

Copper Mountain Fiscal Conditions

presented to

**Copper Mountain Property Owner and Lessee Association,
Copper Mountain Resort Association,
Copper Mountain Consolidated Metro District,
The Village at Copper Mountain,
& Copper Mountain Resort**

presented by

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Project Goals and Purpose

Purpose/Scope

- Examination of peer community's economic structure, service delivery systems, and long-term sustainability to help identify opportunities that could be adopted to improve Copper Mountain's present day composition and to address the three goals stated below.

Goals

- Help create a sustainable community that is structured to support economic prosperity and ongoing infrastructure services, maintenance, and capital improvements.
- Establish an economic structure which equitably shares the infrastructure costs among all beneficiaries.
- Identify specific opportunities to increase resources to address needs.



Copper Mountain Challenges (problems)

1. There is a need to improve Copper Mountain's competitive standing and enhance overall value for all stakeholders
2. There is a need to address gaps in services community and aging infrastructure within the community. This can negatively affect visitor experience and owner values.
3. Economic structure has not been adequately adjusted to address and meet the needs of the growing community



Copper Mountain Challenges (problems)

1. There is a need to improve Copper Mountain's competitive standing and enhance overall value for all stakeholders
 - The value of Copper Mountain homes, businesses and property are lower than in peer communities.
 - Low property values make it harder to generate revenue to provide services.
 - Current and future revenue considerations should not create a situation where assessment and tax rates are too high and put Copper Mountain and its home and business owners at a competitive disadvantage.



Copper Mountain Challenges (problems)

2. There is a need to address gaps in services community and aging infrastructure within the community. This can negatively affect visitor experience and owner values.
 - Transportation and security are limited, have inconsistent service and do not have sufficient coverage of the Copper Mountain area.
 - Infrastructure maintenance and planning is insufficient and gaps exist.
 - Connection between older and newer elements of Copper Mountain is lacking. No funding exists for some common area maintenance needs and infrastructure improvements.



Copper Mountain Challenges (problems)

3. Economic structure has not been adequately adjusted to address and meet the needs of the growing community.
 - Currently services and maintenance are provided with little community funding and some needs are not addressed at all.
 - Cost of services falls too much on owners/locals.



Description of Agencies by Resort Community

Copper Mountain

- Major Participants
 - Copper Mountain Consolidated Metro District
 - Copper Mountain Property Owner and Lessee Association
 - Copper Mountain Chamber
 - Village at Copper Mountain
 - Copper Mountain Resorts



Copper Mountain Resort

- Services Provided
 - Security Services for Valley
 - Approximate Annual Expenditure: \$360,000
 - » Receive approximately \$100,000 annually from VAC
 - Ski Area Transportation Service
 - Approximate Annual Expenditure: \$2 million
 - » Two services: shuttle to outlying lots and internal villages loop
 - » Receive approximately \$200,000 annually from VAC
 - Infrastructure and Common Area Maintenance
 - Resort Area Marketing
 - Mountain focused



Village At Copper

- Annual Budget

- Annual Revenue: \$3 million
 - Property Assessment: \$1 million
 - Sales Assessment: \$1 million
 - RETA: \$500,000
 - Other: \$500,000
 - Only a portion of the Valley participates
- Annual Expenditures: \$3 million

- Services

- Contribution towards security services for Valley
 - Approximate Annual Expenditure: \$100,000
- Contribution towards Ski Area Transportation Service
 - Approximate Annual Expenditure: \$200,000
- Resort Area Marketing
 - Summer focused
 - Approximate Annual Expenditure: \$1 million
- Infrastructure and Maintenance
 - For properties in Village boundary
 - Snow removal, lighting, heat trace, landscaping
 - Approximate Annual Expenditure: \$850,000



Copper Mountain Chamber and POLA

- Copper Mountain Chamber
 - Revenue Sources: Annual Membership Dues - \$150,000
 - Valley-wide
 - Potential to use a sales assessment
 - Services Provided
 - Resort area marketing, business improvement, and stakeholder communication
 - Approximate Annual Expenditure: \$150,000
- POLA
 - Revenue Source: None
 - Has Valley-wide assessment powers
 - Services Provided
 - Property Owner/Lessee Representative
 - Management of Employee Housing



Copper Mountain Consolidated Metro District

- Revenue Source – Property Tax of 25.2 mills* (8.00 mills for Debt)
 - Annual Revenue - \$5.0 million
 - \$1.7 million from property tax
- Services Provided
 - Fire Protection
 - Approximate Annual Expenditure: \$1.8 million and \$500,000 for debt service
 - Water and Sewer
 - Approximate Annual Expenditure: \$2 million
 - Common Area Maintenance
 - Contributes \$30,000+
 - Cable Television
 - Approximate Annual Expenditure: \$850,000



* Source: Special District Transparency Notice

Copper Mountain Revenue Sources

	Source	Rate	Amount
Residential			
Village at Copper	Property Assessment	\$0.38 to \$1.50 per sq ft.	\$591,100
Chamber at Copper	Membership Dues	\$0.055 per sq. foot	\$66,300
Metro District ¹	Property Tax	25.2 mills	\$1,397,000
POLA	Assessment	N/A	\$0
Commercial			
Village at Copper	Property Assessment	\$3.00 per sq. ft.	\$356,856
Village at Copper	Sales Surcharge	3.00%	\$1,057,777
Chamber at Copper	Membership Dues	\$0.31 to \$0.53 per sq. ft.	\$81,000
Metro District ¹	Property Tax	25.2 mills	\$397,000
POLA	Assessment	N/A	\$0
Non-Annual/On-Going			
Village at Copper	Real Estate Transfer Tax	1.50%	\$554,400

¹ Metro District property tax revenue by use is estimated using total dwelling units and commercial space with Summit County average assessed values by use

Source: Economic & Planning Systems



Copper Mountain Expenditures

Service	Amount
Security	
CMI	\$274,042
Village at Copper	<u>\$100,000</u>
Total Security	\$374,042
Transportation (Guest Shuttle)	
CMI	\$896,250
Village at Copper	<u>\$236,832</u>
Total Transportation	\$1,133,082
Marketing	
CMI (Mountain)	Unknown
Village at Copper (Summer)	\$1,154,500
Chamber	<u>\$143,480</u>
Total Marketing	\$1,297,980
Water and Sewer	
Copper Metro District	<u>\$2,093,060</u>
Total Water and Sewer	\$2,093,060
Fire Protection	
Copper Metro District	<u>\$1,158,700</u>
Total Fire Protection	\$1,158,700
Infrastructure Maintenance	
Village at Copper	\$842,800
CMI	\$1,000,000
Other	<u>\$30,763</u>
Total Infrastructure Maintenance	\$1,873,563

Source: Economic & Planning Systems



Beaver Creek

- Major Participants
 - **Beaver Creek Resort Company** – Non-profit organization with same boundaries as metro district, provides general governance
 - **Beaver Creek Metro District** – Title 32 metropolitan district created to construct and operate utility systems
 - **Vail Resorts** – Private corporation that operates ski mountain



Beaver Creek

- Beaver Creek Resort Company
 - Revenue Sources
 - Civic Assessment - 5.35% on taxable sales
 - Mountain Special Assessment - 5% on lift tickets
 - Recreation Assessment - 5% on services and activities (typically non-taxable)
 - Lodging Assessments - .96% on rental income
 - Common Assessment - \$200 per every \$1 million of assessed value
 - RETA – 2.375%
 - Services Provided
 - Public Safety - \$2.0 million
 - Resort Area Marketing - \$4.0 million
 - Parking Services - \$2.0 million
 - Provided \$1.0 million to Avon for Fire Services
 - Trash collection and disposal
 - Central Reservations, Architectural Review, Others
 - Infrastructure Maintenance: \$2.0 million



Beaver Creek

- Beaver Creek Metro District
 - Revenue Source
 - Property Tax – 21.28 mill, \$8 million in revenue annually
 - Services Provided
 - Domestic Water and Sewer – Contracted through Upper Eagle Valley Water and Sanitation
 - Fire Protection
 - Contracted through Avon
 - Receives \$1.0 million from BCRC to pay Avon
 - Transportation
 - Receives \$1.45 million from BCRC to operate
 - Total expenditure - \$4.0 million
 - » \$2.0 million on Dail-A-Ride
 - » \$2.0 million on shuttle system and parking
 - Infrastructure Maintenance and Storm Drainage
 - \$1.1 million annual expenditure



Beaver Creek

- Vail Resorts
 - Services Provided
 - District wide-security
 - Beaver Creek Resort Company provides \$2.3 million
 - Resort area marketing
 - Winter focused



Beaver Creek

Sources	Amount
Security	
Beaver Creek Metro District	\$320,000
Beaver Creek Resort Company	<u>\$1,963,995</u>
Total Security	\$2,283,995
Transportation	
Beaver Creek Metro District	\$3,575,632
Beaver Creek Resort Company	\$1,448,839
Vail Resorts	<u>\$0</u>
Total Transportation	\$5,024,471
Marketing	
Beaver Creek Metro District	\$0
Beaver Creek Resort Company	\$4,547,870
Vail Resorts	---
Total Marketing	---
Water and Sewer	
Eagle Valley Provides	---
Total Water and Sewer	---
Fire Protection	
Beaver Creek Metro Contributions	<u>\$1,357,583</u>
Total Fire Protection	\$1,357,583
Infrastructure Maintenance	
Beaver Creek Metro District	\$1,100,000
Beaver Creek Resort Company	\$1,938,944
Vail Resorts	<u>\$0</u>
Total Maintenance	\$3,038,944

--- Contribution is unknown

Source: Economic & Planning Systems

- Vail Resorts is not responsible for transportation
- Vail Resorts marketing contribution is unknown.



Keystone

- Major Participants
 - **Keystone Neighborhood Company** – Non-profit established to provide some governance and services. Aligns with River Run and new development to the east. Does not serve any development established earlier than 1995.
 - **Various Metro Districts** – Lake Dillon Fire District serves most of unincorporated Summit County. Snake River Water and Sanitation serve most of the Snake River Valley.
 - **Vail Resorts** – Private operator of the ski mountain.



Keystone

- Keystone Neighborhood Company
 - Revenue Sources
 - 29.00 mills Property Assessment – \$1.7 million annually
 - Civic Assessment – 0.5% on taxable sales (includes lodging)
 - Recreation Assessment – 0.5% on services and activities (primarily ski school)
 - RETA - 2.0%
 - Services Provided
 - Public Safety - Provides \$90,000 to Vail Resorts to operate
 - Transportation – Used to provide \$275,000 to Vail Resorts for their “share of cost” to operate, but no longer contributes and the issue is under legal negotiations.
 - Marketing and Community Events - \$750,000 annual expenditure
 - Common Area Maintenance of River Run Area



Keystone

- Vail Resorts
 - Services Provided
 - District wide-security
 - Keystone Neighborhood Company provides \$90,000
 - Transportation System
 - Resort Area Marketing
 - Winter focused
 - Provides KNC with \$300,000



Keystone

Sources	Amount
Security	
Keystone Neighborhood Company	\$90,000
Vail Resorts	---
Total Security	---
Transportation	
Keystone Neighborhood Company	\$275,000
Vail Resorts	---
Total Transportation	---
Marketing	
KNC - Community Events	\$750,000
Vail Resorts	---
Total Marketing	---
Water and Sewer	
Snake River Water	---
Total Water and Sewer	---
Fire Protection	
Lake Dillion Fire District	---
Total Fire Protection	---
Infrastructure Maintenance	
Keystone Neighborhood Company	\$1,142,000
Vail Resorts	---
Total Maintenance	---

--- Contribution is unknown

Source: Economic & Planning Systems

- Keystone Neighborhood Company previously paid its “share” of transportation service costs but no longer contributes. The issue is currently being resolved with legal intervention.
- Vail Resorts marketing contribution is unknown.



Town of Vail

- Revenue Sources
 - Property Tax – 3.1 mills
 - Sales Tax – 4.0%
 - Lift Ticket Tax – 4.0%
 - Lodging Tax – 1.4%
 - RETA – 1.0%
- Services Provided
 - Public Safety
 - Transportation
 - Marketing and Community Events
 - Others

Sources	Amount
Security	
Town of Vail Police	<u>\$5,047,503</u>
Total Security	\$5,047,503
Transportation	
Town of Vail Transit	<u>\$3,853,826</u>
Total Transportation	\$3,853,826
Marketing	
Town of Vail Marketing Fund	\$295,642
Vail Local Marketing District	\$2,748,260
Vail Resorts	---
Total Marketing	---
Water and Sewer	
Eagle River Water and Sanitation	---
Total Water and Sewer	---
Fire Protection	
Town of Vail	<u>\$2,577,087</u>
Total Fire Protection	\$2,577,087
Infrastructure Maintenance	
Town of Vail	<u>\$3,281,389</u>
Total Maintenance	\$3,281,389

--- Contribution is unknown

Source: Economic & Planning Systems



Town of Frisco

- Revenue Sources
 - Property Tax – .798 mills
 - Sales Tax – 2.0%
 - Lodging Tax – 2.4%
 - RETT – 1.0%
- Services Provided
 - Public Safety
 - Transportation
 - Marketing and Community Events
 - Others

Sources	Amount
Security	
Town of Frisco Police Budget	\$1,309,611
Total Security	\$1,309,611
Transportation	
Summit County Transit ¹	\$812,425
Total Transportation	\$812,425
Marketing	
Town of Frisco - Marketing Fund	\$1,031,659
Total Marketing	\$1,031,659
Water and Sewer	
Frisco Sanitation District	---
Total Water and Sewer	---
Fire Protection	
Lake Dillion Fire District	---
Total Fire Protection	---
Infrastructure Maintenance	
Public Works Maintenance	\$1,389,322
Total Maintenance	\$1,389,322

¹ Based on the per capita share of the county

--- Contribution Unknown



Northstar-at-Tahoe

- Major Participants
 - Northstar Community Services District (analogous to metro districts)
 - Northstar Property Owners Association (narrow focus on events targeted to immediate residential owners and property maintenance)
 - Booth Creek Ski Holdings, Inc. (ski area operator)



Northstar-at-Tahoe

- Northstar Community Services District (metro district)
 - Revenue Sources
 - Property Assessment
 - Based on sq. ft.
 - Total Revenue \$3.3 million
 - Snow and Trash Assessment
 - \$550,000
 - Services Provided
 - Water
 - Sewer
 - Trash Collection and Disposal
 - Snow Removal
 - Roads and Trails
 - Fire Protection



Copper Mountain's Competitive Standing

Comparable Resort Communities

	Copper Mountain	Frisco	Keystone ¹	Vail	Beaver Creek	Northstar	Average
Skier visits	873,039	---	981,000	1,622,000	931,000	590,000	999,408
Total Dwelling Units	1,467	3,512	2,414	6,941	2,526	1,697	3,093
Short-Term Rental Pool	703	---	971	1,871	500	345	878
Hotel Rooms	<u>0</u>	<u>515</u>	<u>255</u>	<u>1,835</u>	<u>280</u>	<u>170</u>	509
Total Short-term Inventory	703	515	1,226	3,706	780	515	1,241
Number of businesses	38	105	28	198	60	32	77
Retail	18	62	19	136	45	19	50
Food and Beverage	20	43	9	62	15	13	27
Retail Square Feet ²	130,320	400,000	127,300	630,000	134,000	130,000	130,405
Assessed Value	\$68,994,560	\$162,198,560	\$175,207,327	\$897,586,230	\$385,115,200	---	\$209,772,362

¹ Keystone Number of Businesses only reflects business and retail square feet within River Run

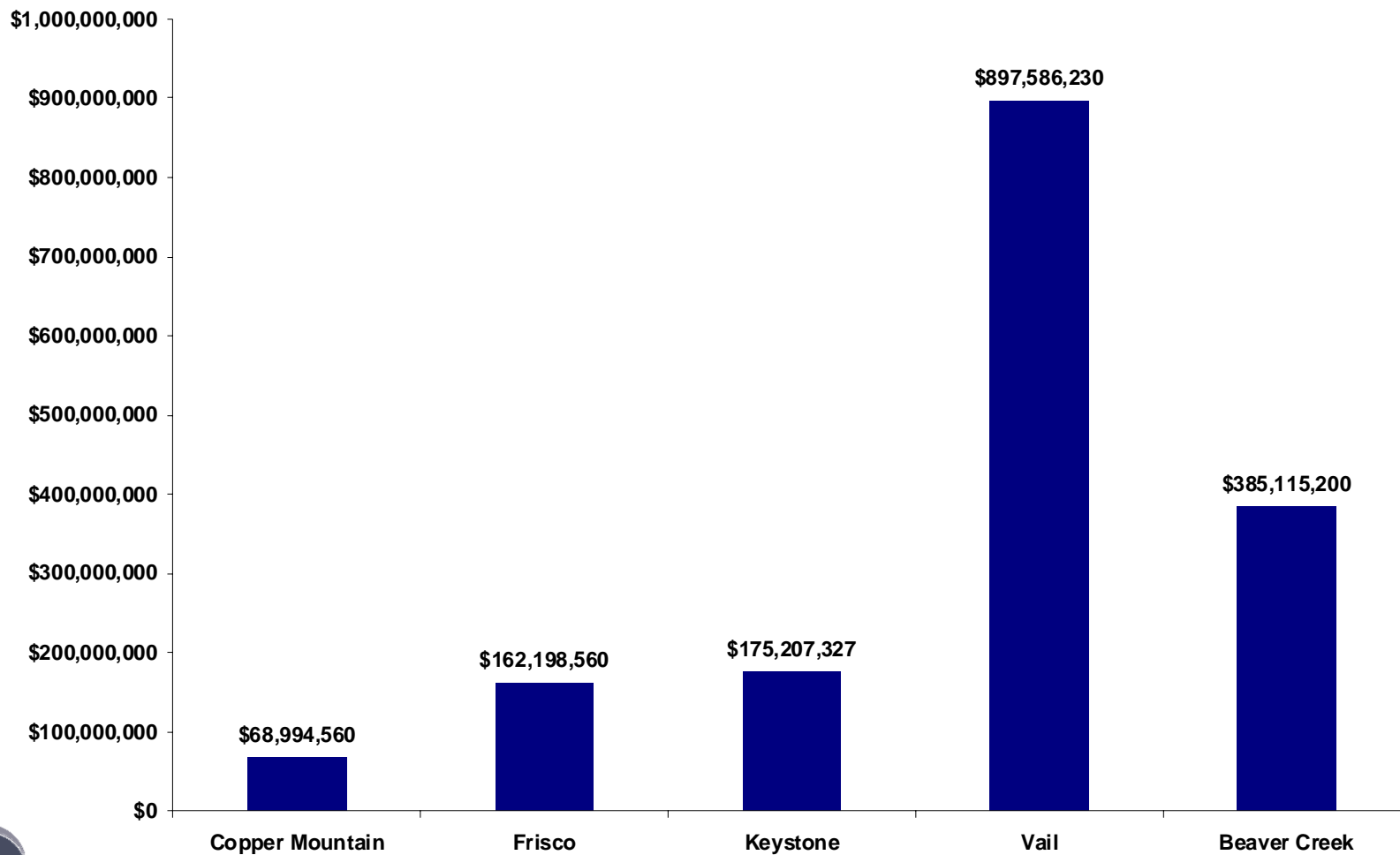
² Average does not include Frisco or Vail and Frisco retail square feet is estimated based on Inventory of Town business and total commercial square feet

Source: RRC; Economic & Planning Systems

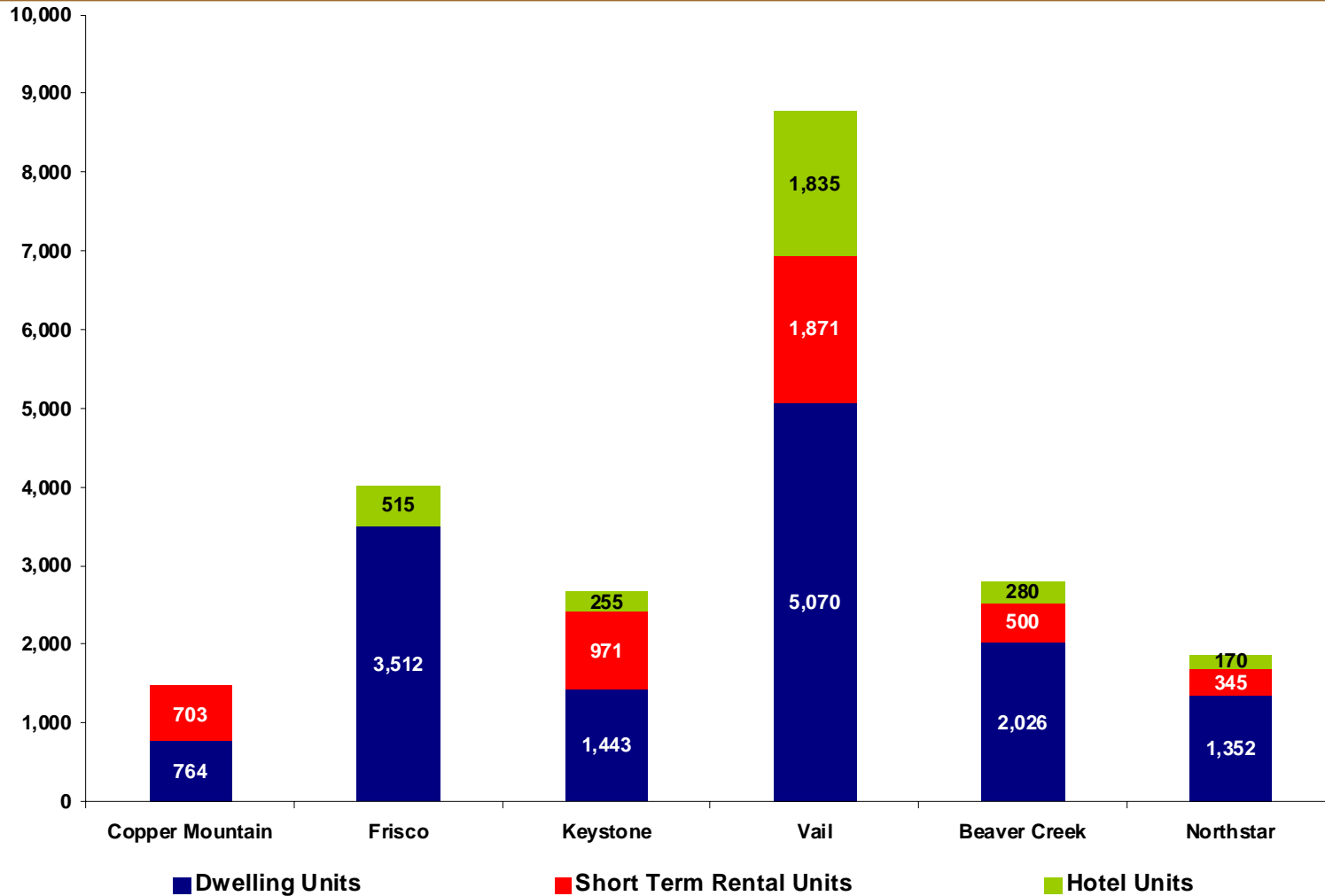


Assessed Value of District/Town

Assessed Value of District or Town



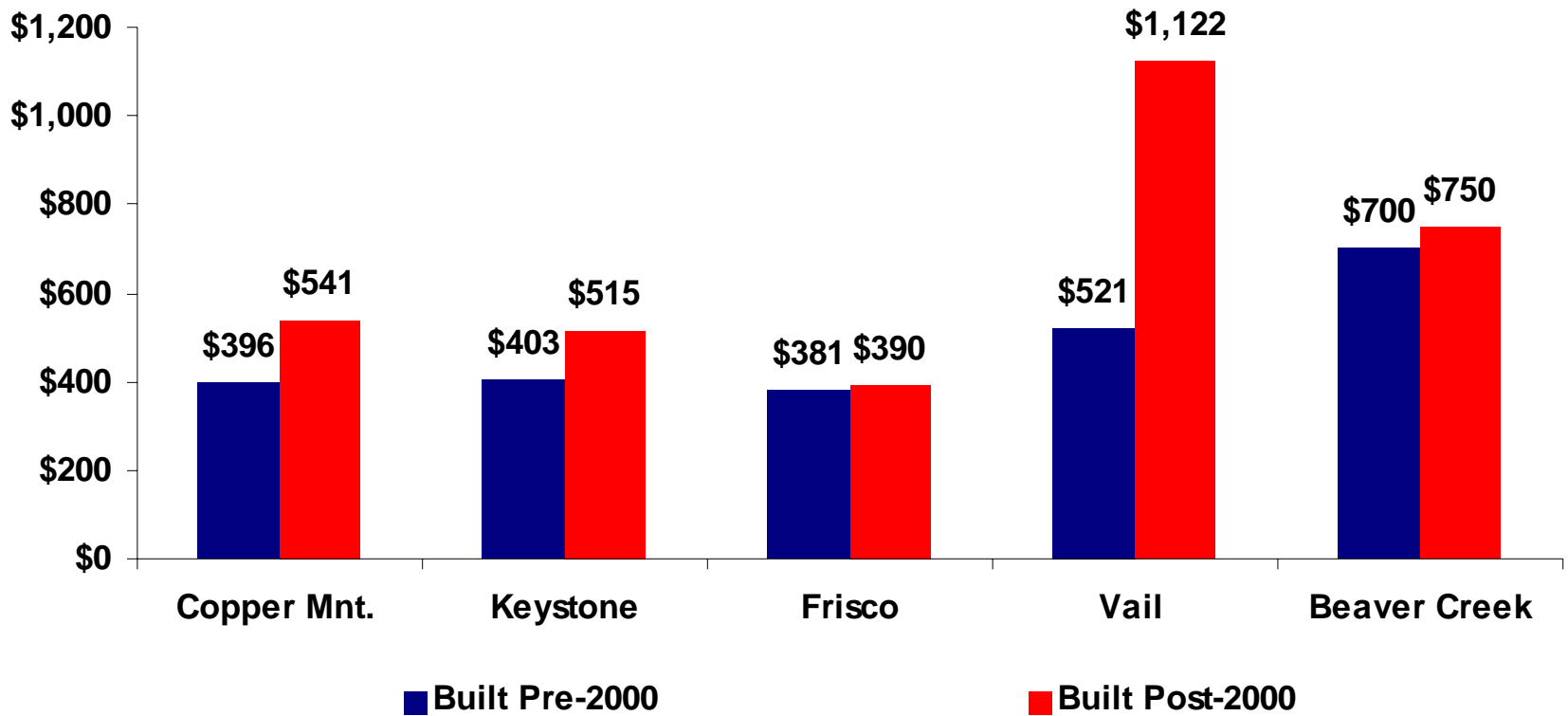
Dwelling Units and Hotel Rooms



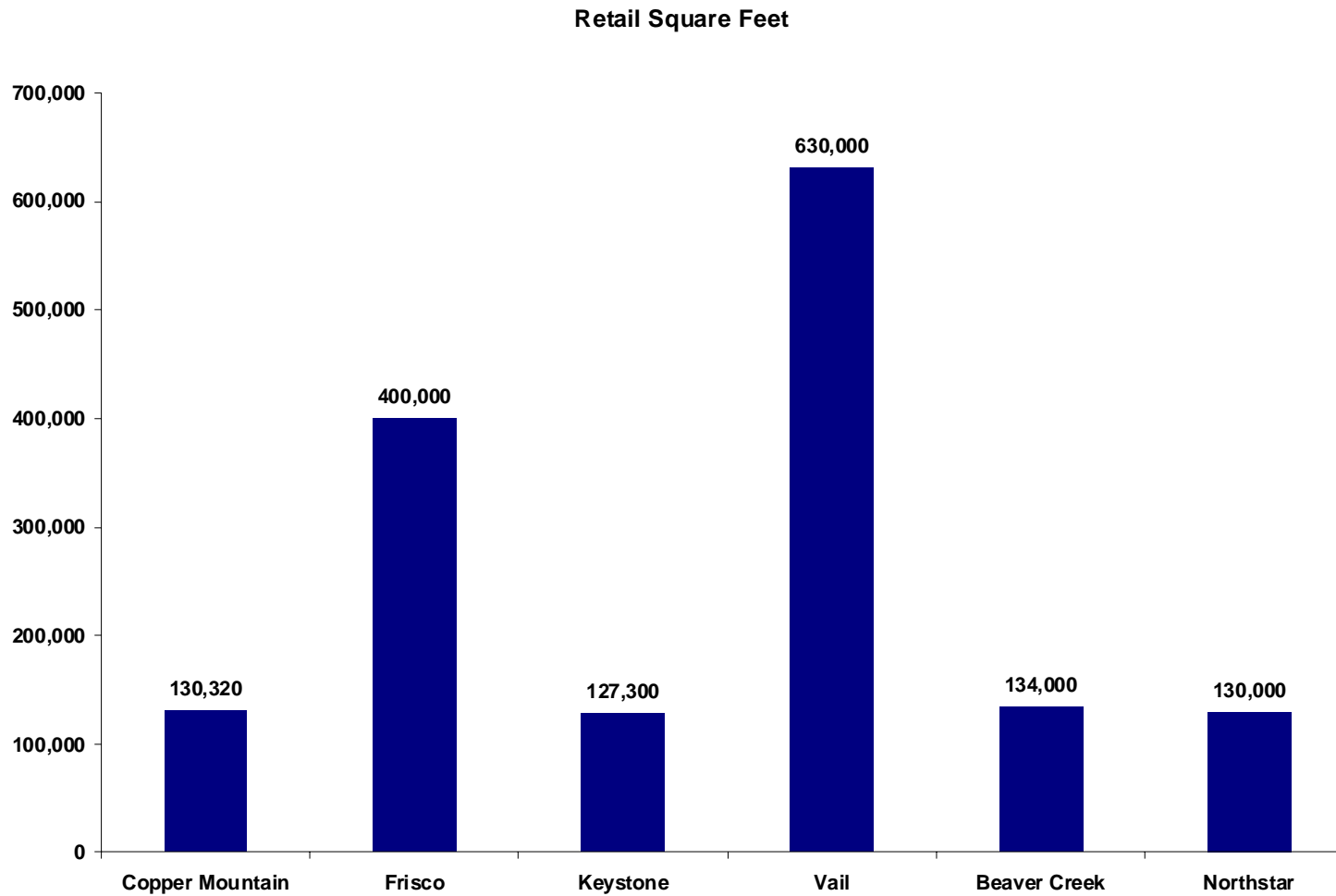
*Portion of Frisco dwelling units that are short term rental units is unknown.



Average Condo Sales Price per Sq. Ft.



Retail Square Feet

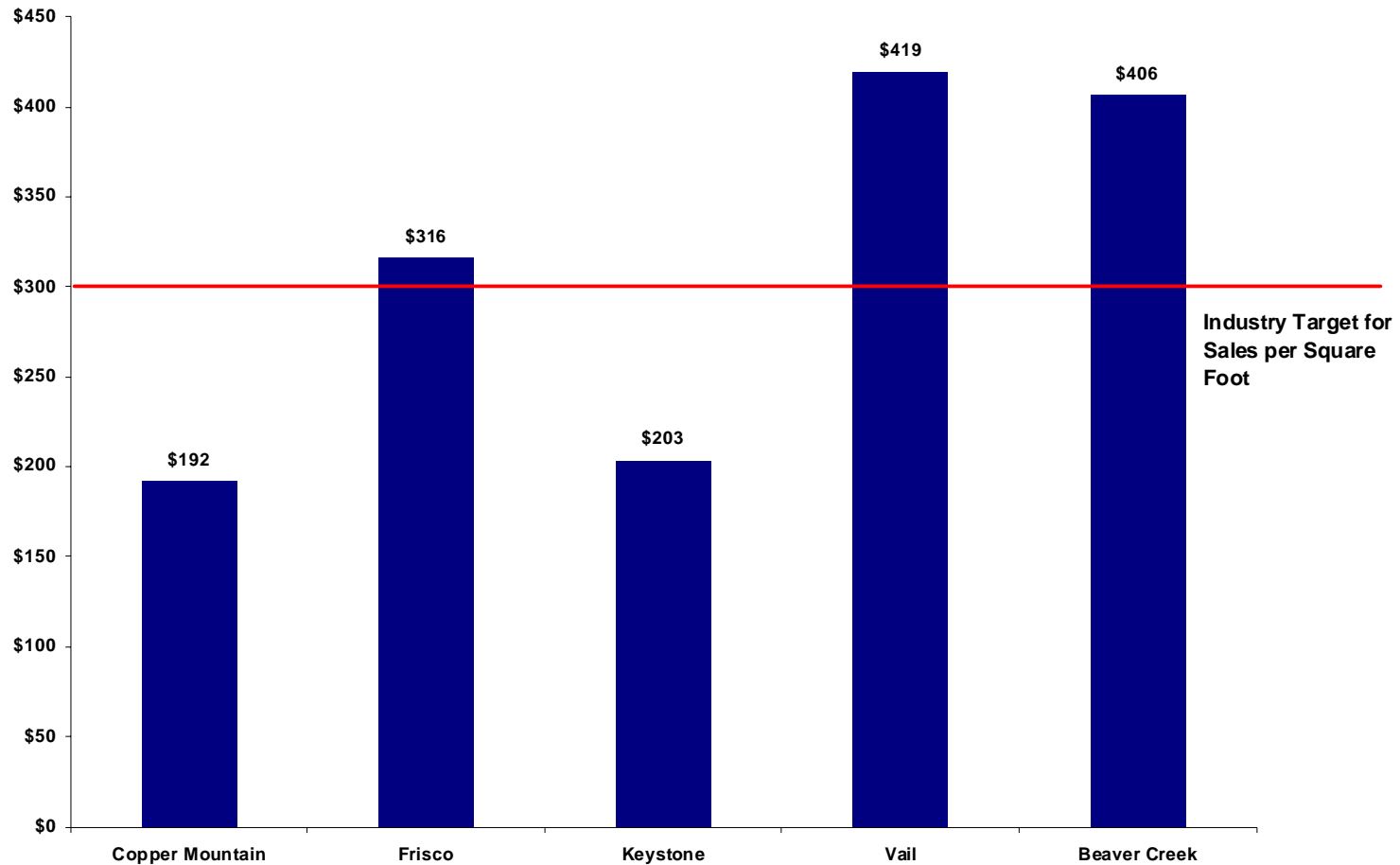


Note: Keystone only represents space in River Run area



Retail Sales per Square Feet

Sales per Square Foot



*Total space includes non-revenue generating retail space



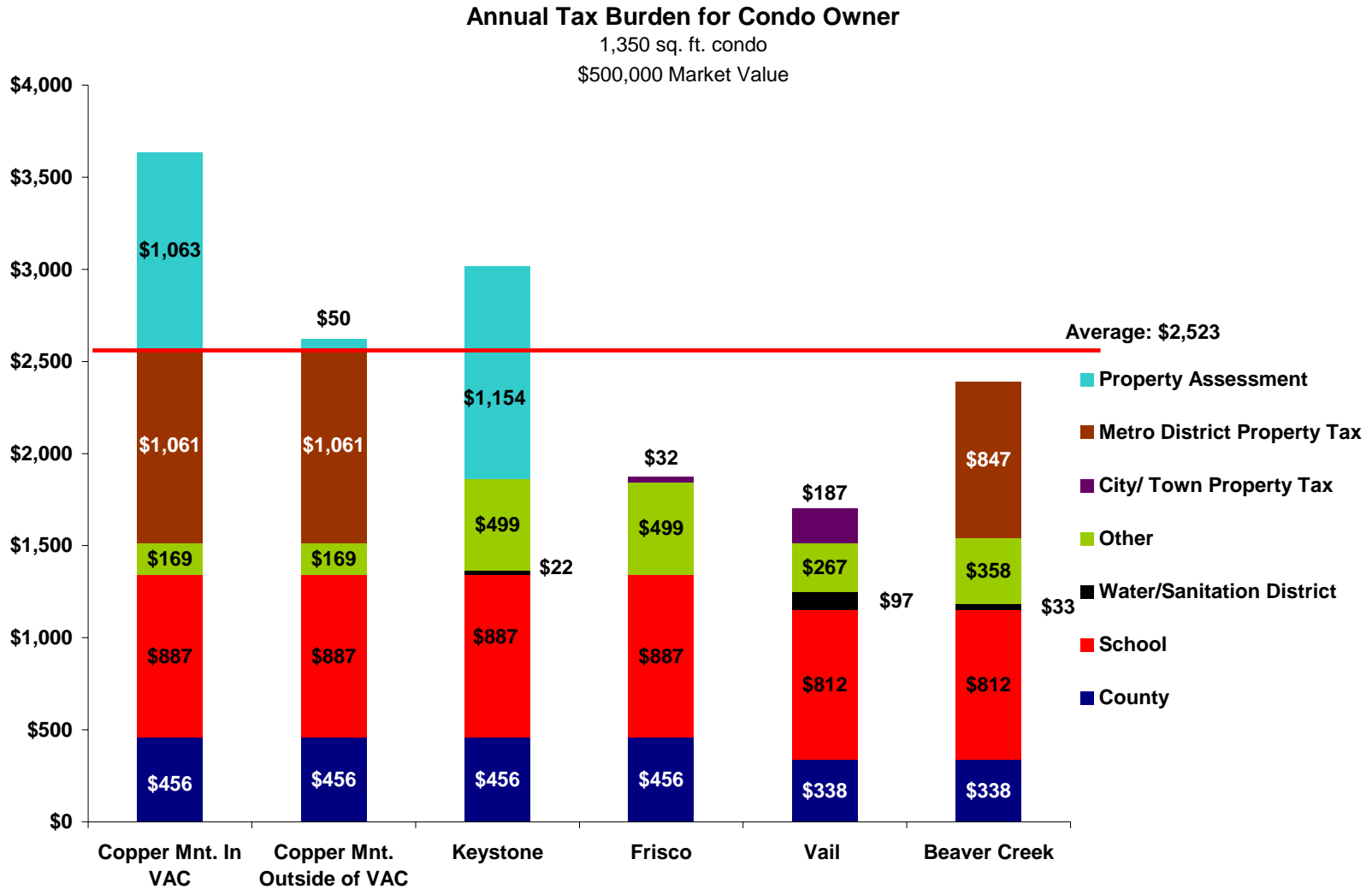
Revenue Generation by Peer Community

Current Copper Mountain Condo Owner Cost

Current Annual Tax Burden for Copper Home Owners
1,350 sq. ft. condo

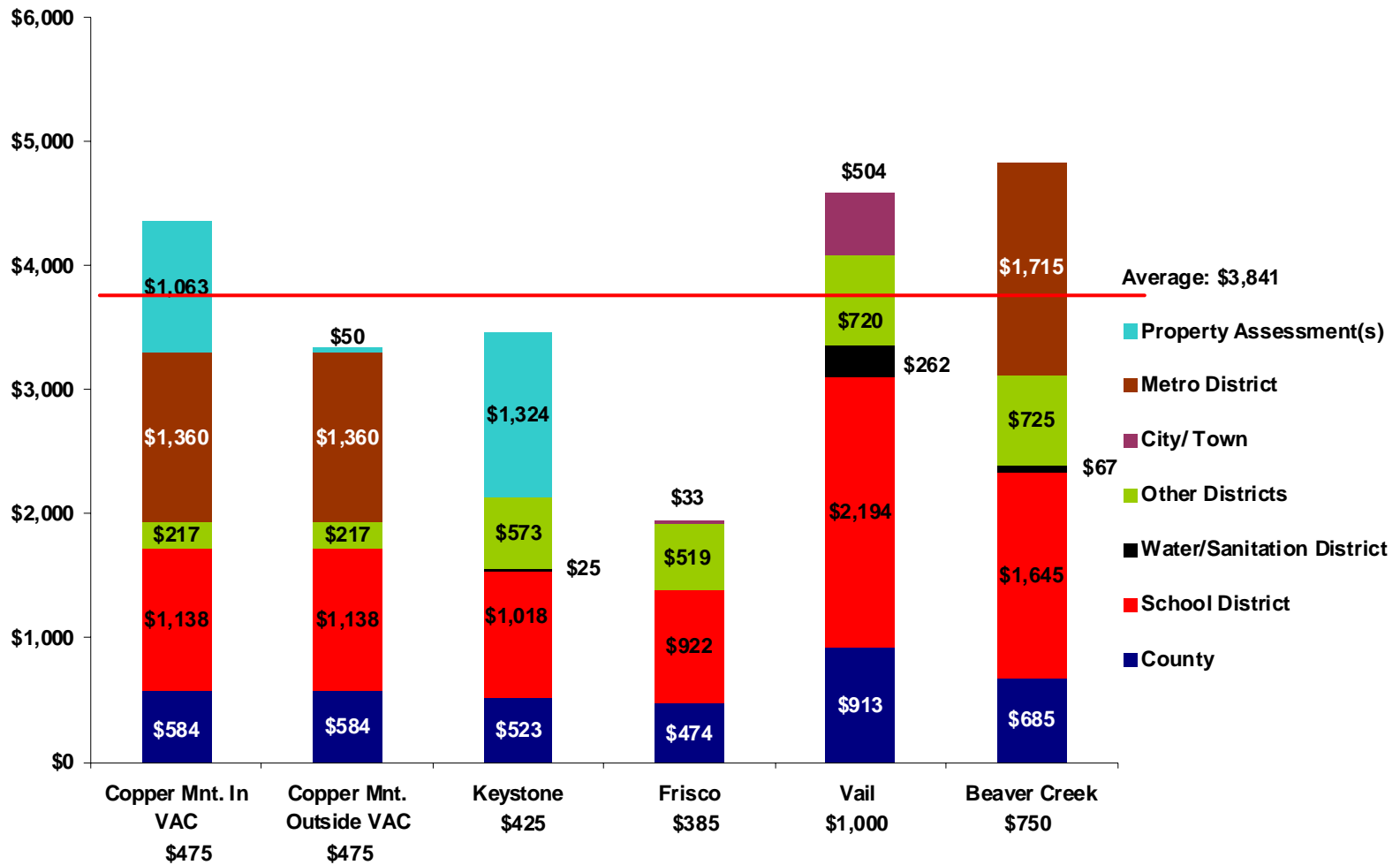


Revenue Example: Annual Cost of a Condo (Equal Unit Value)

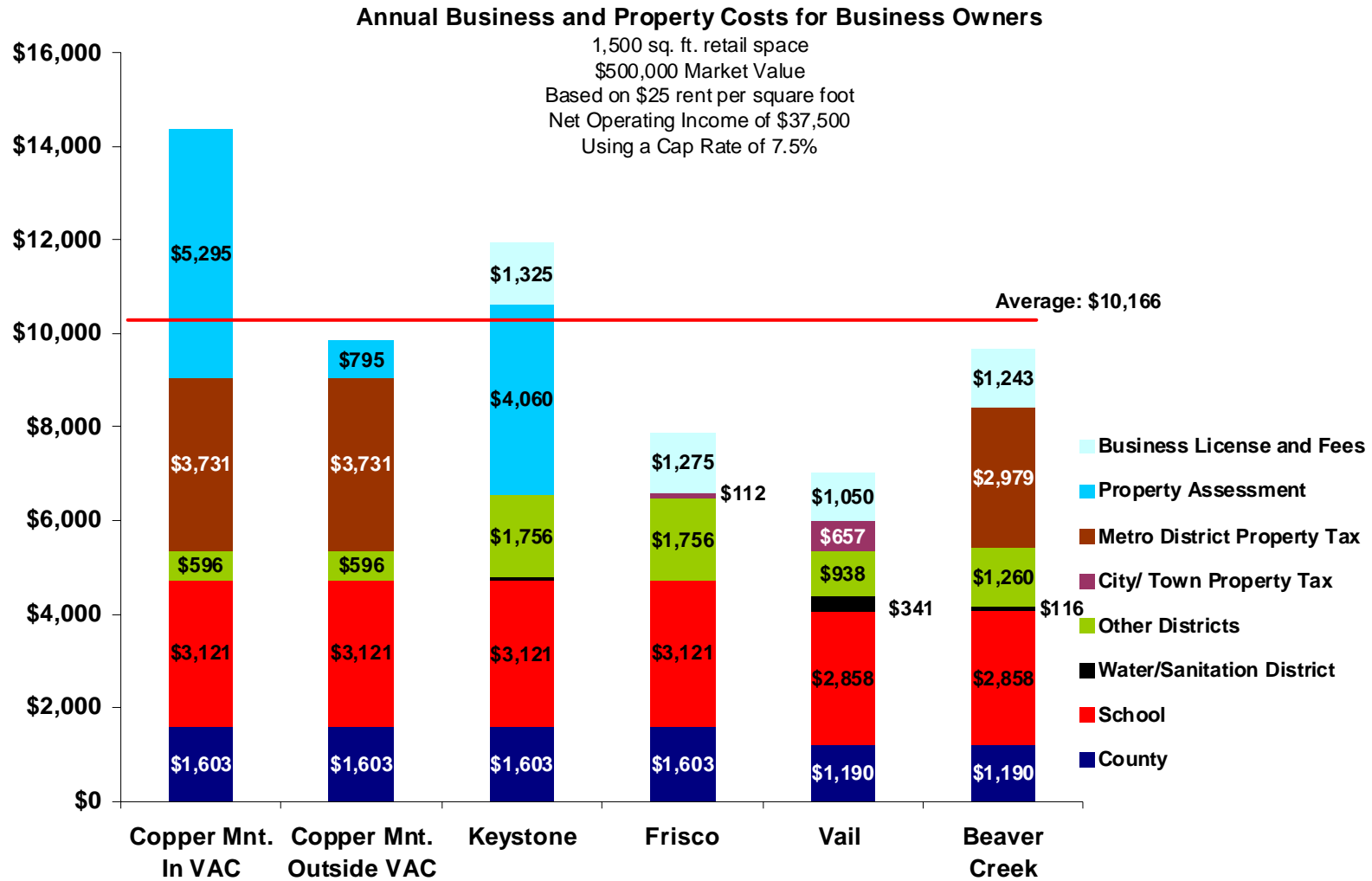


Revenue Example: Annual Cost of a Condo (Value by Area)

Annual Tax Burden for Home Owner
1,350 sq. ft. condo

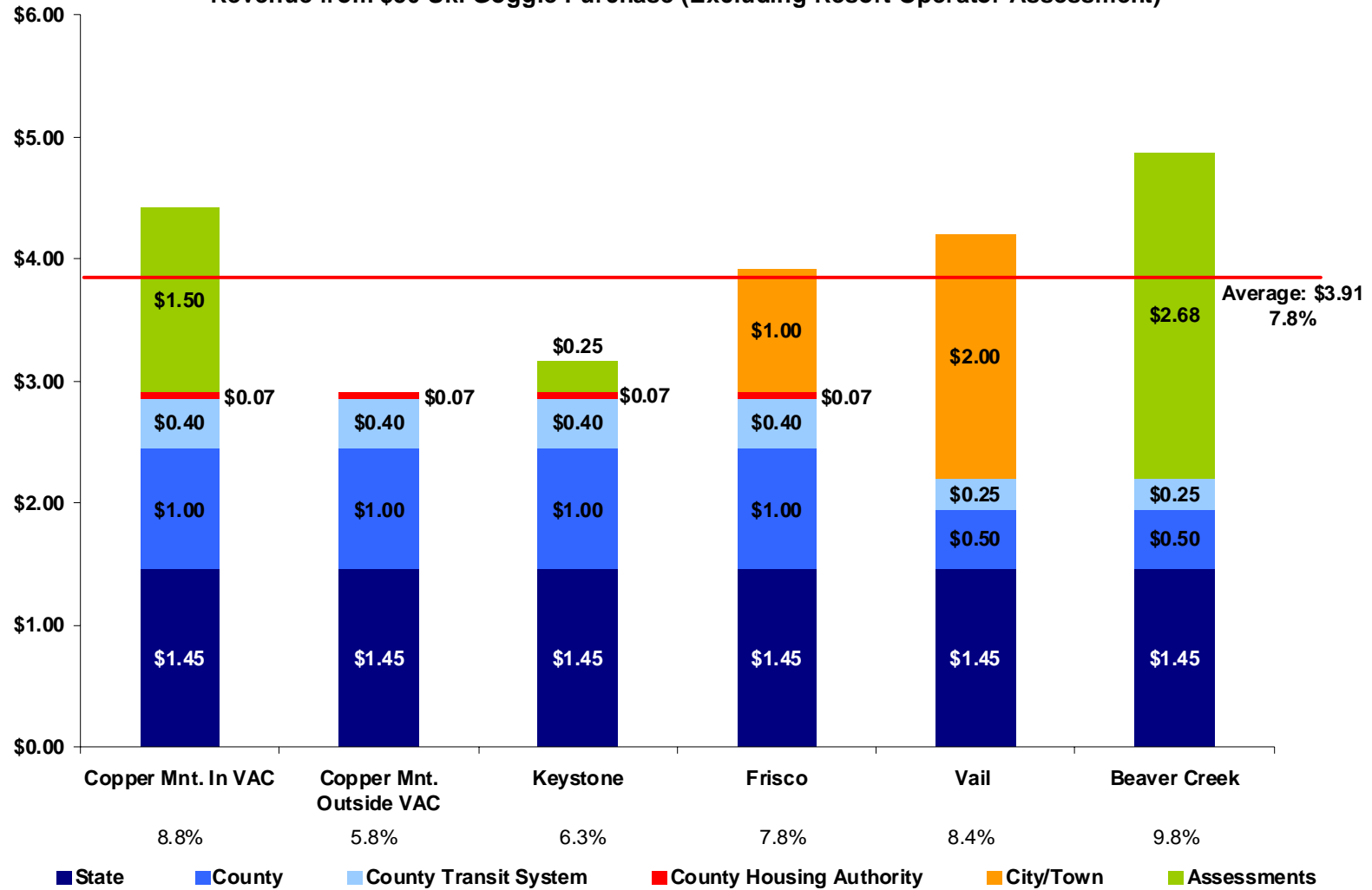


Revenue Example: Annual Cost to Own Business



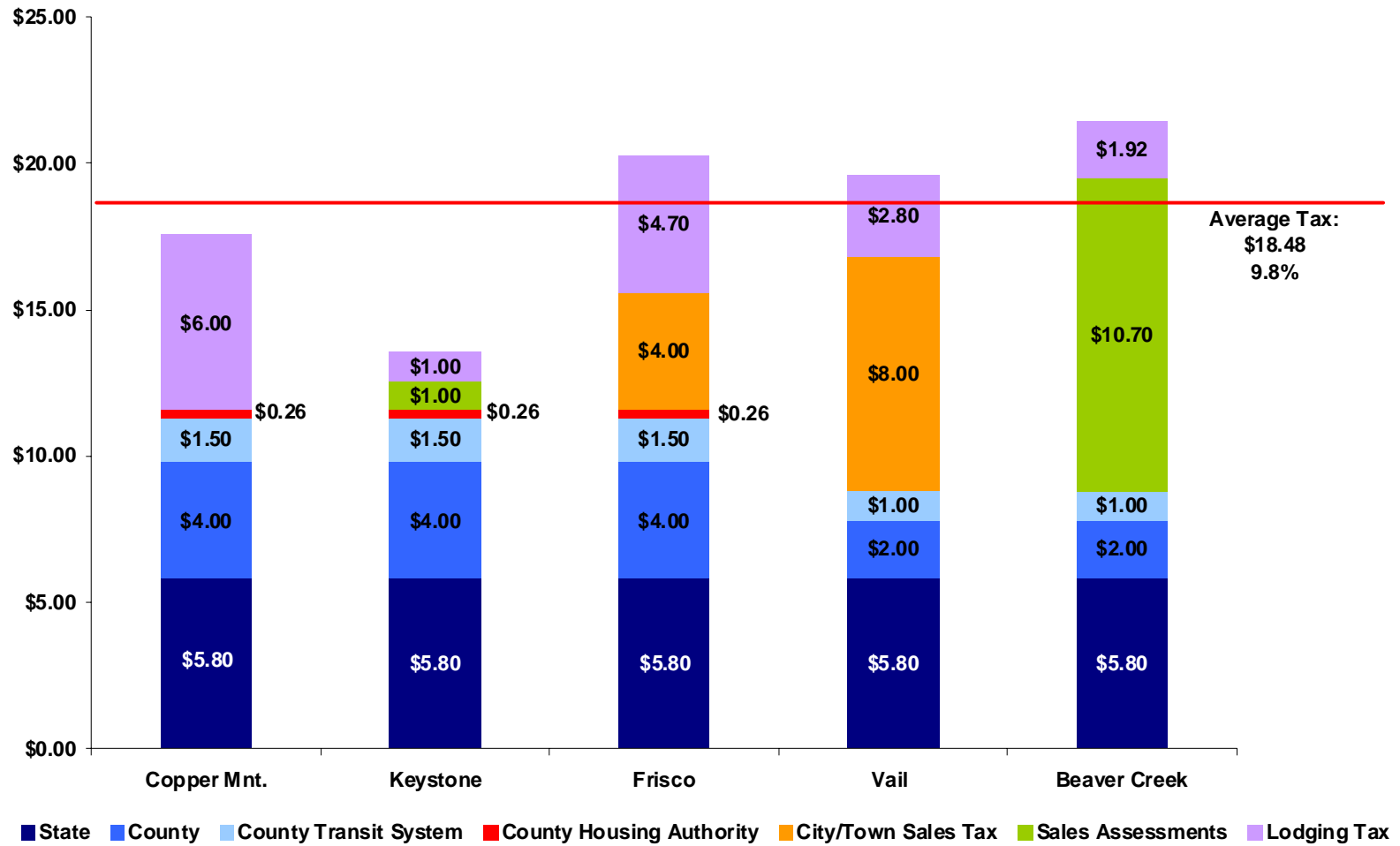
Revenue Example: Goggles

Revenue from \$50 Ski Goggle Purchase (Excluding Resort Operator Assessment)



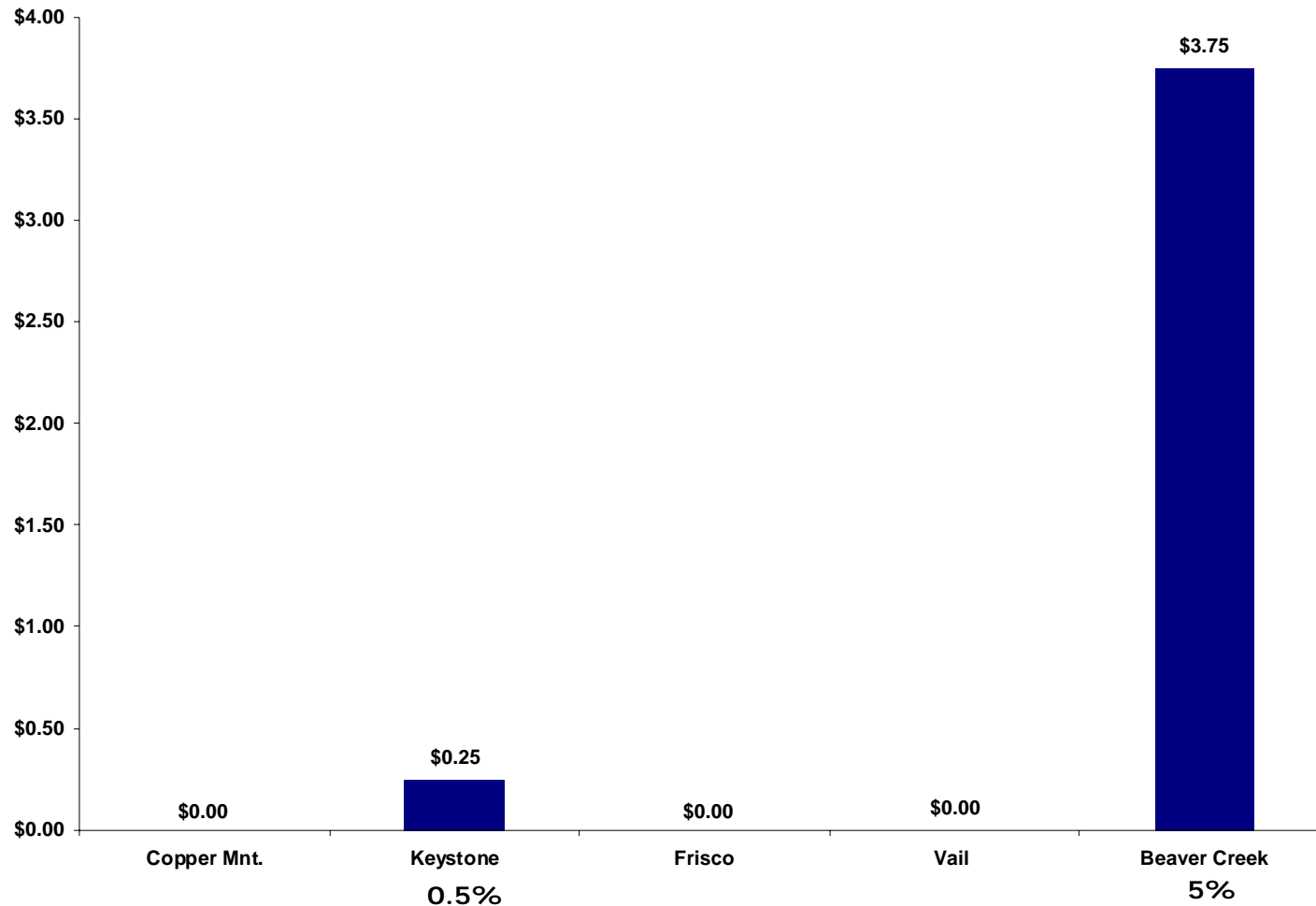
Revenue Example: One Night of Lodging

Revenue from \$200 One Night of Lodging



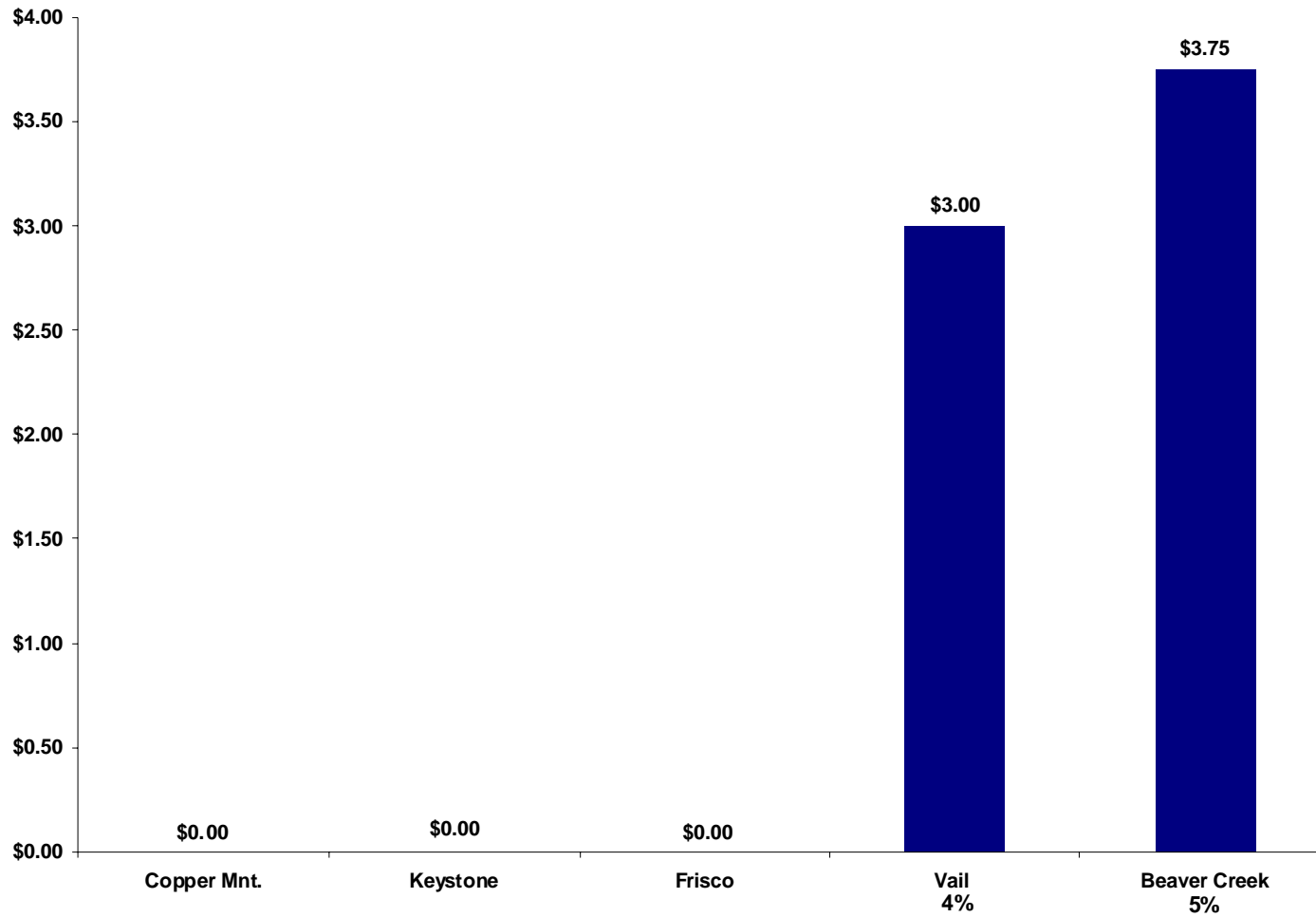
Revenue Example: 1/2 Day Ski Lesson

Revenue from \$75 1/2 Day Ski Lesson



Revenue Example: Lift Ticket

Revenue from \$75 Lift Ticket



Local Districts Total Tax/Assessment Revenue

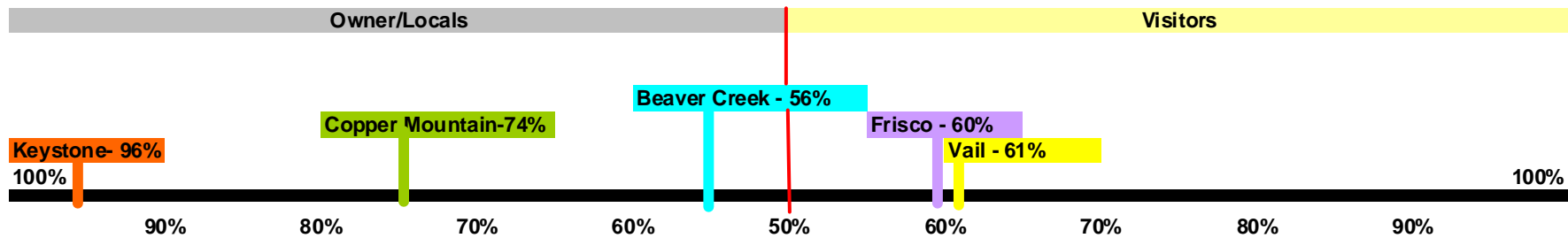
Sources	<u>Copper Mnt.</u> Amount	<u>Keystone</u> Amount	<u>Frisco</u> Amount	<u>Vail</u> Amount	<u>Beaver Creek</u> Amount	<u>Average</u> Amount
Property Tax/Assessment						
Property Tax	\$1,738,663	\$1,548,833	\$1,474,061	\$7,642,947	\$8,195,251	\$2,288,862
Property Assessments	\$1,090,003	\$1,659,810	\$0	\$0	\$77,023	\$314,093
RETA	<u>\$554,000</u>	<u>\$882,694</u>	<u>\$750,000</u>	<u>\$9,019,917</u>	<u>\$4,950,924</u>	<u>\$1,795,282</u>
Subtotal	\$3,382,666	\$4,091,337	\$2,224,061	\$16,662,864	\$13,223,198	\$4,398,236
Retail and Service Sales Tax/Assessments						
Sales Tax	\$0	\$0	\$3,012,000	\$21,063,050	\$0	\$1,851,927
Special Assessments (Taxable Goods)	\$1,057,777	\$152,925	\$0	\$0	\$6,221,939	\$571,742
Special Assessments (Non-Taxable Services)	\$0	\$21,131	\$0	\$0	\$1,865,254	\$145,107
Lodging Tax	\$149,300	\$0	\$340,000	\$2,179,300	\$546,150	\$247,288
Lift Ticket Tax	<u>\$0</u>	<u>---</u>	<u>\$0</u>	<u>\$3,277,703</u>	<u>\$1,865,254</u>	<u>\$1,028,591</u>
Subtotal	\$1,207,077	\$174,056	\$3,352,000	\$26,520,053	\$10,498,597	\$4,639,087
Grand Total	\$4,589,743	\$4,265,393	\$5,576,061	\$43,182,917	\$23,721,795	\$9,037,324

Source: Economic & Planning Systems



Local/Owner vs. Visitor Tax Revenues

Revenue Generate Distribution



Sources	Copper Mnt. Amount	Keystone Amount	Frisco Amount	Vail Amount	Beaver Creek Amount	Average Amount
Property Tax/Assessment	\$3,382,666	\$4,091,337	\$2,224,061	\$16,662,864	\$13,223,198	\$4,398,236
Retail and Service Sales Tax/Assessments	\$1,207,077	\$174,056	\$3,352,000	\$26,520,053	\$10,498,597	\$4,639,087
Grand Total	\$4,589,743	\$4,265,393	\$5,576,061	\$43,182,917	\$23,721,795	\$9,037,324
Percent Owner/Locally Generate Revenue	74%	96%	40%	39%	56%	61%

Source: Economic & Planning Systems



Service Levels by Peer Community

Expenditures Summary

	Security		Transportation		Marketing/Events		Infrastructure Maintenance ⁵	
	Responsible	\$	Responsible	\$	Responsible	\$	Responsible	\$
Copper Mountain								
Village at Copper Mountain	Pays into	\$100,000	Pays Into	\$200,000	Provides	\$1,000,000	Provides	\$850,000
Copper Mountain Chamber	No	\$0	No	\$0	Provides	\$150,000	No	\$0
Copper Mountain Resort	Provides	\$270,000	Provides	\$1,100,000	Provides	---	Provides	\$1,000,000 +/-
CM Consolidated Metro District	No	\$0	No	\$0	No	\$0	Provides	\$30,763
POLA	No	\$0	No	\$0	No	\$0	No	\$0
Keystone								
Keystone Neighborhood Company ¹	Pays into	\$90,000	Pays into	\$275,000	Provides	\$750,000	Provides	\$1,142,000
Vail Resorts	Provides	---	Provides	---	Provides	---	No	\$0
Beaver Creek								
Beaver Creek Resort Company	Pays into	\$2,000,000	Pays into	\$1,450,000	Provides	\$4,000,000	Provides	\$2,000,000
Beaver Creek Metro District	No	\$0	Provides	\$2,500,000	No	\$0	Provides	\$1,100,000
Vail Resorts	Provides	\$0	No	\$0	Provides	---	No	\$0
Vail								
Town of Vail ²	Provides	\$4,508,635	Provides	\$3,853,826	Provides	\$2,750,000	Provides	\$3,726,449
Vail Resorts	No	\$0	No	\$0	Provides	---	No	\$0
Vail Local Marketing District	No	\$0	No	\$0	Provides	\$300,000	No	\$0
Frisco								
Town of Frisco ³	Provides	\$1,300,000	No	\$0	Provides	\$1,100,000	Provides	\$1,884,775
Summit County Transit ⁴	No	\$0	Provides	\$800,000	No	\$0	No	\$0

Note: Expenditure totals reflect 2009 budget data for all comparable resorts

¹ The transportation expenditure for KNC reflects the 2009 budget, the KNC no longer pays Vail Resorts for Transportation services. Issues is currently under legal negotiations.

² Town of Vail Infrastructure and Maintenance expenditure is for the public works departments budget for operations and maintenance

³ Town of Frisco Infrastructure and Maintenance expenditure is for the public works departments budget for operations and maintenance

⁴ Regional District, expenditure based on the per capita share of the County

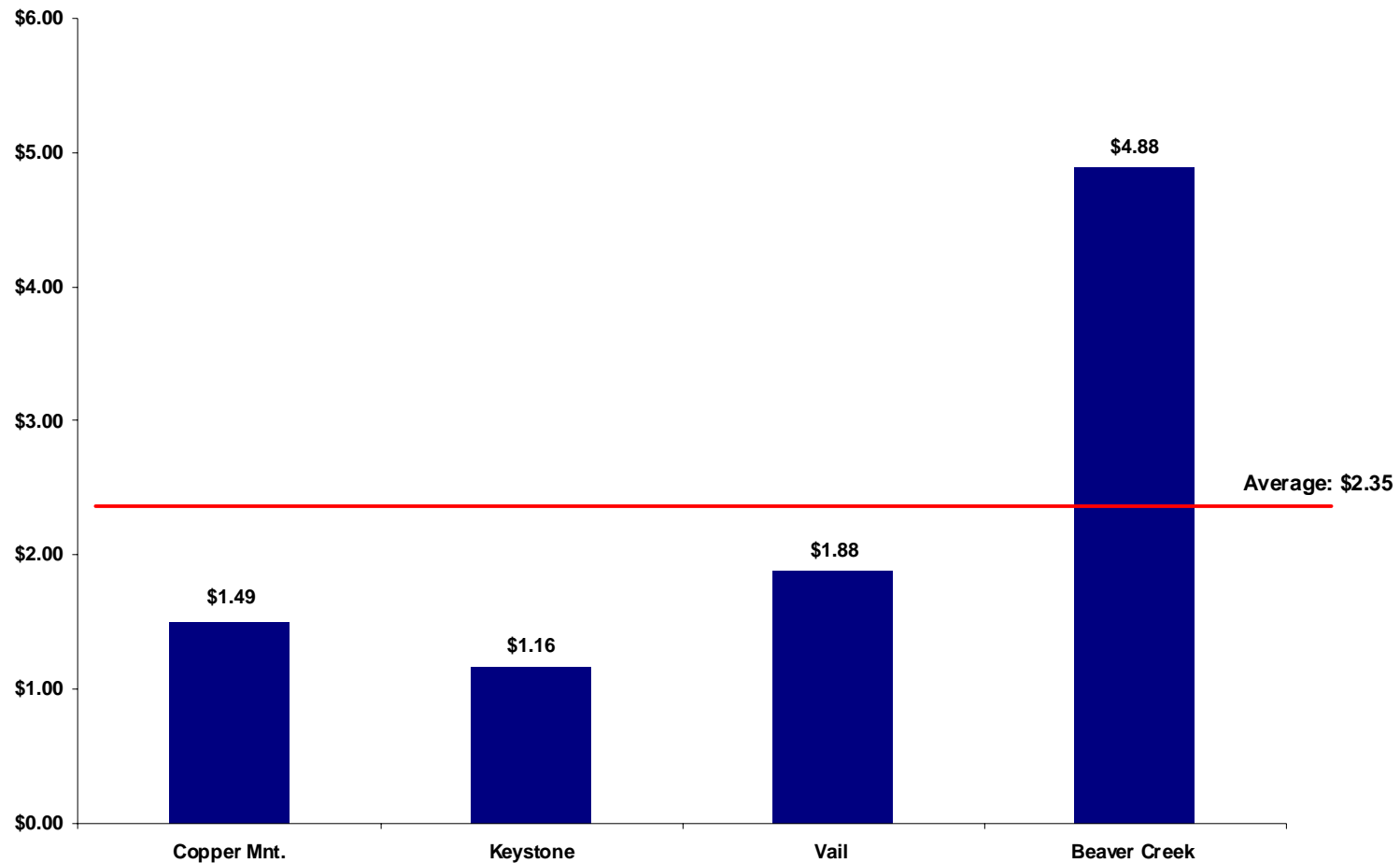
⁵ Does not include maintenance for water, sewer, and fire

Source: Economic & Planning Systems



Marketing and Events per Skier Visit

Expenditure on Marketing per Skier Visit



* Totals do not include Ski Area Operator Contributions



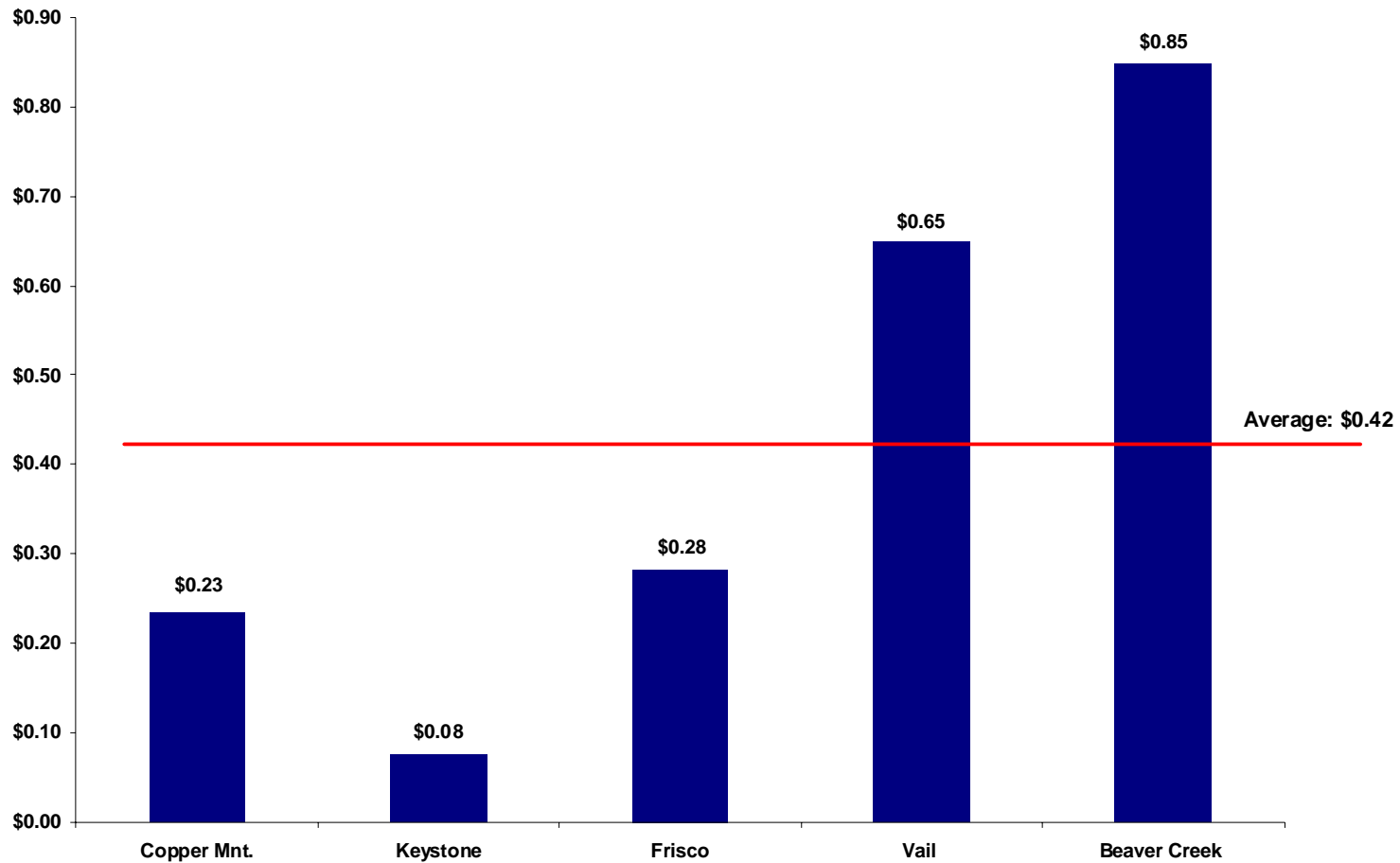
Security

- Copper Mountain – \$360,000 annually - Copper Mountain Resorts provides with contribution of \$100,000 from Village at Copper Mountain.
- Beaver Creek - \$2 million annually - Vail Resorts provides security with funds coming from Beaver Creek Resort Company.
- Keystone – Unknown - Vail Resorts provides security with contribution of \$90,000 from Keystone Neighborhood Company.
- Town of Vail and Town of Frisco have their own police departments.



Security per Square Foot

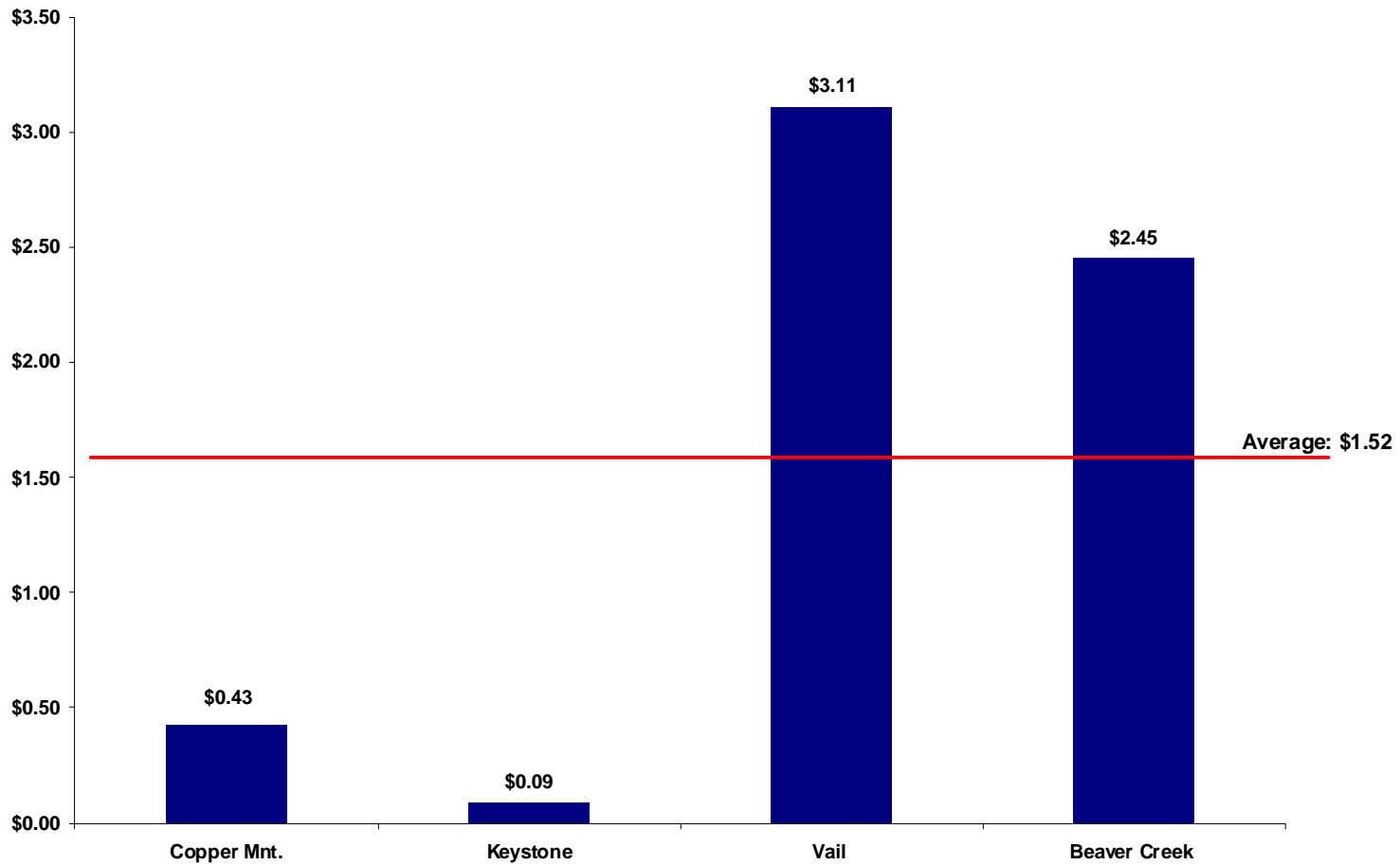
Expenditure on Security per square foot



* Keystone and Beaver Creek total does not include Ski Area Operator Contributions

Security per Skier Visit

Expenditure on Security per Skier Visit



* Keystone and Beaver Creek total does not include Ski Area Operator Contributions

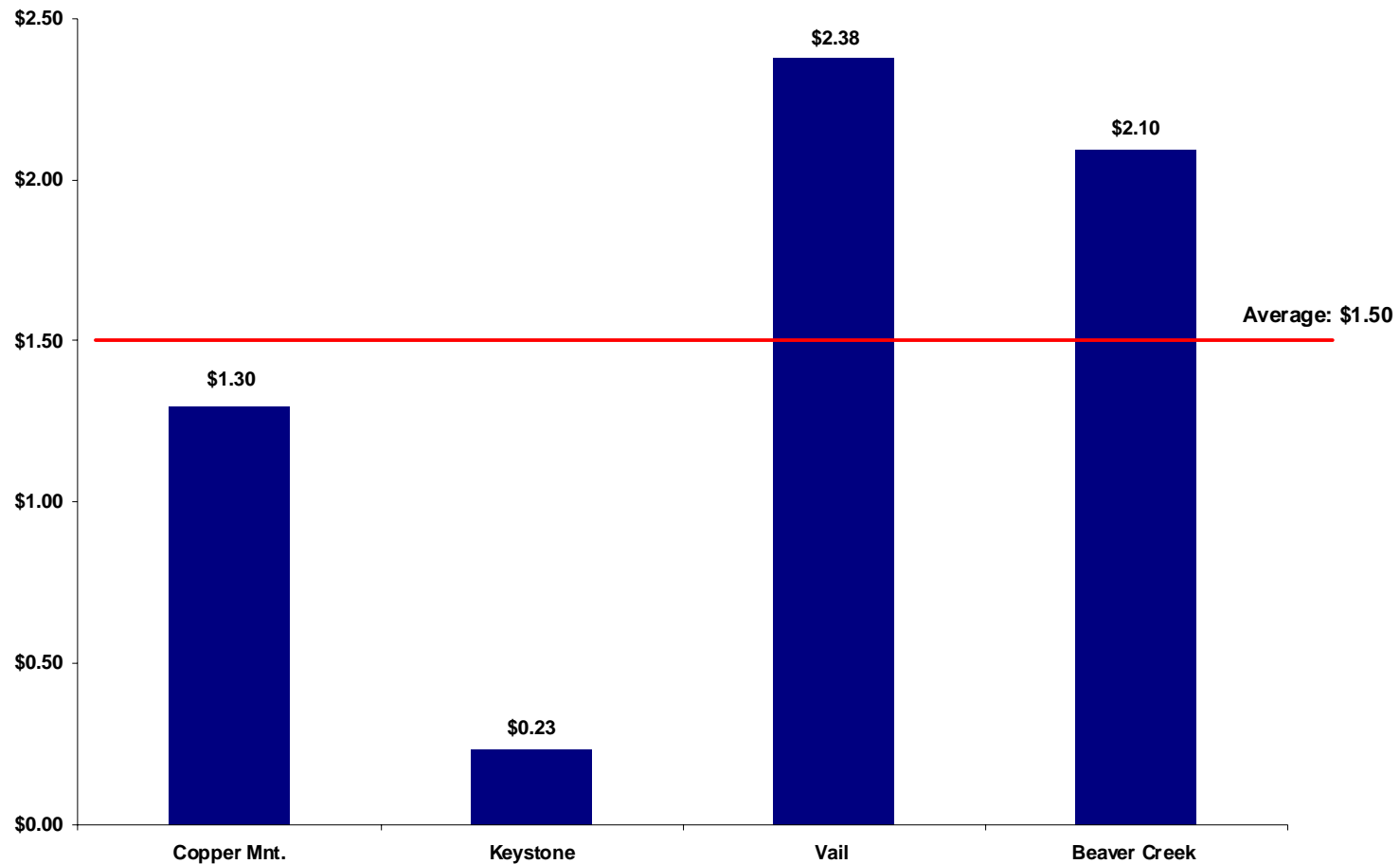
Transportation

- Copper Mountain – \$2 Million annually - Operated by Copper Mountain Resorts with contribution from Village at Copper of \$200,000 annually.
- Beaver Creek – \$4 Million annually - Operated by Beaver Creek Metro District with \$1.45 million contribution from the Beaver Creek Resort Company.
- Keystone – Unknown, operated by Vail Resorts. KNC previously provided \$275,000 annually but no longer contributes.
- Town of Vail has own bus system and is part of a county-wide system.
- Town of Frisco is served by a county-wide system.



Transportation per Skier Visit

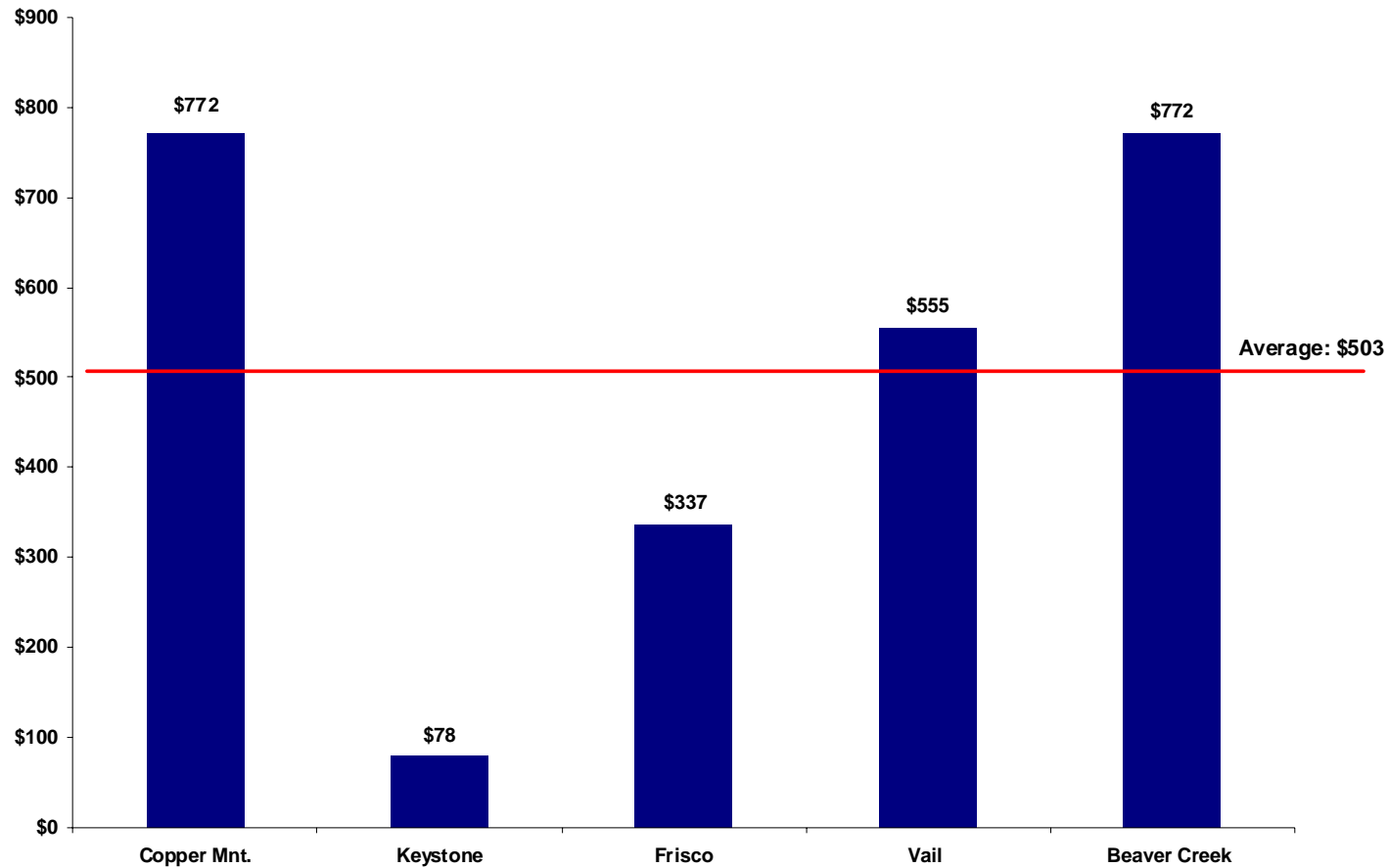
Expenditure on Transportation per Skier Visit



* Keystone total does not include Ski Area Operator Contributions

Transportation per Dwelling Unit

Expenditure on Transportation per Dwelling Unit



* Keystone total does not include Ski Area Operator Contributions

Study Findings

Copper Mountains Competitive Standing

- Copper Mountain base area has the smallest critical mass. An example is Copper Mountain's assessed value of \$69 million, which is far less than any other peer community.
- Copper Mountain, Keystone, and Frisco have comparable home values but these are less than those in Vail and Beaver Creek.
- Copper Mountain and Keystone sales per square foot average around \$200, which is lower than the rest of the peer communities. Note: The common belief is that yearly sustainable revenue per square foot equals approximately \$300.



Revenue Generation

- Copper Mountain's total annual (non-ski area) revenues are \$4.6 million, which is the lowest of peer communities.
- The total property tax and assessment rate for home owners in Copper Mountain is slightly higher than in peer communities. However, the total amount is lower than Vail and Beaver Creek due to the difference in home values between the areas.
- Sales assessment in Copper Mountain is equivalent to rates in peer communities but is not applied Valley-wide.
- Copper Mountain does not charge both a sales assessment and lodging assessment on lodging.
- There is a variance of assessment rates paid by Copper Mountain home owners.



Service Provision and Levels

- Marketing at resort areas is generally a joint effort between the ski-operator and local agencies.
- Transportation – Copper Mountain and Keystone are the only two areas where the ski-operator operates the transit system and bears the majority of the cost to operate.
- Security – Copper Mountain and Keystone are the only two areas where the ski-operator provides security and bears the majority of the cost to operate.
- The successful peer communities operate with economic structures that separate services from the ski-operator, allowing the operator to focus on mountain marketing and improvements.



Possible Solutions

Recommendation Framework

Long Term Goals

- Increased Market Value
- Greater Revenues for Businesses
- Greater Critical Mass
- Economic Sustainability

Short Term Targets

- Services
- Infrastructure
- Marketing

Tools

- Incremental investments
- Revenue generation
- Efficiencies gained via the provision of services



Copper Mountain Challenges (problems)

1. Need to improve Copper Mountain's competitive standing and enhance overall value for all stakeholders.
2. There is a need to address gaps in services community and aging infrastructure within the community. This can negatively affect visitor experience and owner values.
3. Economic structure has not been adequately adjusted to address and meet the needs of the growing community.



Copper Mountain Challenges (solutions)

1. Need to improve Copper Mountain's competitive standing and enhance overall value for all stakeholders
 - Decrease burden on ski-area operator to provide services such as transit, security, and common area infrastructure maintenance, allowing operator to focus on improving the economic engine (ski area).
 - Find ways to allow for increase spending on marketing of and capital improvements for ski resort.
 - Invest in amenities to attract more visitors to drive both short term and overnight visitation.



Copper Mountain Challenges (solutions)

2. There is a need to address gaps in services community and aging infrastructure within the community. This can negatively affect visitor experience and owner values.

- Consider restructuring of transportation services to find way to provide effective and consistent transit to all areas of Copper Mountain Valley.
- Determine infrastructure maintenance gaps and deficiencies and assign responsibilities to the appropriate agency.
- Increase funding to operate and improve infrastructure maintenance, security and transportation. Remove burden of some Valley services from ski-operator in order to allow operator to focus on marketing and resort improvements.
- Update Valley-wide infrastructure and create standards for upkeep and improvement of public amenities such as signage and landscaping, roads, bike paths, and pedestrian walkways, thus creating a cohesive experience.
- Perform a reserve study for Valley-wide infrastructure.



Copper Mountain Challenges (solutions)

3. Economic structure has not been adequately adjusted to address and meet the needs of the growing community
 - Create a sustainable economic structure for the Copper Mountain area utilizing existing agencies to provide comprehensive community services equal to other resorts.
 - Apply the assessment of retail and lodging surcharge to all Copper Mountain businesses and lodging units, including VBRO rentals.
 - Explore additional revenue generating opportunities.
 - Balance property assessment burden in more equitable manner to increase funds for infrastructure maintenance and capital expenditures.



Revenue Generation Possibilities

- Make assessment of retail and lodging surcharge Valley-wide.
- Assess an additional ½ to 1 percent on lodging as lodging assessment on top of the 3 percent general assessment.
- Assess a surcharge on recreational activities.
- Assess a surcharge on lift tickets.
- Increase chamber dues for dwelling units and make dues equitable Valley-wide.

