

Real Estate in the News - May 2018

Compliments of the Aspen Board of REALTORS®. A rundown of government and business activity over the last month, focusing on issues and items that are of particular interest to the Real Estate community

Aspen

Developers, City Agree to Bring Lift 1A Down

Two hotel developers, the Aspen Skiing Co. and city of Aspen have reached conceptual agreement on a plan to bring a new Lift 1 down to Dean Street, while preserving a portion of the original chairlift structure that serves as one of the community's most important historic sites, the Aspen Daily News reported.

The plan represents a significant shift in the prospects for skier access in the South Aspen Street neighborhood, where since 1972 the bottom of the chairlift has been located three blocks uphill from the original Dean Street point of entry. The city of Aspen has been vetting various development proposals for the area for over a decade, all of which contemplated a new lift with a lower terminal near the existing placement.

Supreme Court Upholds Plastic Bag Fee

The Colorado Supreme Court upheld Aspen's fee on paper grocery bags, finding that the 20-cent charge is not a tax because it offsets the costs of a municipal waste-reduction program, the Aspen Daily News reported. The state high court upheld a district court decision from 2014 and a Colorado Court of Appeals ruling from 2015.

The Colorado Union of Taxpayers, a Lakewood-based group that advocates for conservative tax policy, brought the lawsuit following the program's implementation in 2012, arguing that the fee is actually a tax. Since new taxes must be approved by voters under the Colorado Taxpayer's Bill of Rights constitutional amendment, the group argued that the fee, which was not put up for voter approval, was unconstitutional. Aspen City Council in 2011 passed the so-called waste-reduction ordinance, which banned single-use plastic bags offered upon checkout at local grocery stores and required the 20-cent fee for paper bags.

Aspen City Council Agrees to Move Water Storage

Aspen City Council agreed to transfer long-held, conditional water-storage rights out of the Castle and Maroon creek valleys to less environmentally sacred locations, appeasing five parties that have been opposing two water-court actions to extend the municipality's rights to build dams in the valleys, the Aspen Daily News reported.

Those rights date to 1965 and are decreed for a 9,000-acre-foot reservoir on Castle Creek, 2 miles below Ashcroft, and a 4,500-acre-foot reservoir on Maroon Creek, just below the confluence of East Maroon and West Maroon creeks, within view of the Maroon Bells and encroaching on designed wilderness. The parties that have reached the stipulation agreements are Wilderness Workshop, Western Resource Advocates, Asp Properties LLC, Double R Creek Ltd and Pitkin County.

The city will file a water-court application to change the location of those rights to one or more of the following locations: the Woody Creek parcel adjacent to the gravel pit, the gravel pit itself, the Aspen Golf Course, Cozy Point Ranch and the Zoline Open Space, or any other location the parties agree to in writing.

Snowmass

Snowmass Mall Under Contract

The majority of the Snowmass Mall is under contract to a group of local investors who are “cautiously optimistic” that the sale will close by mid-June, the Aspen Daily News reported. Dwayne Romero is head of a small investment group led by The Romero Group, which has the main section of the mall, Snowmass’ original commercial zone, under contract for an undisclosed price, the Aspen Daily News reported.

The current owner is Related Cos., which acquired the property in 2007 and employs its own personnel for mall maintenance. Investors are not interested in bulldozing the existing buildings nor uprooting the businesses. The property The Romero Group would acquire starts at the bus stop area, including Fuel, and encompasses the main part of the mall up to Christy Sports on one side and up to the free standing Aspen Snowmass Sotheby’s building on the other side.

Building 6 to Become “Village Hall”

As East West Partners moves forward with its "Village Hall" concept inside Snowmass' community-use Building 6, Aspen Center for Environmental Studies — one of the town's first contenders to program the space — is interested in collaborating inside the facility, the Aspen Times reported.

Snowmass Discovery also is on board with new plans for the space. The building agreement between the town and East West allocates 2,314 square feet of the bottom floor to display fossils from the 2010-11 dig at Ziegler Reservoir.

Along with the Ice Age Discovery showcase at the lower level of Building 6, Snowmass Ventures proposes in its plan a 2,600-square-foot game lounge. At the plaza level of the building, Village Hall calls for a restaurant with a bar and approximately 100 indoor seats as well as "community-flex space" with theater rows that can seat as many as 120

people for events such as films, speakers and small concerts. Construction is expected to be complete in November.

Basalt

Midvalley Tax Approved for Park

A proposed property-tax increase for the Crown Mountain Park & Recreation District won narrowly in a midvalley election in May, the Aspen Daily News reported. The district's board asked voters for 1.95 mills on top of the 1 mill that currently generates revenue for park operations and maintenance. The 1.95-mill increase is estimated to bring in an estimated \$695,000 annually.

Park officials, and a majority of board members, contended that the district's current tax revenue of around \$350,000 per year wasn't nearly enough to maintain the quality of the 16-year-old facility. Opponents claimed the increase was too high as well as fiscally irresponsible because there was no sunset provision, or ending date, connected to the tax.

Carbondale

More Than a Dozen Sculptures Raised Downtown

The Carbondale Public Arts Commission and town staff installed 14 new sculptures in downtown Carbondale, just in time for summer and the new ArtWalk, the Sopris Sun reported. Among the selections are works by Carbondale artists Wallace Graham and Chester Haring, with others ranging from Paonia and Aspen to Minnesota and Texas. There were more than 70 applicants.

Glenwood Springs

Melville Family to Purchase Hotel Colorado

Aspen's Melville family is making another move on another hotel in Colorado, this time involving the 124-year-old Hotel Colorado in Glenwood Springs, the Glenwood Springs Post Independent reported. The move comes a year and four months after a previous effort to buy the property by the owners of the neighboring Glenwood Hot Springs Lodge and Pool. That deal fell through a week before the scheduled closing in January 2017.

The current owner of the Hotel Colorado is the Bastian family of Wichita, Kansas, through Glenwood Properties Inc. The property is listed on the National Register of Historic Places. If the deal closes as anticipated, the Melville family will have three hotels under its ownership. In April 2017, it bought the 21-room Cristiana Guesthaus in Crested Butte for \$1.7 million. Ralph Melville, Craig Melville's father who died in

February 2016, opened the Mountain Chalet, located near the base of the west side of Aspen Mountain, in 1954 with three guest rooms.

Pitkin County

Booze Ban Goes into Effect on RFTA

Beginning Saturday, June 9, open containers of all alcoholic beverages will be prohibited on all of the Roaring Fork Transportation Authority's buses, the Aspen Daily News reported. Closed alcohol containers will still be allowed. The ban on open consumption is an effort to improve the safety and security of personnel and passengers, officials have said. The decision follows a number of measures taken by the board earlier this year to improve the safety, security and overall experience for all RFTA personnel and passenger.

E-Bikes Get Initial Approval from Commissioners

Pitkin County commissioners indicated their initial support for allowing one type of e-bike on hard-surface trails in the county, the Aspen Times reported. It's the first step toward changing the county's Open Space and Trails regulations to allow pedal-assisted, or class 1 e-bikes, to use them. There will be followup public hearings and second readings on the ordinance.

The change was prompted by Colorado state law, which changed in August and reclassified class 1 and 2 e-bikes as bicycles and not motorized vehicles, thus allowing them on trails. Class 1 and 2 bikes cannot travel more than 20 mph, which is the speed limit on the Rio Grande Trail set by the Roaring Fork Transportation Authority. In August, Pitkin County commissioners passed an emergency ordinance prohibiting all e-bikes on county trails so county officials could gather information about what to do about the new state law.