



May 13, 2022

Vail Resorts Development Company
Attn: Bill Rock, Executive Vice President
390 Interlocken Crescent
Broomfield, Colorado 80021

Dear Bill,

The Vail Town Council is committed to collaborating with Vail Resorts in pursuit of incremental new housing solutions and achieving environmental stewardship goals.

The purpose of this letter is to request that you reach out to discuss Vail Resorts' interest in partnering with the Town of Vail on a number of actions aimed at increasing the supply of deed-restricted homes in Vail. The Vail Town Council unanimously supports these actions and is committed to collaborating with Vail Resorts. Under the circumstances, however, time is of the essence.

With this in mind, in order of immediacy, the Vail Town Council presents the following actions in hopes of Vail Resorts engaging with the Town as a participating partner in their completion. Admittedly, not all the details have been resolved, nor can they be without further engagement by Vail Resorts. The Vail Town Council is seeking your support, mutual acceptance, and partnership in pursuit of the following:

PROPOSED ACTIONS

ACTION #1 – Master Lease or Own Homes in the Residence at Main Vail

The construction of the 72 new for-rent apartments at the Residences at Main Vail is underway and on schedule for completion by September 1, 2023.

The Town of Vail will explore the implications of restructuring the financing of the Residences at Main Vail to allow for master leasing or ownership opportunities for Vail Resorts of a minimum of 144 beds on terms equal to those terms previously contemplated at Booth Heights. The Town will complete the exploratory work by July 1, 2022.

This is the most immediate action and results in 72 new homes by September 1, 2023.

ACTION #2 – Public/Private Partnership for the development of the West Middle Creek Parcel

The Town of Vail is prepared to submit an application to rezone the West Middle Creek parcel to the Housing (H) District. Given the existing zoning in place on the +/- 17-acre site, an opportunity exists to rezone the parcel with little to no impact to the total amount of area currently zoned for open space.

This action creates an opportunity to develop incremental new homes for year-round and seasonal Vail residents. While not yet finalized, the number of homes is dependent upon site design, density, building height, home sizes, parking, product type, etc. The rezoning process is to begin immediately and will be completed by September 1, 2022.

The Town of Vail is open to discussions including granting ownership and/or master lease options for all, or a portion of the new homes constructed on the West Middle Creek parcel to Vail Resorts, subject to terms.

With Vail Resorts' acceptance, the Town of Vail is also agreeable to engage with Vail Resorts as a co-applicant and financial partner in the development review process.

This action could result in 200 or more beds for the exclusive benefit of Vail Resorts.

ACTION #3 – Trade Booth Heights parcel for West Middle Creek Parcel

Trade the title to the Booth Heights parcel to the Town of Vail in exchange for Vail Resorts gaining incremental new housing opportunities at West Middle Creek parcel and/or the Residences at Main Vail.

The Town of Vail understands additional financial consideration may be necessary to justify the transfer. The amount of additional financial consideration would be determined by real estate appraisals.

This action results in the protection and preservation of 23 acres of bighorn sheep habitat and housing for Vail Resorts and the greater Vail community and casts the most positive light on our collaboration.

ACTION #4 – AMENDMENT TO LIONSHEAD REDEVELOPMENT MASTER PLAN

The Town of Vail is agreeable to collaborating with Vail Resorts on an amendment to the Lionshead Redevelopment Master Plan for the EverVail site to ensure the future development of incremental new deed-restricted housing, realignment of the South Frontage Road, an increase in hotel and short-term lodging beds, enhanced retail vibrancy, improved on-mountain access, more efficient ski mountain maintenance facilities, and other critical Vail Resorts' and community needs.

This action will result in a significant number of deed-restricted homes (TBD) and provides additional benefits to Vail Resorts and the Vail community.

ACTION #5 - TIMBER RIDGE VILLAGE APARTMENTS REDEVELOPMENT

This action is underway. The Timber Ridge Village Apartments redevelopment will include a minimum of 200 new, deed-restricted homes.

The Town of Vail will complete an updated market study, design development, and entitlement approval process to redevelop Timber Ridge Village Apartments by August 1, 2023.

Construction is expected to begin September 1, 2023.

The new Timber Ridge Village Apartments are to be completed and available for phased occupancy from February 1, 2025 through April 1, 2025.

This action results in more than 100 incremental new deed-restricted homes adding to the supply of homes for the Vail community.

ACTION #6 – TOWN OF VAIL PUBLIC WORKS FACILITIES SITE

The first phase of the Public Works site redevelopment has been completed. A pending phase of redevelopment includes the construction of new deed-restricted homes. While many of these homes are intended to meet the housing needs of the Town of Vail municipal workforce, a substantial number will remain available to support the housing needs of the Vail community, including leasing to Vail employers.

This action results in the construction of approximately 120 incremental new homes adding to the supply of homes for the Vail community.

CONCLUSION

The actions above are projected to result in approximately 475 - 525 new homes dedicated to year-round and seasonal Vail residents. With the support of Vail Resorts, these actions will represent the largest increase in the total supply of resident-occupied homes in any five-year period in Vail's history. Not since its investment in First Chair will Vail Resorts realize such a significant increase in homes for its valued workforce.

Again, upon receipt of this letter, please reach out to schedule a meeting to discuss Vail Resorts' interest in partnering with the Town of Vail in these incremental new housing actions.

Sincerely,



Kim Langmaid, Mayor
Town of Vail

Cc: Stan Zemler, Town Manager
George Ruther, Housing Director