate existing facilities (\$3M - \$5M vs. \$11M).
- Developing State Land Board site would generate less revenue than needed by ECSD.
- To keep a neighborhood school requires partnership between the community and the school district to accomplish.



MEADOW MOUNTAIN
ELEMENTARY SCHOOL

Funding Options

- **Develop school land and use proceeds for needed facilities (\$3M - \$5M).**
- **Establish a long term lease for all or a portion of renovated BHMS to a private non-profit education provider, contract day-care providers, professional charter school, etc. (up to \$6.5M)**

Funding Options

- Partner with EVMD and EVPOA to share revenue for desired projects.
- Negotiate development fees from new projects if developed for other uses than affordable housing.



Funding Options

- **School bonds supplementing other revenue contributions.**

Recommendations

- Plan to keep MMES students and Minturn MS students in place until BMHS is renovated as a K-8 at which time students from MMES move to renovated BMHS K-8 school.
- Close and demolish MMES and relocate bus barn to a site that can be jointly used by others.



Recommendations

- Partner to develop 10-acre ECSD site for affordable housing.
- Use \$3-5M in revenue from development of school site and \$3M from 2006 bond to renovate BMHS.
- Secure balance of funding from non-traditional sources (e.g. development fees, long term leases) and bond election if necessary.

Guiding Principles and Vision

**Lorne Bassel, Crave Real Estate
(Formerly of Intrawest)**

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Eagle County, Colorado



Old Habits Die Hard



Our Vision and Message

Again, our vision for Eagle-Vail is:

A welcoming sustainable mountain *residential* community located between two world-class *resort* communities.

What the Land Told Us

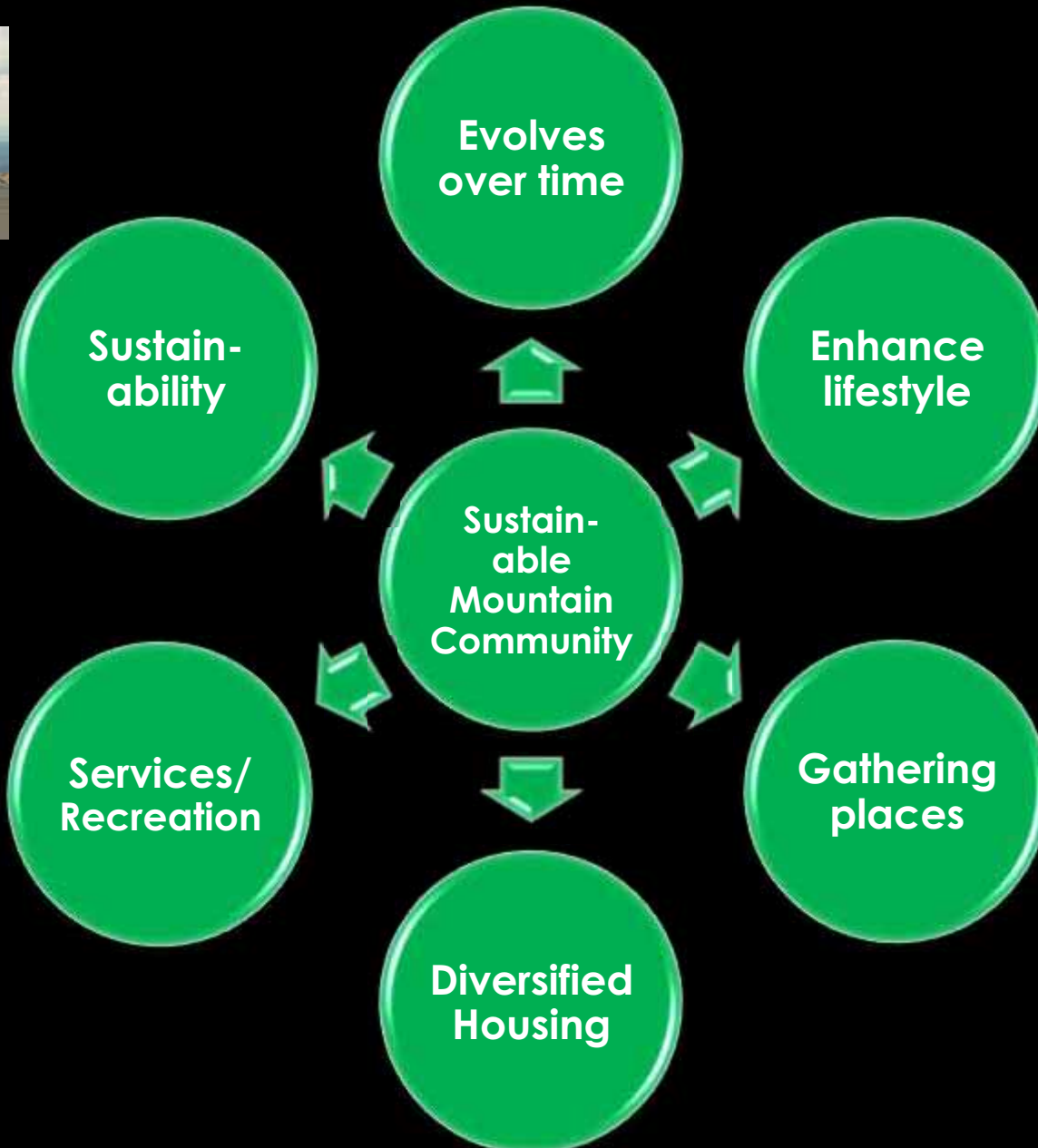








GUIDING PRINCIPLES



Our Development Proposal

- Focus new development on MMES site and EVMD lands.
- Grow your community by 500 housing units of various offerings.
- Create community center along with essential services
- Focus on affordability, open space, natural mountain setting.
- Stimulation and creation of recreational services.
- One “landowner” for our purposes.

Development Statistics

Residential Unit Types (1)	Units	Sales Price	Land Value (2)	Property Value
<i>Live Work, Play</i>	25	\$ 275,000	\$ 1,031,250	\$ 6,875,000
<i>Medium/High Density/Attainable/Workforce</i>	270	\$ 200,000	\$ 8,100,000	\$ 54,000,000
<i>Single Family Housing/ TH - Near School</i>	105	\$ 550,000	\$ 8,662,500	\$ 57,750,000
<i>TH/ Near Baseball</i>	55	\$ 425,000	\$ 3,506,250	\$ 23,375,000
<i>Estate Lot Housing</i>	30	\$ 350,000	\$ 5,625,000	\$ 10,500,000
<i>Clubhouse Lots</i>	3	\$ 500,000	\$ 1,500,000	\$ 5,250,000
<i>Clubhouse Upper lots</i>	3	\$ 500,000	\$ 1,500,000	\$ 3,750,000
Total/Average	491	\$ 316,701	\$ 29,925,000	\$ 161,500,000
Acreage	56	\$ 534,375	\$ 29,925,000	
Additional Tax Revenue / Year				\$ 2,390,200
<i>(1) All figures included in this report are planning level estimates.</i>				
<i>(2) Land value was estimated by applying a 15% factor to the estimated unit sales price.</i>				

Development Statistics

Commercial Uses	SF
<i>Daycare</i>	2,000
<i>Post Office</i>	500
<i>Local Pub/ Easy food</i>	2,500
<i>Food and Beverage</i>	2,000
<i>Convenience</i>	1,500
Total	8,500
Lodging	Rooms
<i>Local Inn</i>	25

Sustainability & Site Context

Terry Schnadelbach
University of Florida

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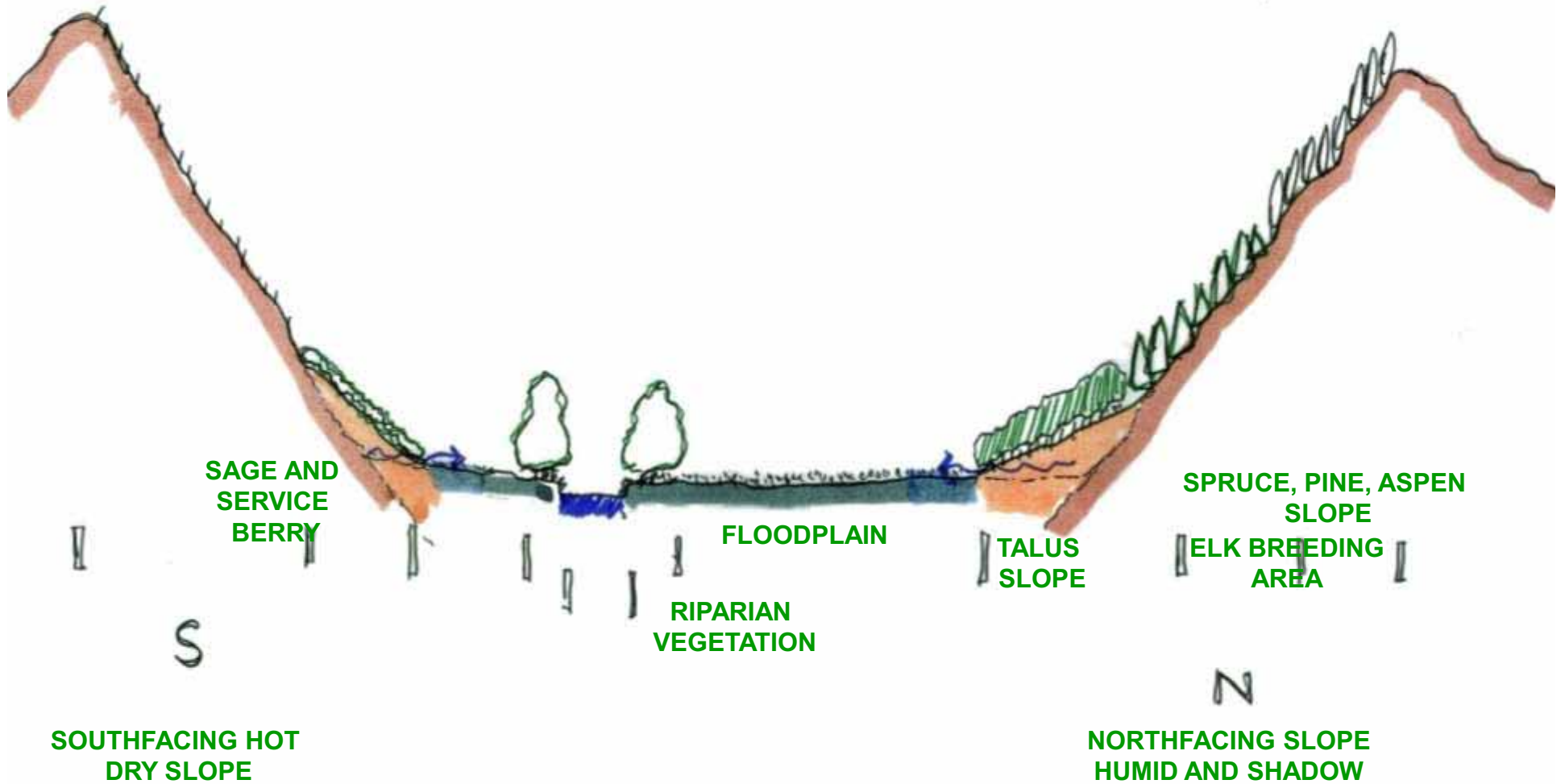
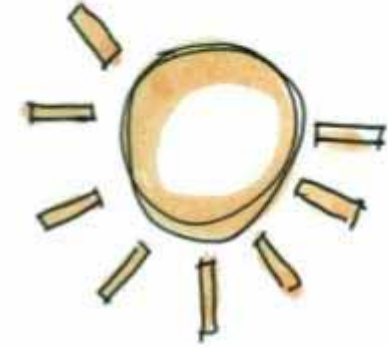


Sustainability

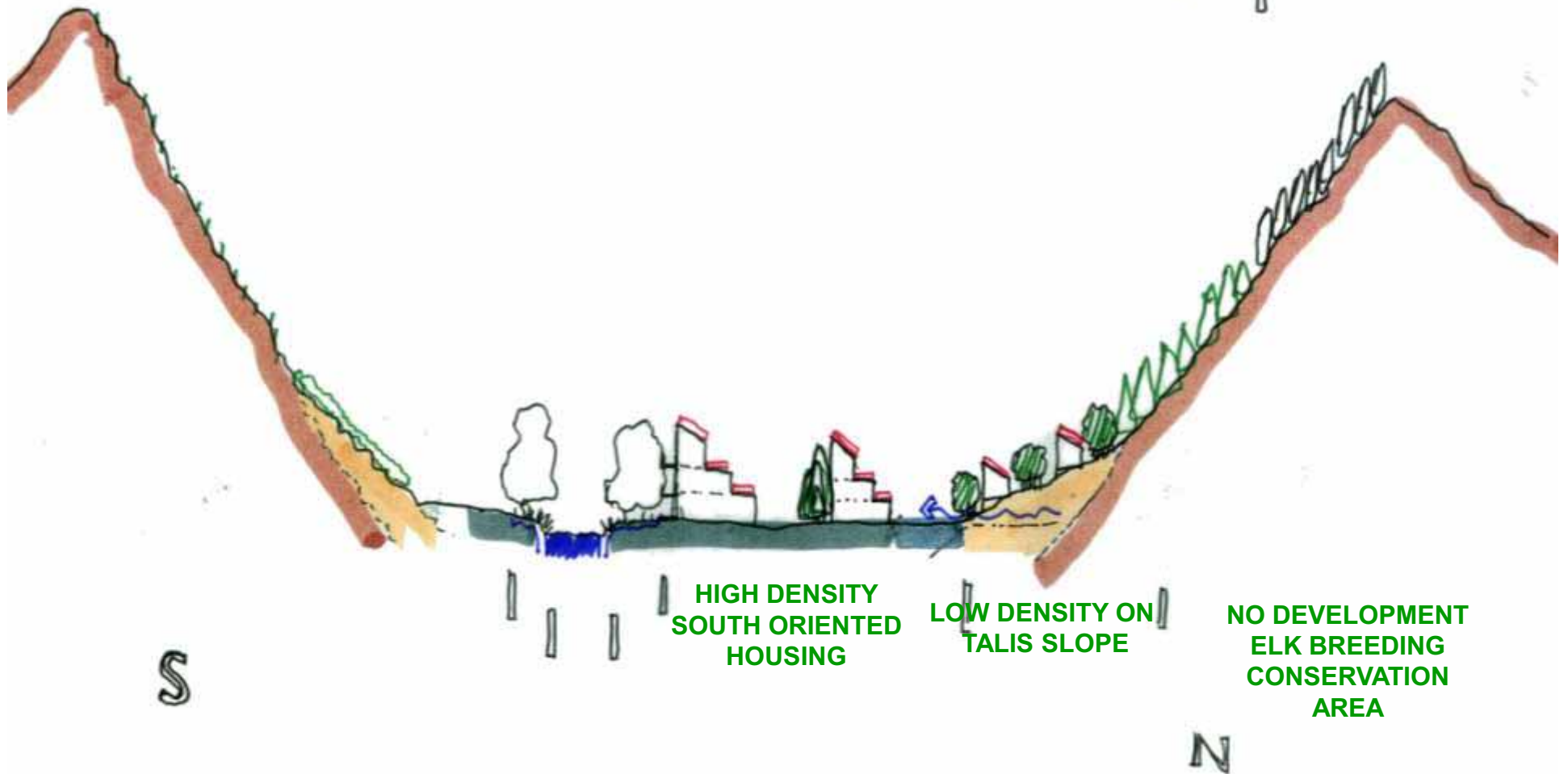
- **Ecology/natural systems**
 - Enhance open space systems with biodiversity of plants.
 - Naturalize areas along stream corridors.
 - Ecologically sound maintenance program
 - Implementation of Audubon principles
 - Habitat enhancement



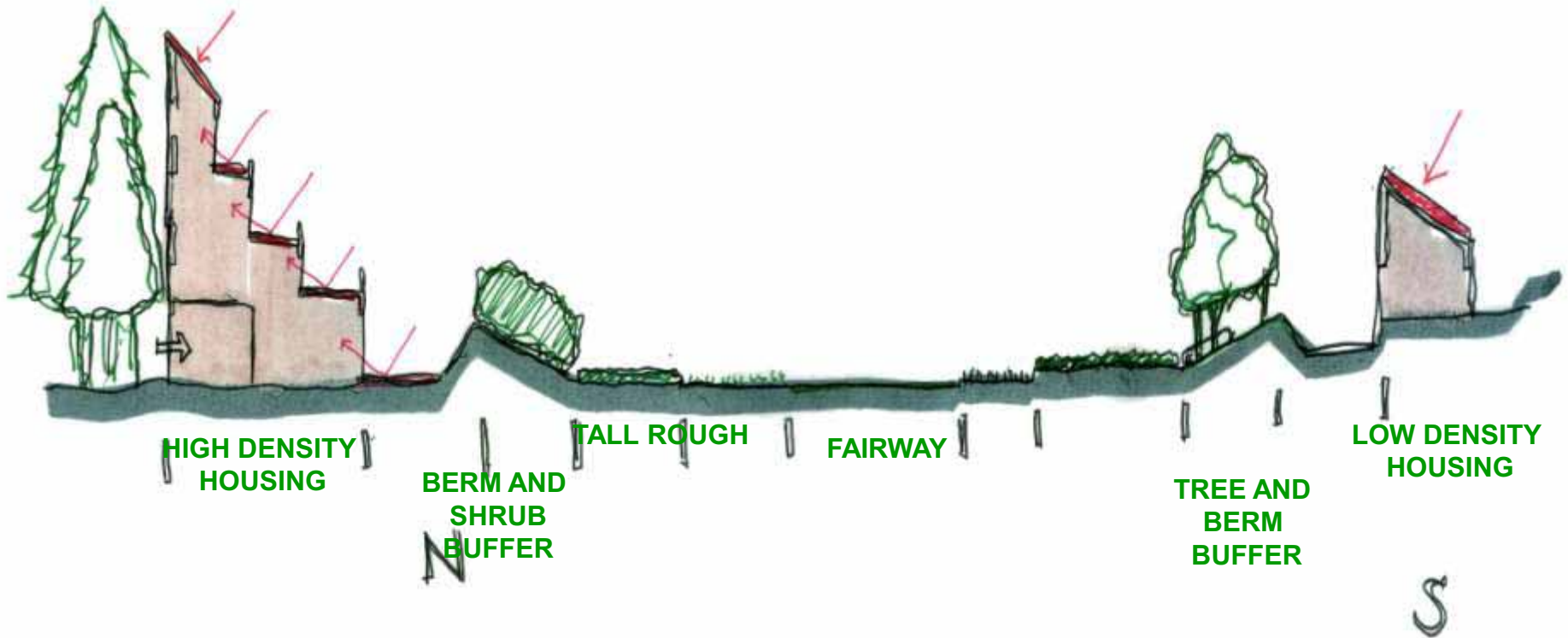
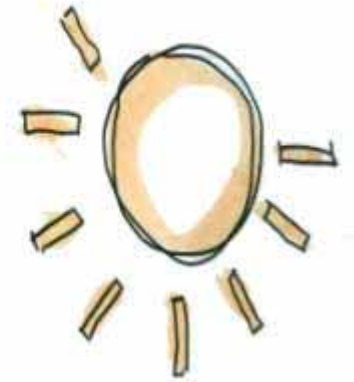
MOUNTAIN ECOLOGY

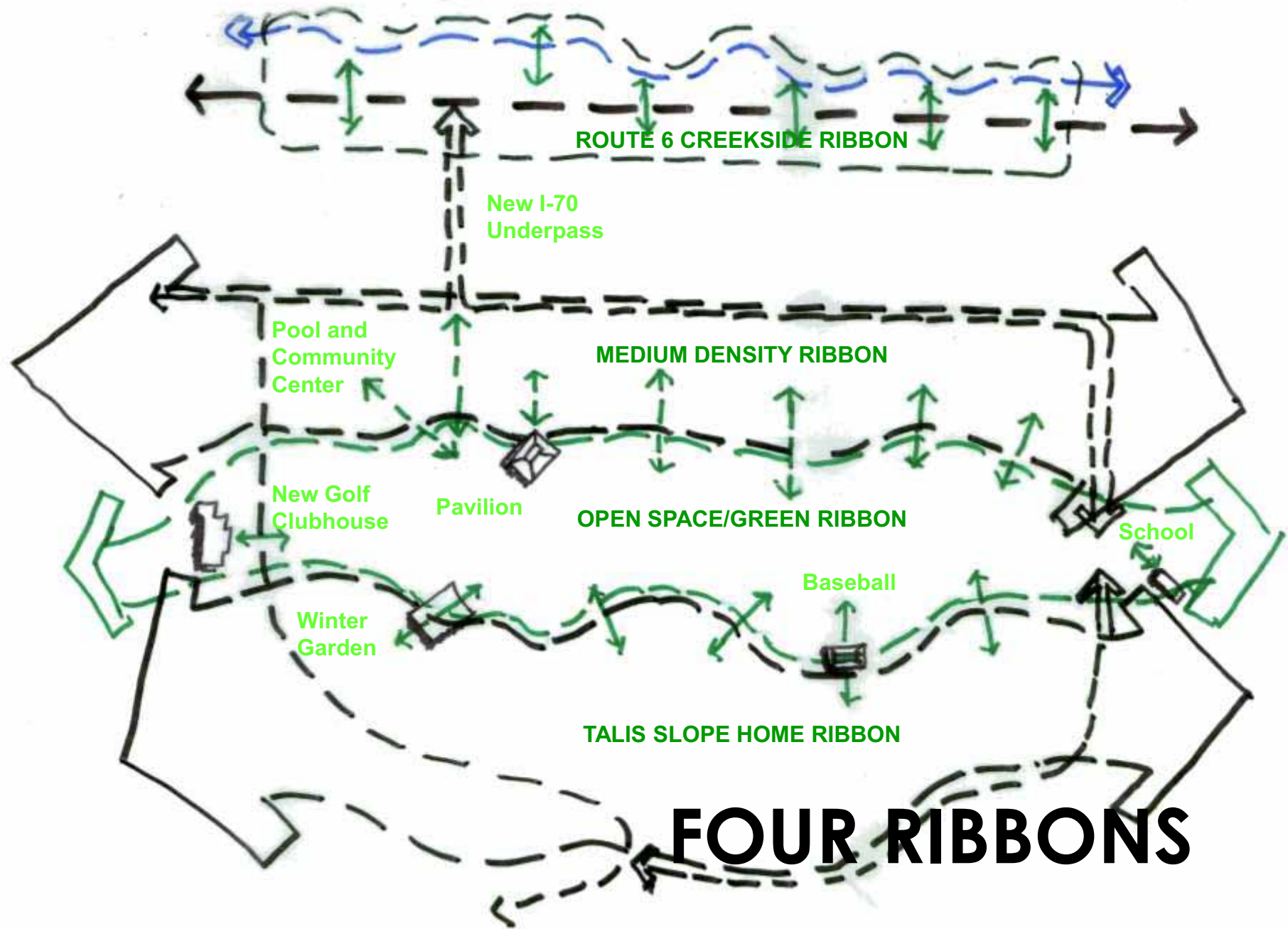


ENVIRONMENTAL CONSERVATION STRATEGY



GOLF COURSE LANDSCAPING

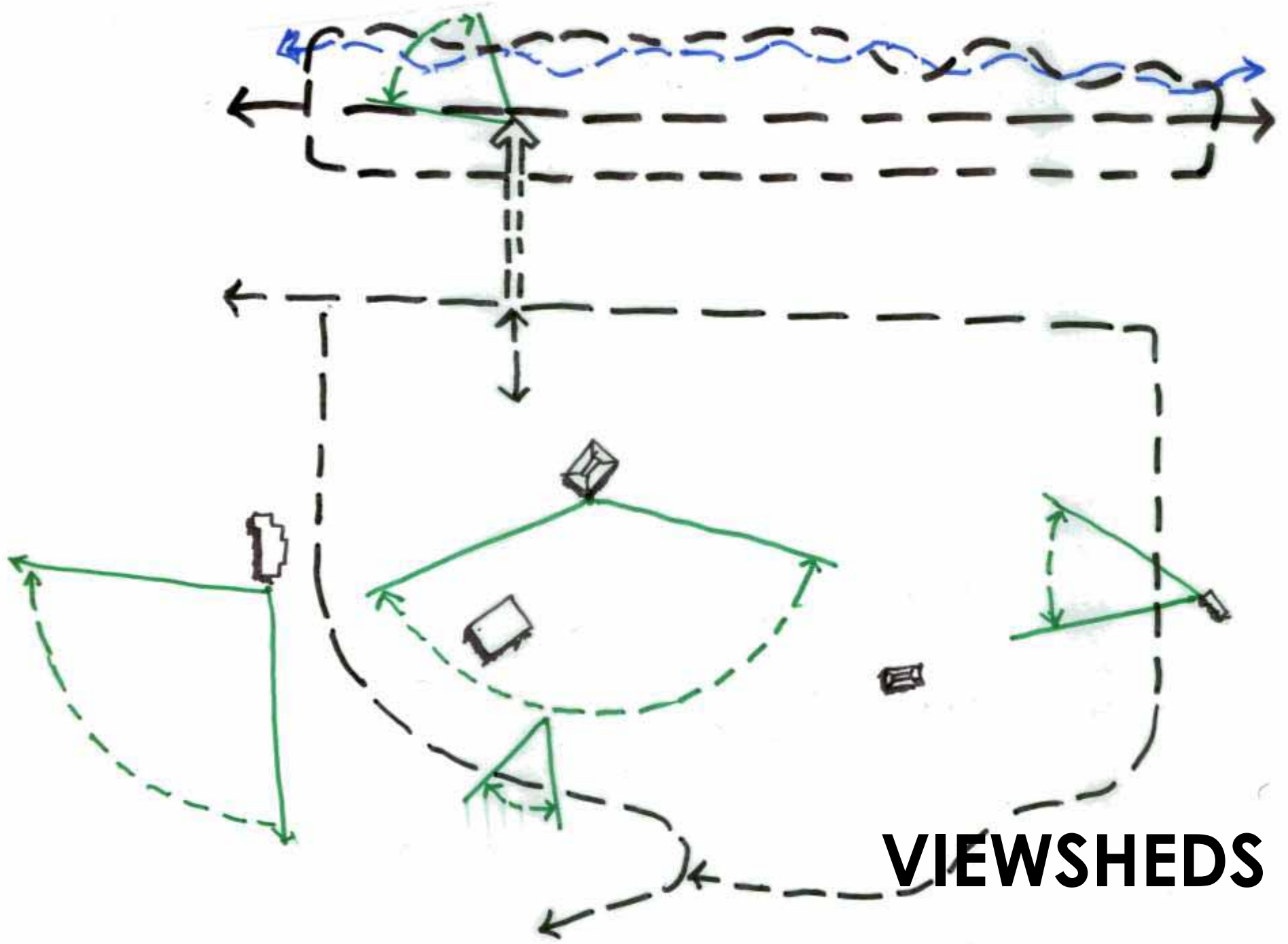




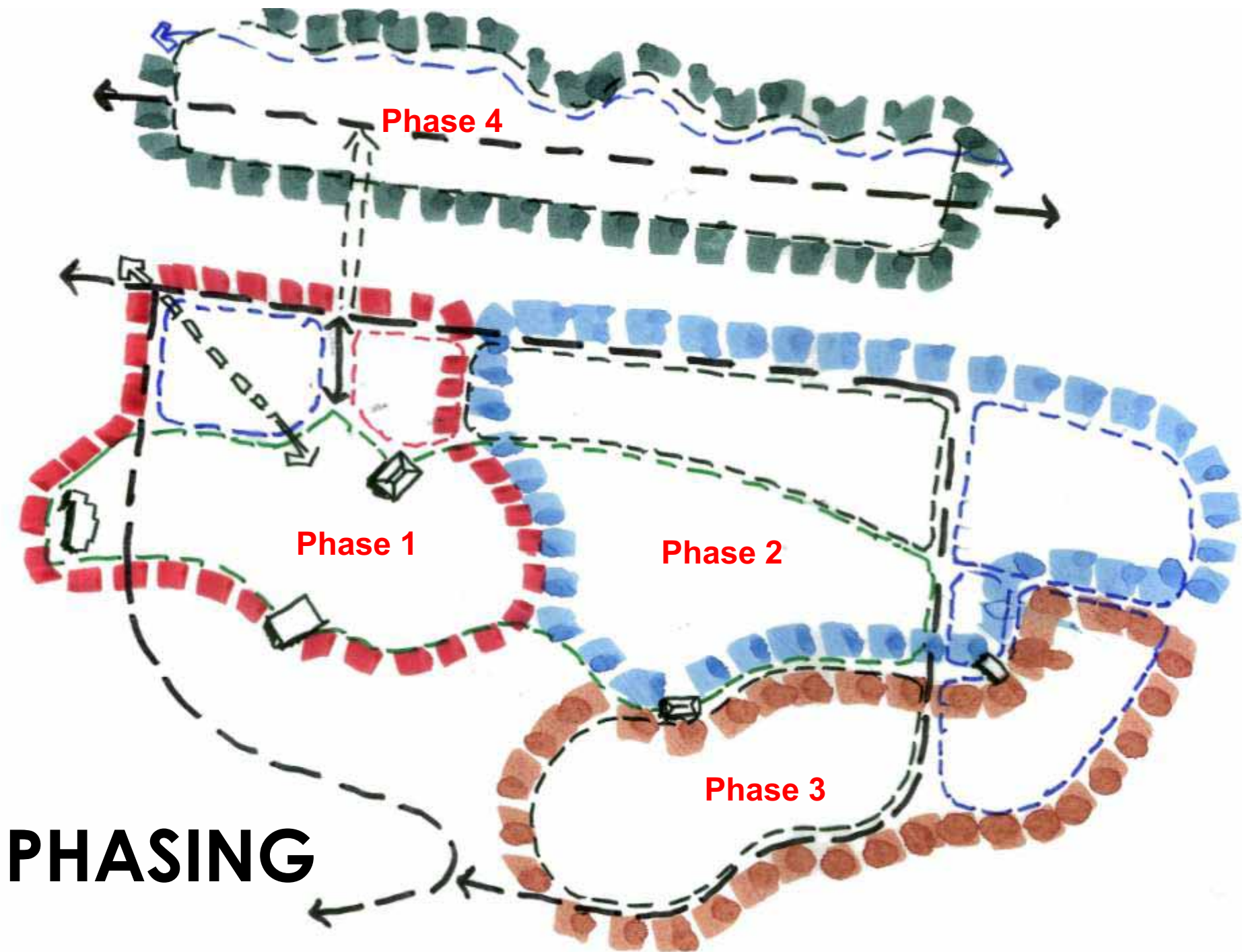
FOUR RIBBONS



PEDESTRIAN AND STREET SYSTEM



VIEWSHEDS



Transportation/Illustrative Plan

Deanna Weber, EDAW








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Transportation Plan



TRANSIT LEGEND:

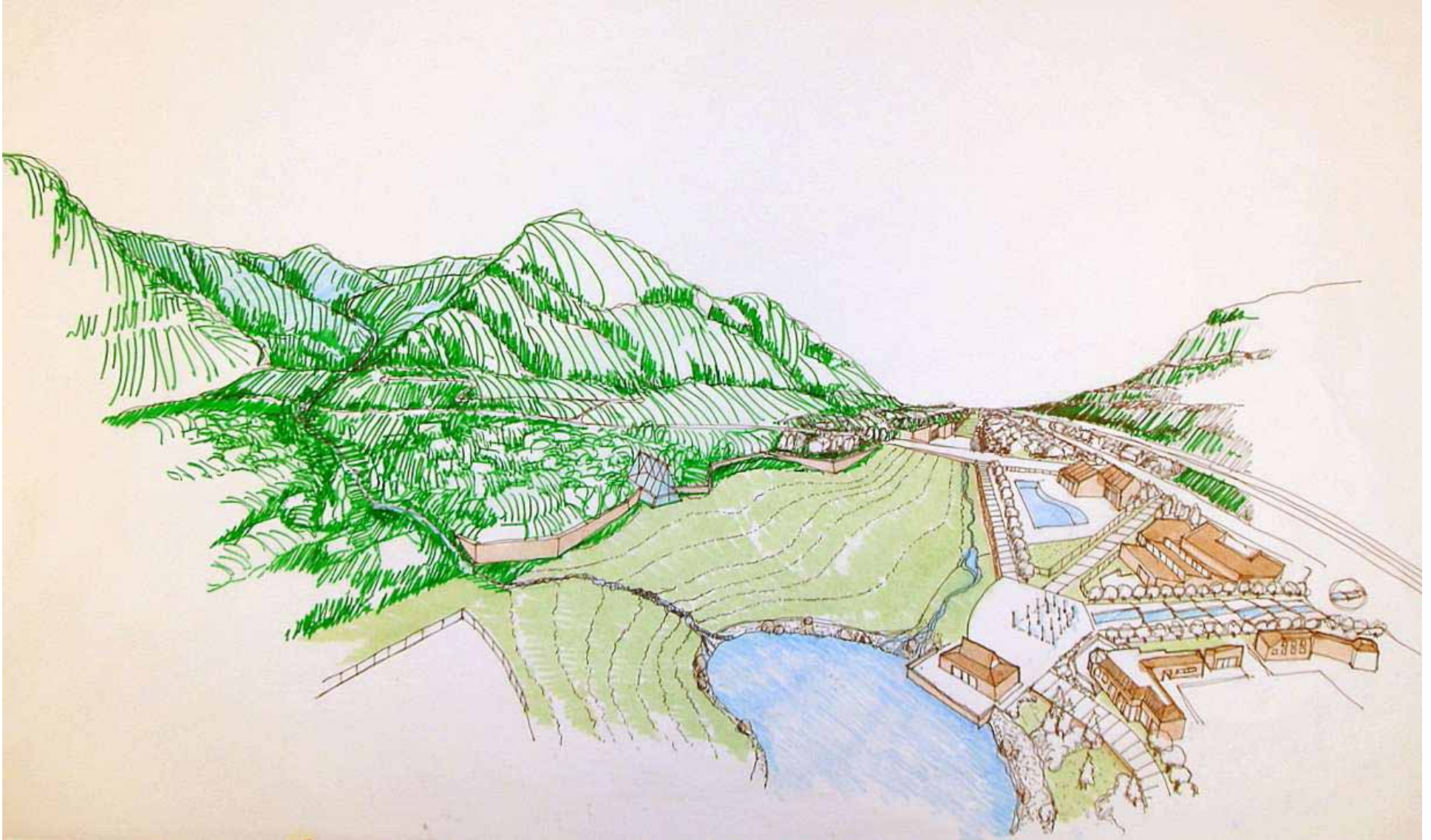
-  EXISTING & PROPOSED BUS STOPS
-  ACCESS TO TRANSIT
-  EXISTING RAIL LINE
-  POTENTIAL LIGHT RAIL W/ STATION
-  PROPOSED SIDEWALK
-  LANDSCAPE IMPROVEMENTS
-  NEW SIGNAGE / MONUMENTATION

Additional Mobility Considerations

- **Dial-a-ride Program**
- **Local Circulator Shuttle**
- **Ride Share Program**
- **Zip/Community Car Fleet**

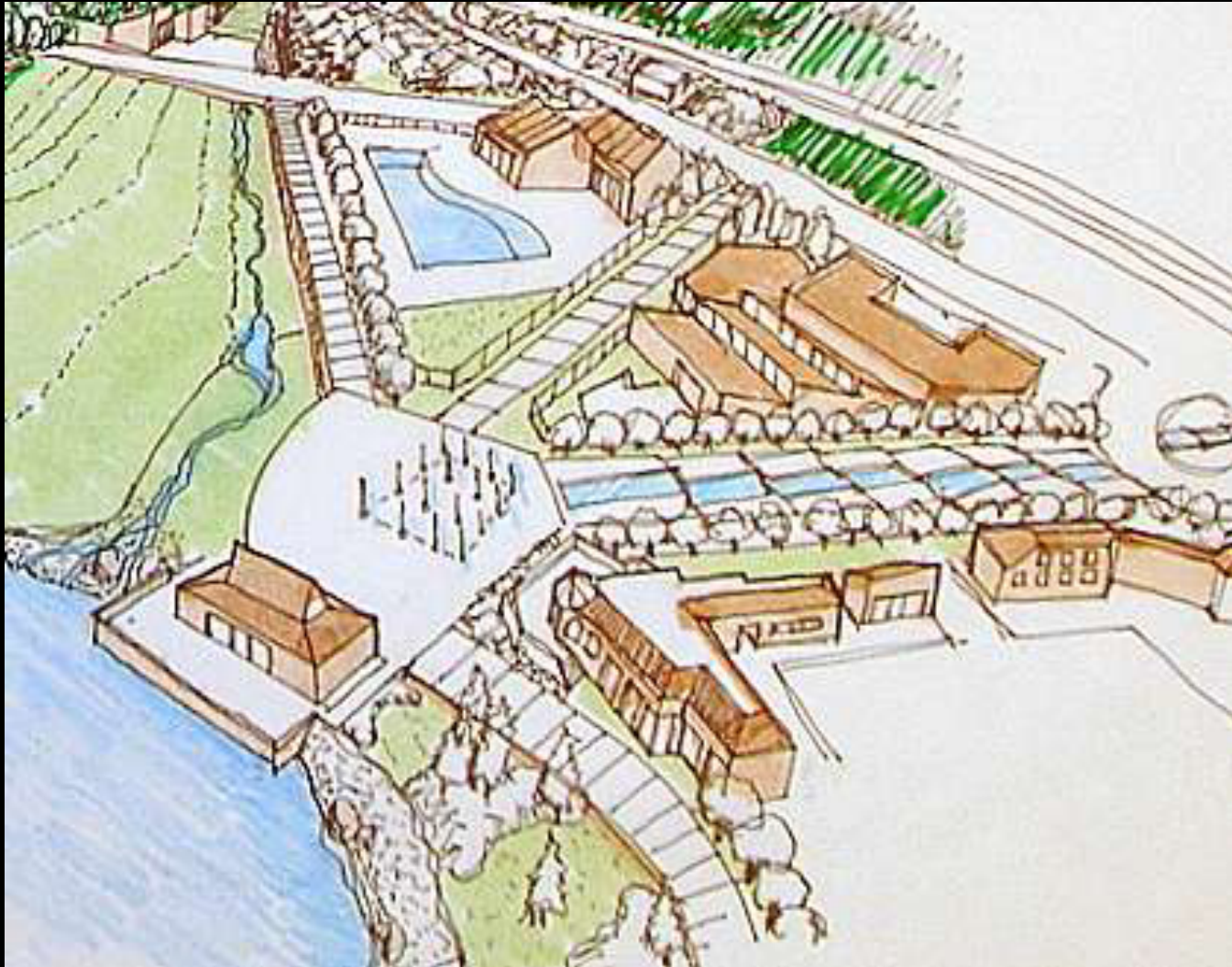


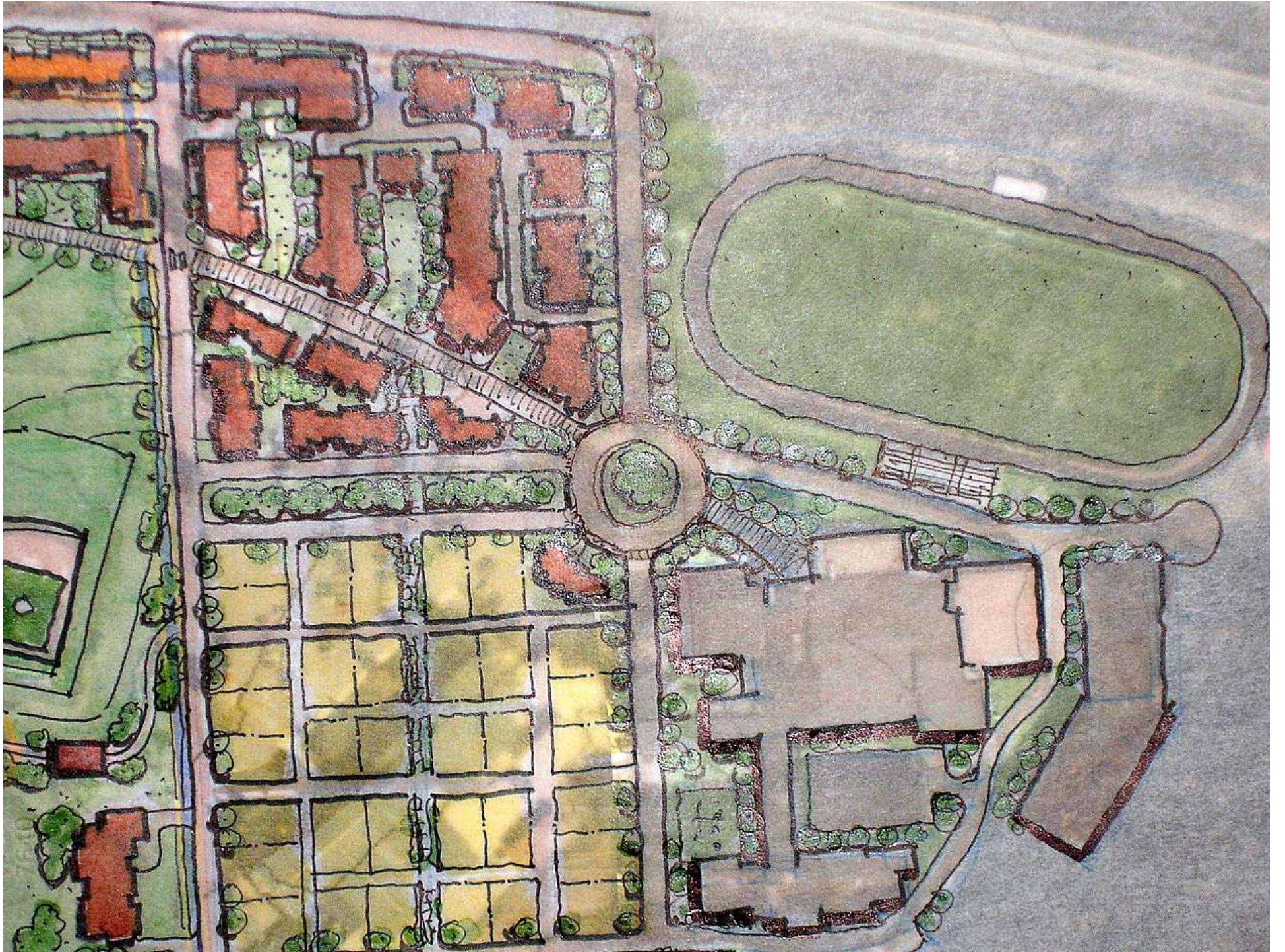
West Facing Perspective





Detail

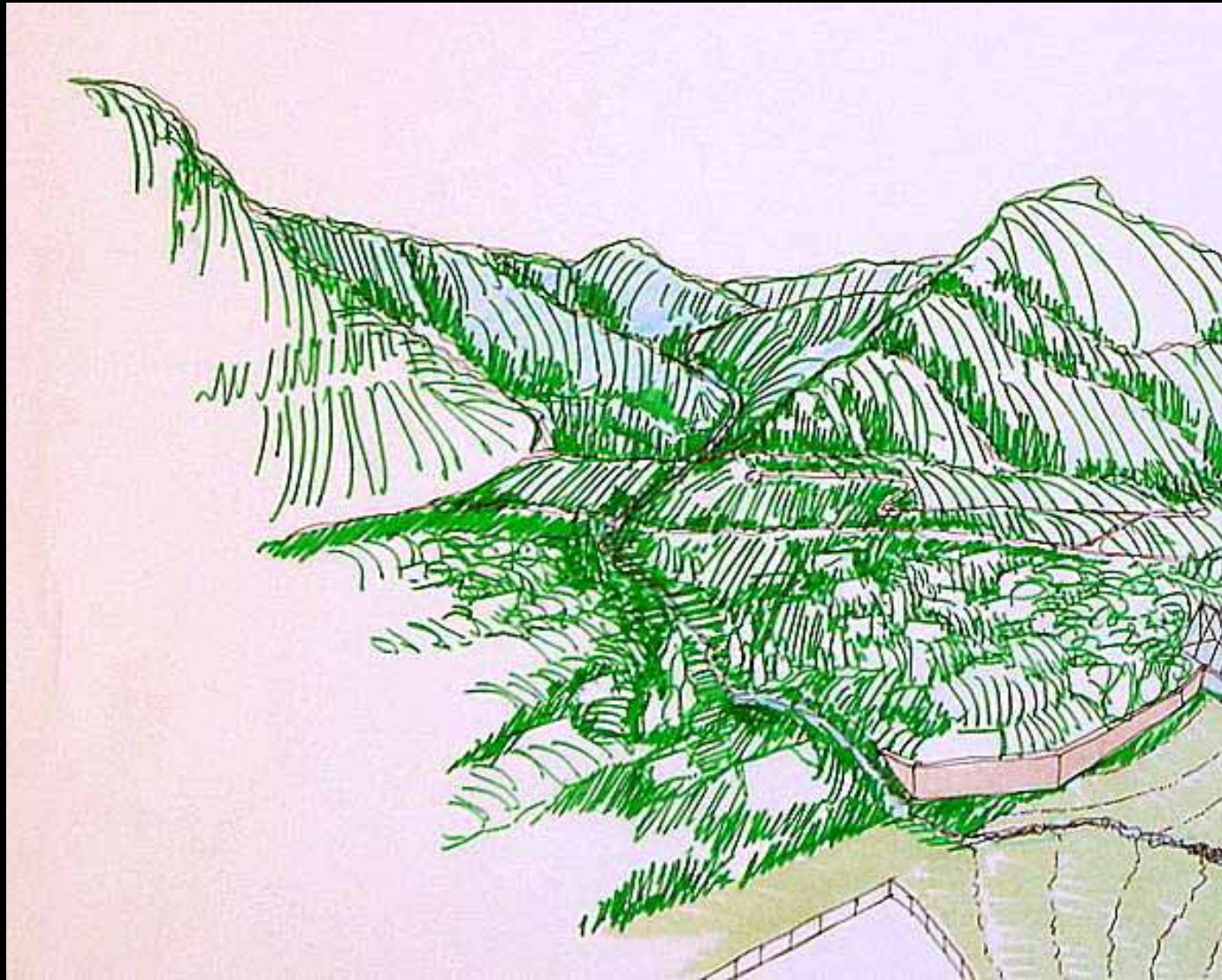








Detail







Governance and Implementation

Ruth Wuorenma
Neighborhood Capital Institute

Eagle-Vail Advisory Services Panel
Eagle County, Colorado



Consolidate Governance

End the split authority: the private property and recreational assets are all part of the same whole.

- **Establish an “Eagle-Vail Board” with authority over both private property and recreational assets, retaining the powers of both predecessor entities.**
- **Create a new unified budget, adding new sources of funding, such as: transfer fees and sales of real estate.**

Centralize Management

- **Centralize and professionalize management:**
 - **Code enforcement continues**
 - **Community enhancements**
 - **Internal/external communications**
 - **Community activities for all ages**



Centralize Management

- **Centralize and professionalize management:**
 - Relationship management with “senior stakeholders”
 - Exceptional recreational maintenance and programming
 - Tenant coordinator

Become a Master Developer

Steps:

1. Create the Eagle Vail Board
2. Create a Commission to oversee implementation and report to the board
3. Hire a “high power” development advisor/project manager

Become a Master Developer

Steps:

4. Issue an RFP for a team to create a Master Development Plan, one that can lead directly into execution upon adoption
5. Choose the development planning team – go first class
6. Create and adopt the plan
7. Begin to implement!

Governance and Implementation

Peter Forsch, PF Enterprises

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Eagle County, Colorado



Protect Investments and Assets

- **Quality of life.**
- **Obligation and management of community assets.**
- **Add other community facilities, services, and programming.**
- **Protect and enhance your investment.**
 - **Golf highest and best use.**
 - **Strong management and adherence to design and maintenance**

Management of Golf Course

- Recognize, educate and enforce a respectful balance between golf and other recreational uses of the golf course.
 - Need to enhance the quality of the course
 - Requires a capital investment
 - Strengthen management capacity
 - Proactively market the course
 - Reduce or eliminate non-golf use of course during summer months



Management of Golf Course

- **Community to determine the right balance between golf and non-golf recreational uses of the golf course such as:**
 - **Summer usage – hours, limitations of dogs, etc.**
 - **Winter usage – buy a groomer, groom 2 tracks:**
 - **Set 2 tracks and skate track**
 - **Separate track that allows dogs**

Community Maintenance

- **Commit to high quality standards of care and maintenance within the community.**
- **Enforce the existing CC&R's and Rules and Regs.**
 - **Buildings/residences**
 - **Land and landscaping**



Community Maintenance

- Encourage and motivate existing homeowners to renovate and upgrade their homes – perhaps allow greater F.A.R. ratios
- Look at up-zoning of commercial property to allow greater density and housing options.

Conclusions

John McIlwain, Urban Land Institute

Eagle-Vail Advisory Services Panel
Eagle County, Colorado



Conclusion - Finances

EVMD Capital Resources		
<i>Sale of clubhouse land</i>	\$	3 mm
<i>Sale of other land</i>	\$	20 mm
<i>Total</i>	\$	23 mm
Uses of Funds		
<i>New clubhouse</i>	\$	- mm
<i>New community building</i>	\$	- mm
<i>Golf course improvements</i>	\$	- mm
<i>Funds for capital reserves</i>	\$	- mm

Conclusion - Finances

School Board Capital Resources		
<i>Sale of land</i>	\$ 5.3	mm
<i>Other sources</i>	\$ 9.5	mm
<i>Total</i>	\$ 14.8	mm

Conclusion - Finances

EVMD Board Annual Additional Income/Expenses

<i>Property value increase from new development</i>	\$ 161	mm
<i>Revenues @ current mill rate</i>	\$ 2.4	mm / yr
<i>2% Transfer Resale Fees</i>	\$ 2	mm / yr
<i>Total</i>	\$ 4.4	mm / yr
<i>Additional Operating Expenses</i>	\$ 1	mm / yr

Conclusion

- **Redevelopment allows:**
 - **Improved recreation & community facilities.**
 - **New housing affordable for the workforce/seniors/others.**
 - **A high quality elementary school.**
 - **An improved golf course**
 - **Strengthened finances for the future.**

Conclusion

Eagle-Vail

The heart of the Vail Valley

A welcoming sustainable mountain *residential* community located between two world-class *resort* communities.