

**ASPEN CHAMBER RESORT ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
September 30, 2014**

Call to order: Donnie Lee called the meeting to order at 8:39 a.m.

Attendance: Present: Debbie Braun, Dan Bonk, Simon Chen, Jeanette Darnauer, Nina Eisenstat, Corey Enloe, Doug Kidder, Warren Klug, Donnie Lee, Lisa LeMay, Cristal Logan, Maria Morrow, Laura Smith, Michael Owsley, David Perry, Tim Perry, John Sarpa, Steve Skadron, Kenny Smith, Riley Tippet and Bill Tomcich. Absent: Beth Albert, Jeff Bay, Adam Fortier, John Maloy and Dwayne Romero. Staff present: Dorothy Frommer, Erik Klanderud and Kelly Pazar. Guests: Jon Peacock, Pitkin County Manager; Lisa Poole, Aspen Ambulance District paramedic; and RJ Gallagher, Forte International

Approval of prior meeting minutes: The board unanimously approved the August minutes.

Conflict of Interest: Mayor Steve Skadron will be excusing himself for the Sky Hotel presentation.

Presentation: Ambulance District ballot question 1A - John Peacock

There will be a question on the November ballot to increase what they are currently allowed to tax. There needs to be modernization and renewal of their infrastructure which is suffering from structural deficit issues. Need to replace the building which no longer fits the vehicles. Costs are growing 8% to 10% per year, and current tax revenue collections only allowed at 3% per year. They have seen a decline in amount of collections, and are asking for an increase from .22 to .501 which would only be collected during necessary times, which the Board would decide. The BOCC is in favor. A critical care paramedic is on duty every day, and there has been no budget increase in 32 years. The line people are committed to community, locals, and guests. Additional funds are necessary in order not to cut the high level of service. It will also provide for basic things like uniforms and continuing education which staff has been paying for on its own. They are on call 24/7/365 via 911. In winter, 2 are available per day, they are backup for Snowmass Village, and vice-versa. During events, they must be fully staffed with an ambulance available.

1A: SHALL ASPEN AMBULANCE DISTRICT TAXES BE INCREASED BY UP TO \$549,000 IN 2015 AND BY SUCH AMOUNTS AS MAY BE COLLECTED ANNUALLY THEREAFTER BY A PROPERTY TAX LEVY OF UP TO 0.501 MILLS; AND SHALL THE DISTRICT BE ENTITLED TO COLLECT, RETAIN, AND SPEND THE FULL REVENUES FROM THE PROPERTY TAX LEVY OF UP TO 0.501 MILLS REGARDLESS OF WHETHER THE ANNUAL REVENUES FROM SUCH LEVY EXCEED THE REVENUE LIMITATIONS CONTAINED IN THE PITKIN COUNTY HOME RULE CHARTER, STATE LAW OR THE STATE CONSTITUTION?

MOTION: Warren Klug made a motion that the Chamber support ballot issue 1A. Cristal Logan seconded the motion which passed unanimously.

Presentation: Sky Redevelopment Proposal – John Sarpa, owner-representative, and Corey Enloe, Sky Hotel GM

This project epitomizes Defy Ordinary and is doing something for the community that we know is important. Visit www.thenewskyhotel.com which has many details and lists the team. The project has a mid-priced tier structure which meets the goals of the Aspen Area Community Plan. It addresses the question: What are we doing to sustain the next generation of Aspen guest? Size and mass will be community discussion. The hotel does not meet the Kimpton hotel standards. Improvements have been made that people can't see - to heat etc. The building is falling down...support pillars are rotting, roof would need to come off in order to be fixed. Other issues: plumbing, drainage, HVAC, sound proofing, onsite parking, inefficiencies, not green, low ceilings, bathroom sizes, narrow corridors, storage, corridors with exterior entrances, no elevator access to rooms on 2nd floor. The architecture needs to look like it belongs in Aspen – a “modern chalet” – an old chalet roof line with modern elements. There will be 5 on-site affordable housing units on site which have been reviewed and supported by the housing authority. How much residential is needed to keep it mid-priced, eight. According to the Triumph report ([link](#)); if the project was 3 stories with no residential component then the ADR would be \$875. 8 units would allow for lowering of the room price. The peak is 52'. Average height is 37.8'. 60% of bldg. is less than 40'. There is no full-time restaurant.

Outreach to the community: They have spent time with neighbors, had 'Go-to' meetings and sent a package to the neighbors. The next P&Z meetings are on 10/7 and 10/21. If this effort doesn't work the owners will probably sell and more than likely it will become a luxury property, not a 3 ½ star limited service property. Height, if done well, is not

opposite to our community values. Meeting space is doubling. They are asking for 3 variances – height, small set-back, and request more FAR due to the Dumont and Chaumont having claimed a prescriptive easement on property. Board comments: Excellent, fits well, what the community needs. The view down Spring Street doesn't look objectionable at all. It speaks to the renewal and modernization of the bed base that we need. Nice balance with mass and scale. The Ski Company is going to support it. Consistent with the principals in our econ sustainability project, and what ACRA thinks is best for the community. We need to think about how we are going to approach this project differently from the lodging incentive program. Need new fresh faces to support it at meetings. Donnie Lee said if this board supports the project, we will take it back to the Public Affairs committee to draft a resolution in support in time for the 10/21 P&Z.

Chair's comments: We must keep our economic sustainability and core values front and center when we are evaluating issues before the board such as improving the airport and revitalizing lodging. View through the lens "does it meet the standard of Defy Ordinary?" In today's board packet you will find the pillars of economic sustainability.

President's comments: Thanks to Adam and Finance Committee for their work on the new Financial Policies & Procedures which you should see by the end of the year.

Public Affairs Committee Update: Maria Morrow said that it's exciting to see projects consistent with our values. Regarding air service, the committee recommends to the board that ACRA support the airport redevelopment.

MOTION: Maria made a motion on behalf of the PA Committee that the ACRA Board support Pitkin County in the airport redevelopment. The motion was seconded and passed unanimously.

Executive Committee Update:

Marketing Advisory Committee Update: Corey report that the committee has had a first look at the marketing campaign budget for next year. The City of Aspen loan will be paid off at the end of this year. The question now is how to drive new business with those funds? We will take small steps. The Board will see the DM budget at the next board meeting.

Nominating Committee Update: There are 6 seats up for election. We've heard from most incumbents that they will run again, two are still deciding. The election timeline is in the board packet.

Old Business: none

New Business: none

Directors' Comments

Adam Fortier: absent

Beth Albert: absent

Bill Tomcich: The sound volume of electronic signage at airport has been turned down. There are an additional 102 flights coming in this winter. United added non-stop flights early season prior to 12/18. Starting Saturday 12/3 running Chicago and Houston and LA daily, switching to high frequency on 12/18. We are the only resort to have non-stop dailies in the early winter season.

Corey Enloe: Winter is looking strong. Holidays are down right now but the 1st quarter looks solid.

Cristal Logan: In marketing, it is difficult to show the arts and cultural offerings and convey the strength of that group in Aspen. At the non-profit arts and cultural meeting, all groups had a great summer. Jazz Aspen in June was down a little due to running at the same time as Food & Wine. Cafes at the Little Nell did great. Economic strength is coming back,

but the Health and Human Services non-profits still need support in order to assist those in our community who are still struggling.

Dan Bonk: no comments

David Perry: no comments

Doug Kidder: Summer finished strong. Numbers were up so far this fall too.

Dwayne Romero: absent

Jeanette Darnauer: no comments

Jeff Bay: absent

John Maloy: absent

John Sarpa: Looks like this will be a very good real estate year. Inventory is down, demand is high.

Kenny Smith: Looking forward to a great winter.

Laura Smith: They had a great summer, audiences were happy. There was pre-recession energy and attendance. This winter, there will be 3 recitals in Harris Hall, and MET broadcasts to the Wheeler. Next year the season will run July 2 to August 23. The summer runs late as Labor Day will. At the non-profit cultural organization meeting, they had a robust discussion around PR, the Defy Ordinary video and ACRA website. The proportion of cultural organizations represented could be better. They are talking with the creative team to provide more emotive images, etc for promotion.

Lisa LeMay: July and August were extremely strong. September weakened a bit but still even with last year. She is hearing from businesses expressing concern over limited rental market for employees – it is making it difficult to bring in seasonal employees.

Maria Morrow: There is a need for new involvement in community issues. What kind of changes are we willing to make to keep the community vital? A topic in Public Affairs committee is – how to get your employees to decrease the hysteria when we are talking about facts. How to get thoughtful people involved who aren't afraid of incremental change? How can we do this? Please call Maria or Public Affairs committee member with your ideas.

Michael Owsley: Thanks to ACRA for its endorsement of the airport redevelopment. It is a community airport. County facility but the community is providing support. Commissioners are looking to add a community safety building to the rear of the courthouse annex. There isn't enough room for the sheriff's department. The City of Aspen is looking at another adjacent property for the police department. History of the courthouse is important, but changes are needed because of the growth of modern Aspen over 60 years.

Nina Eisenstat: ACRA marketing accomplishments great. She is looking forward the plans which are very innovative. We have been in many top 10 lists, etc.

Riley Tippet: Membership is doing great work in getting new members. The Membership committee will reach out to those new members, to ensure they want to continue to be engaged in the chamber, and not just for the ski pass.

Simon Chen: There was strong growth year over year for summer. Housing will be a big issue for employees.

Steve Skadron: He recently met with Mike Kaplan. The City needs to be responsive to 1A issues, and he is in support. The parking scam has been a really challenging issue in city hall. He wanted a response that was decisive and immediate: 1. Management structure inside needs to be dealt with; and 2. Response to community. The Council is engaged.

Mountain Plains Museum Conference is being hosted by Georgia Hansen right now. In the 1st week of October he will be attending the SHIFT Summit in Jackson Hole on the future of sustainability. Wagner Park is being rebuilt and won't be available till next spring. It's a 20-year upgrade to the park, it is being wired, rebuilt from the ground up, with a clay sub-structure to return park to its appropriate degree of use more quickly. The closing is a short-term challenge for long-term benefit. Airport – the electronic array of the displays is contrary to the guest experience of mind body spirit. Is that worth a discussion? The NY Times ran a story on the museum that was both positive and negative.

Tim Perry: no comments

Warren Klug: That is good news on membership which is up. Congratulations on the added air service. The Western Slope College Fair this weekend. Summer hotel business was record-breaking, winter numbers are coming along. Thanks to city for the HOA.

Adjournment: 10:37 a.m.

These minutes approved by the Board on 10/28/14