

I. INTRODUCTION AND SUMMARY OF FINDINGS

This report summarizes the analysis and conclusions of Economic & Planning Systems (EPS) regarding the economic and fiscal impact of the Winter Park Resort Base Village under development by Intrawest. The study was performed under a contract with the Town of Winter Park acting on behalf of a partnership between the Town, Grand County, and Intrawest. The population and employment estimates developed by EPS for this study are also an input to the Transportation Plan under development by Felsburg, Holt and Ullevig (FHU).

BACKGROUND

There are significant developments poised to happen in the Fraser Valley, including major residential and commercial development, relatively large areas of potential infill within the Towns, as well as the anticipated expansion/improvements at the Resort. These projects will have quantifiable benefits in terms of increased visitation and related sales and lodging tax revenues. They will also require additional Town, County, and special district services, infrastructure, and may create commercial development that will impact existing businesses.

The proposed Base Village expansion at the base of Winter Park Resort is planned for a total of 1,553 residential units and 42,000 square feet of commercial space over a 15 year absorption period from 2007 to 2022. The residential units will include approximately 1,200 condo hotel units, similar to the Zephyr Mountain Lodge. These units will be individually owned but will also have central management, which would allow owners to be included in the overnight accommodations rental pool. The remaining 300 units are expected to be townhomes and a limited number of single family homes.

Intrawest's lease agreement for the ski area with the City and County of Denver also requires that Intrawest invest about \$50 million in on-mountain improvements. Intrawest estimates annual skier visits will increase from the current base of approximately 1.0 million to approximately 1.4 million over the next 20 years due to the on-mountain improvements and the expansion of the overnight lodging inventory at the base.

The goals of this economic and fiscal analysis are as follows:

- To understand the existing characteristics and dynamics of the Fraser Valley economy, including sales leakage by the economic sector;
- To estimate the potential fiscal impacts of the Base Village expansion on the Town and the County;
- To identify a reasonable 'buildout' projection of sustainable commercial development in Downtown Winter Park;

- To develop practical strategies for encouraging appropriate development to strengthen Downtown Winter Park.

SCOPE OF WORK

EPS conducted an analysis of baseline demographic and economic trends and market conditions in the Fraser Valley, defined as the area of Grand County between Berthoud Pass and Red Dirt Hill, including the Towns of Winter Park and Fraser. The baseline information was used to develop a forecast for the Fraser Valley that accounted for the spending patterns of local residents, second homeowners, and overnight visitors. Key inputs to the forecast include a residential development forecast, and Intrawest's planned expansion of the Winter Park Base Village and other on-mountain improvements. EPS also conducted a fiscal impact study of costs and revenues to Winter Park and Grand County related to the Base Village expansion. The report and analysis includes the following tasks:

- **Economic and Demographic Framework** – EPS analyzed basic demographic and economic trend information on population, household, and employment. EPS also analyzed retail sales trends, lodging occupancy trends, visitation patterns by season, and skier visits. Real estate conditions, including trends in construction and sales are also quantified.
- **Development Forecasts** – EPS forecast residential and accommodations construction for the 2005 to 2025 time period based on data from the economic and demographic framework, developer and real estate professional interviews, and information from Town and County planners. The development forecasts are then used to forecast future visitation, and lodging and retail demand.
- **Retail/Commercial Analysis** – EPS quantified current taxable retail sales by store category based on Town of Winter Park sales tax data, and estimates for Fraser and Tabernash. An inventory of existing regional retail space was also compiled from sales tax data and other Town building records. Existing retail expenditures and forecast growth were estimated for residents and visitors by type and compared to existing sales to estimate retail capture and leakage along with future retail development potentials.
- **Downtown Impacts and Revitalization Strategies** – Based on projected retail sales growth, and the additional commercial space at Base Village, EPS estimates the potential growth of retail sales in existing Fraser Valley stores. A number of recommendations aimed at increasing the level of vitality in Downtown Winter Park are also presented.
- **Fiscal Impact Analysis** – EPS completed a fiscal impact analysis of the Base Village expansion on Town of Winter Park, Grand County Sheriff and EMS departments, and the East Grand County Fire Protection District.

SUMMARY OF FINDINGS

The following points summarize the major findings regarding the economic and fiscal impact study of the Base Village expansion plan.

1. *The Intrawest Base Village Project is a small component of a larger expansion of resort related real estate development in the Fraser Valley.*

There is a significant amount of development activity and developer interest in the Fraser Valley. Nationally, the market for second homes has been growing as wealthy baby boomers are passing through their peak earning periods as well as reaching retirement age. Front Range buyers are also active in the second home market and see the Fraser Valley as an attractive alternative to the higher priced Summit and Eagle County/I-70 corridor markets. The level of development activity and interest is expected to remain strong in the Fraser Valley. Planned and under construction development projects in the Fraser Valley total to development potential of over 12,000 units in several major projects, including approximately 1,900 units of remaining development potential within the Town of Winter Park, not including the Base Village expansion. Over the next 20 years, it is forecast that approximately 5,100 new housing units will be built in the Fraser Valley in addition to the Base Village expansion of 1,553 units.

2. *The Base Village expansion is relatively balanced with the projected growth of skier visits over the next 20 years.*

The majority of planned development projects in the Fraser Valley cater to second home buyers and do not contribute significantly to increasing "hot beds" oriented to overnight visitors. The Base Village expansion will add approximately 1,300 condo hotel units (of which 80 percent are estimated to be hot beds in the overnight rental pool), thus balancing second home growth with growth in overnight visitors who typically have higher daily expenditures. The Base Village expansion is also estimated to account for 268,000 new skier visits at Winter Park Resort over the next 15 to 20 years, which is approximately half of the project growth in skier visits during this time.

3. *The projected increase in Winter Park Resort visitation will support the planned expansion of commercial space as well as generate opportunities for a modest expansion of downtown commercial space.*

The forecasts of visitation growth in the Fraser Valley will support the development of approximately 190,000 square feet of new commercial space over the next 20 years or approximately 50,000 square feet every five years. The planned increase of 42,000 square feet at the Winter Park Resort base will therefore have a short-term impact on existing businesses in Winter Park and Fraser that should be mitigated within an estimated five year time horizon. By project buildout in 2022, the forecast increase in visitation will support an additional 147,000 square feet of commercial space most of which will be located in the downtown areas of Winter Park and Fraser.

- 4. The performance of downtown Winter Park commercial space can be improved by concentrating future commercial expansion into a compact urban core with a greater pedestrian orientation.*

Existing sales volumes in downtown Winter Park are below levels achieved at other Colorado ski resorts due in part to the weakness in summer visitation and secondarily to the downtown highway-oriented low density development pattern. The downtown area can best capitalize on future opportunities by concentrating future development potential in a higher density pedestrian oriented two to three block core with a critical mass of specialty and eating and drinking uses. This will allow the downtown area to compete with and complement the developing Base Village core.

- 5. The Town should also encourage the development of additional lodging in the downtown area to strengthen the core as a commercial village.*

Increasing the number of lodging units will generate a higher level of pedestrian activity in the downtown and in turn help to reinforce business conditions and commercial redevelopment opportunities. The seasonality and weekend orientation of visitation in Winter Park dictates that traditional hotel development is not likely to be feasible in the near future. The best opportunities are for condominium hotel properties (also known as condotels), which consist of individually owned units with a central property management and reservations staff. Typically, 70 to 80 percent of condotel units in any given project are in the overnight rental pool and function as hot beds. The related growth in overnight visitation will provide additional support for existing and future retail and restaurant uses in the downtown core area.

- 6. The Base Village Project will have positive impact on the Town of Winter Park operating budget.*

The addition of 1,553 housing units and 42,000 square feet of commercial space is estimated to have an annual fiscal surplus (revenues minus town expenditures) of \$635,000 at buildout which is estimated to occur by 2022. This indicates that the revenues to the town generated by the project will offset the cost of additional Town services due to the increase in the population served. At buildout in 2022, the project is estimated to generate \$800,000 in annual real estate transfer tax, \$425,000 in annual sales tax, and \$280,000 in real estate tax.

- 7. The Project is also expected to generate sufficient one-time revenues to cover required capital needs in the Town related to the project.*

The project will generate an estimated \$1.1 million in building permit fees, and \$4.9 million in affordable housing impact fees over the course of the estimated 15-year construction phasing. These are one time revenues that will be realized only during the construction period, and are therefore best suited for funding one-time capital needs rather than ongoing government operations.

8. *The project will have a positive fiscal impact on the East Grand County Fire District at buildout; however, the District may experience a short-term shortfall to cover needed capital facilities.*

The Base Village expansion is estimated to have a positive fiscal impact of \$380,000 per year at buildout in 2022. The positive fiscal balance applies to the operating budget; however, the District relies on operating surpluses to supplement impact fees for capital needs. The District has a capital need of approximately \$2.3 million for a new substation in the vicinity of Winter Park resort equipped with a type I engine and a ladder or aerial platform truck. The project will add over 1,200 units in three to six story buildings to the existing resort area bed base, which also includes several tall structures. The project will also generate \$715,000 in impact fees over the 15-year buildout, and the total operating surplus cumulative property tax collections will total \$2.5 million from 2007 to 2022. Total revenues cover the capital costs over time, but these capital expenditures are expected to be needed in the near future resulting in a short-term capital shortfall.

9. *The Grand County EMS should expect the need to expand service in the Fraser Valley to serve the expected growth including the Base Village project.*

The project is estimated to generate a positive net fiscal impact of \$423,000 at buildout, including \$136,000 per year in property tax and \$483,000 in charges for services. The project by itself does not trigger the need for an addition ambulance and crew. However, based on the amount of expected development in other Fraser Valley projects, EMS should anticipate adding additional service in the Fraser Valley over the next five years.

10. *The Grand County Sheriff is expected to experience a modest increase in service requirements as a result of employee commuting patterns.*

Impacts to the Sheriff's Department will be largely related to the increase in employment generated by the project and the overall growth of the Fraser Valley. The addition of direct and indirect commuter employees (employees living outside the Fraser Valley) will add approximately 1,500 new residents to Grand County including the Fraser Valley over the next 20 years, or a modest increase of 11 percent on the total County population of approximately 14,000. The increase in employees living outside the Fraser Valley is estimated at 400, or an increase of 4.4 percent on the current population of 9,100 living in Grand County outside the Fraser Valley. This growth is not expected to create a significant increase in service demands, as it will likely be accommodated as part of the overall growth of Grand County. At buildout, the project is estimated to generate approximately \$1.0 million in new County property tax revenue, which should be adequate to cover the increase in service demands directly attributable to the project.

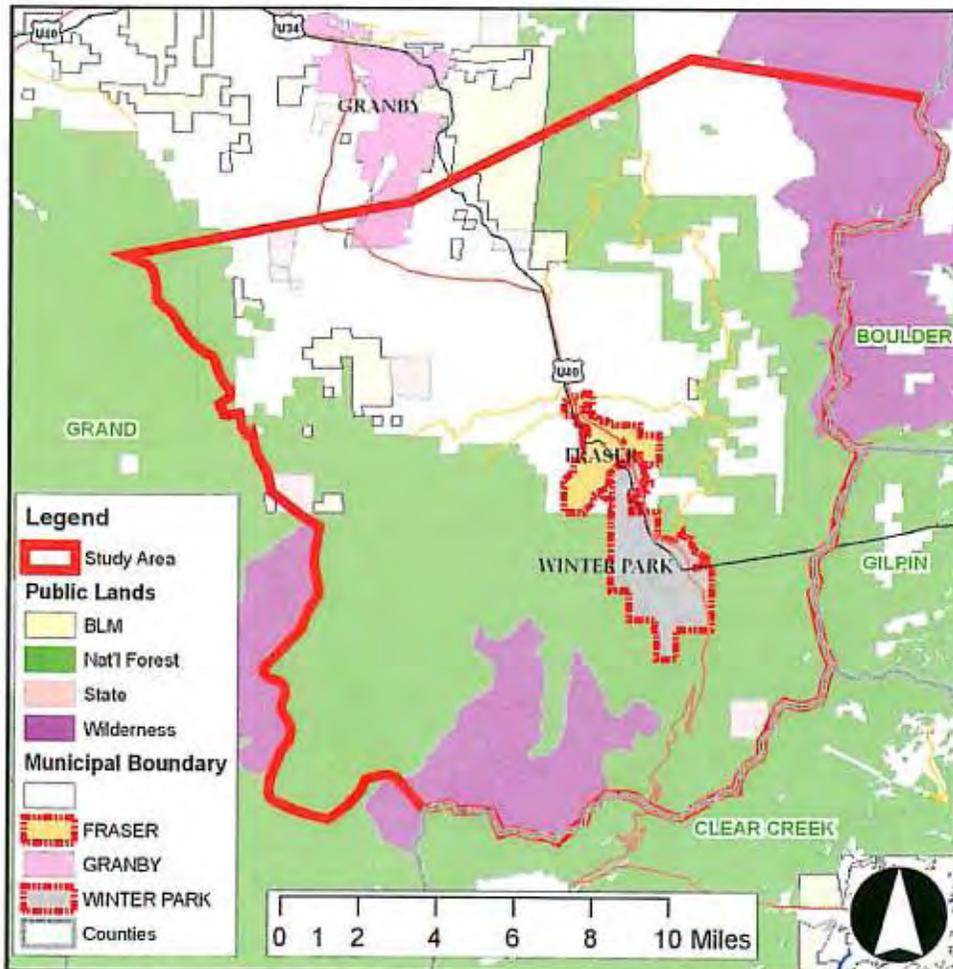
II. ECONOMIC AND DEMOGRAPHIC FRAMEWORK

This chapter reviews demographic and economic conditions in the Fraser Valley and Grand County. This baseline trend information is used to establish a basis for forecasting future visitation and retail sales in the Fraser Valley, as well as in the fiscal impact analyses performed for the Town of Winter Park and Grand County. This chapter is organized into the following sections:

- Population and Household Trends
- Economic Conditions
- Lodging and Visitation
- Retail Sales Trends
- Residential Market Conditions

The study area is defined as the Frasier Valley portion of Grand County lying between the top of Berthoud Pass and Red Dirt Hill located to the west of Granby, as shown in **Figure 1**. The study area encompasses the Towns of Winter Park and Fraser, Tabernash, and unincorporated Grand County.

Figure 1
Study Area
Base Village Economic and Fiscal Impact Study



POPULATION AND HOUSEHOLD TRENDS

The full time population of Winter Park was estimated at 830, and 1,020 in Fraser, according to the most recent estimates published by the Colorado Department of Local Affairs, as shown in Table 1. Population growth has been steady since 1990, with an annual increase of 22 people in Winter Park and 32 people in Fraser. The full time population in Winter Park and Fraser is estimated to have not substantially changes since the 2004 estimates were released, since most new construction in the area is oriented to second home buyers.

Winter Park has approximately 400 households and Fraser 460, according to these estimates. Winter Park added 159 households since 1990, with an annual increase of 11 full-time resident households. Fraser added a total of 203 households since 1990. Unincorporated Grand County, which includes parts of the Fraser Valley, added an average of 108 households per year since 1990. A significant amount of this growth occurred in the areas to the northeast and northwest of Fraser and around Granby.

Table 1
Population and Households, 1990-2004
Base Village Economic and Fiscal Impact Study

Description	1990	2000	2004	Change 1990-2004		
				Total #	Ann. #	Ann. %
Population						
Fraser	573	910	1,020	447	32	4.2%
Granby	966	1,525	1,746	780	56	4.3%
Grand Lake	259	447	482	223	16	4.5%
Hot Sulphur Springs	347	521	597	250	18	4.0%
Kremmling	1,166	1,578	1,641	475	34	2.5%
Winter Park	528	662	830	302	22	3.3%
Unincorp. Area	<u>4,127</u>	<u>6,799</u>	<u>7,627</u>	<u>3,500</u>	<u>250</u>	<u>4.5%</u>
Grand County	7,966	12,442	13,943	5,977	427	4.1%
Households						
Fraser	257	410	460	203	15	4.2%
Granby	388	579	665	277	20	3.9%
Grand Lake	116	219	236	120	9	5.2%
Hot Sulphur Springs	126	196	227	101	7	4.3%
Kremmling	442	595	621	179	13	2.5%
Winter Park	242	318	401	159	11	3.7%
Unincorp. Area	<u>1,597</u>	<u>2,758</u>	<u>3,106</u>	<u>1,509</u>	<u>108</u>	<u>4.9%</u>
Grand County	3,168	5,075	5,716	2,548	182	4.3%

Source: CO Dept. of Local Affairs, Economic & Planning Systems

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In 2004, there were 2,592 housing units in Winter Park and Fraser, with 1,846 in Winter Park and 746 in Fraser, as shown in **Table 2**. From 1990 to 2004, units were added at an average annual rate of 35 per year in Winter Park and 14 per year in Fraser. In Grand County as a whole, housing growth occurred at a rate of 278 units per year over this time period, indicating that Winter Park and Fraser accounted for 17 percent of the housing growth. Sixty seven percent of Grand County housing growth occurred in unincorporated areas of the County. The rate of development increased remarkably during the 2000 to 2004 time period when units were added at a rate of 744 per year, compared to the 1990 to 2000 time period, when construction was approximately 91 units per year.

Table 2
Housing Units, 1990-2004
Base Village Economic and Fiscal Impact Study

Geography	1990	2000	2004	Change 1990-2004		
				Total #	Ann. #	Ann. %
Fraser	557	622	746	189	14	2.1%
Granby	492	628	764	272	19	3.2%
Grand Lake	754	748	850	96	7	0.9%
Hot Sulphur Springs	185	227	277	92	7	2.9%
Kremmling	560	646	714	154	11	1.8%
Winter Park	1,361	1,231	1,846	485	35	2.2%
Unincorp. Area	<u>6,076</u>	<u>6,792</u>	<u>8,674</u>	<u>2,598</u>	<u>186</u>	<u>2.6%</u>
Grand County	9,985	10,894	13,871	3,886	278	2.4%

Source: CO Dept. of Local Affairs, Economic & Planning Systems

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Mountain communities in Colorado often have a large number of housing units reported by the Census as vacant; most of these are second homes. In 2004, there were an estimated 1,445 vacant units in Winter Park out of 1,846 total housing units, indicating that 78 percent of the housing units are either vacant for seasonal use or vacant for sale, as shown in Table 3. Fraser has substantially fewer vacant units at an estimated 38 percent in 2004, suggesting that the proportion of year-round residents in Fraser is higher than in Winter Park.

The most recent published estimate of units vacant for seasonal or recreational use (second homes) is from 2000. In Fraser, second homes are estimated at 165 or 27 percent of all units. In Winter Park, the estimate is much higher at 703 units or 57 percent of the total, as shown in Table 3.

Table 3
Housing Units by Vacancy Status, 1990-2004
Base Village Economic and Fiscal Impact Study

Geography	1990	2000	2004	1990-2000		2000-2004	
				Total #	Ann. #	Total #	Ann. #
Total Housing Units							
Winter Park	1,361	1,231	1,846	-130	-13	615	154
Fraser	557	622	746	65	7	124	31
Grand County	9,985	10,894	13,871	909	91	2,977	744
Occupied Housing Units							
Winter Park	242	318	401	76	8	83	21
Fraser	257	410	460	153	15	50	13
Grand County	3,168	5,075	5,716	1,907	191	641	160
Vacant Housing Units							
Winter Park	1,119	913	1,445	-206	-21	532	133
Fraser	300	212	286	-88	-9	74	19
Grand County	6,817	5,819	8,155	-998	-100	2,336	584
Vacant for Seasonal Use							
Winter Park	850	703	---	-147	-15	---	---
Fraser	223	165	---	-58	-6	---	---
Grand County	5,800	4,783	---	-1,017	-102	---	---

Source: DOLA: CO Demography Section, Economic & Planning Systems

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Since much of the study area lies in unincorporated Grand County, for which there are no published housing unit estimates, EPS developed an estimate of total housing units and second homes for use in the economic forecasts. The methodology used is similar to the recent Northwest Colorado Council of Governments (NWCCOG) study, which was based on county assessor data in a Geographic Information System (GIS). As shown in Table 4, the study area contains an estimated 5,414 housing units with 2,613 single family units (48 percent) and 2,801 condominium and townhome units (52 percent). Based on the number of non-resident owners, approximately 60 percent of the housing units or an estimated 3,248 are second homes, rental, or investment properties. This estimate is consistent with recent studies by the NWCCOG¹, which estimated that 63 percent of homes in Grand County and 57 percent of homes in Winter Park belong to non-local owners.

Table 4
Fraser Valley Housing Units, 2005
Base Village Economic and Fiscal Impact Study

Housing Units	Units
Total Units	
Single Family Detached	2,613
Condominium/Townhome	<u>2,801</u>
Total	5,414
Occupancy	
Primary Residence	40%
Investment/Rental/Second Home ¹	<u>60%</u>
Total	100%
Estimated Units by Occupancy	
Primary Residence ²	2,166
Investment/Rental/Second Home	<u>3,248</u>
Total	5,414
Estimated Second Homes	
Investment/Rental/Second Home	3,248
Less Rental Homes and Condos/Townhomes	<u>1,191</u>
Estimated Second Homes	2,057

¹ Estimated from number of property owners residing outside the study area.

² This is also the estimated number of households in the study area.

Source: Grand County GIS, Economic & Planning Systems

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¹ NWCCOG, 2002: *Typology of Second Homes*; also NWCCOG, 2002: *2002 Winter Park Community Survey*

For the economic forecast, it is necessary to distinguish between second homes that are in the overnight rental pool and second homes that are not. Based on the Winter Park Central Reservations database, there are an estimated 1,191 homes, townhomes, and condominium in the overnight rental pool. Subtracting these from the total second homes results in approximately 2,000 second homes that are not in the overnight rental pool.

The 2002 Winter Park Community Survey provides some background on second homeowners in Winter Park, which can be extended to characterize second homeowners in the Fraser Valley. Approximately 45 percent of second homeowners are between 45 and 64 years old with an additional 25 percent between 35 and 44 years old. Nearly all second homeowners have at least a college degree; approximately half have a graduate degree. Approximately 20 percent have incomes between \$100,000 and \$149,999. An additional 40 percent of second homeowners have incomes above \$150,000. Approximately half of Fraser Valley second homeowners live in the Denver metropolitan area or elsewhere in the Front Range.

ECONOMIC CONDITIONS

EMPLOYMENT TRENDS

Employment in Grand County has been growing steadily since 1990, as shown in **Table 5**. In 1990, the County had 6,100 jobs increasing to 10,300 in 2004, the most recent year for which total employment estimates are available. From 2000 to 2003, a period of slow economic growth both in Colorado and nationally, Grand County added 635 jobs at an annual rate of 2.1 percent. Much of this growth has been driven by second home development, as reflected in the growth of Real Estate and Construction jobs.

Table 5
Total Employment: Grand County, 1990-2003
Base Village Economic and Fiscal Impact Study

Year	Total Employment	Change	
		#	Ann. %
1990	6,105	—	—
1995	7,909	1,804	5.3%
2000	9,762	1,853	4.3%
2003	10,397	635	2.1%
2004	10,312	-85	-0.8%

Source: Economic & Planning Systems

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As shown in Table 6, from 1990 to 2000 the four largest industry sectors under the Standard Industrial Classification System (SIC) were Construction; Retail Trade; Finance, Insurance, and Real Estate (FIRE); and Services. Services is a broad category with a variety of professional and personal services. Construction increased from 6 to 12 percent of employment from 1990 to 2000. Retail Trade was steady at approximately 20 percent of the total over this time period, while FIRE showed a small increase from 13 to 15 percent.

Table 6
Percent of Total Employment by Industry: Grand County, 1990-2000
Base Village Economic and Fiscal Impact Study

SIC Classification	1990	1995	2000	Change 1990-2000	
				Total #	Ann. %
Employment					
Agricultural	71	80	D	---	---
Mining	18	25	D	---	---
Construction	358	752	1,211	853	13.0%
Manufacturing	252	183	184	-68	-3.1%
Transportation and Public Utilities	208	219	257	49	2.1%
Wholesale Trade	48	105	98	50	7.4%
Retail Trade	1,218	1,633	1,857	639	4.3%
Finance, Insurance, and Real Estate	789	1,063	1,484	695	6.5%
Services	2,269	2,890	3,382	1,113	4.1%
Government and Government Enterprises	874	959	1,124	250	2.5%
Total Employment ¹	6,105	7,909	9,762	3,657	4.8%
Percent of Total					
Agricultural	1%	1%	D	---	---
Mining	0%	0%	D	---	---
Construction	6%	10%	12%	7%	
Manufacturing	4%	2%	2%	-2%	
Transportation and Public Utilities	3%	3%	3%	-1%	
Wholesale Trade	1%	1%	1%	0%	
Retail Trade	20%	21%	19%	-1%	
Finance, Insurance, and Real Estate	13%	13%	15%	2%	
Services	37%	37%	35%	-3%	
Government and Government Enterprises	14%	12%	12%	-3%	
Total	100%	100%	100%		

¹ The sum of Total Employment includes data in categories that have been suppressed in accordance with privacy regulations.

Source: Bureau of Economic Analysis, Economic & Planning Systems

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Since 2001, employment data has been reported under the North American Industrial Classification System (NAICS), as shown in Table 7. In 2004, Construction, Retail Trade, Real Estate, Accommodations and Food Services, and Arts, Entertainment and Recreation accounted for 63 percent of all jobs in Grand County. There was very little change in the share of total jobs in these sectors, indicating that the Grand County economy continues to be based on tourism, recreation, construction, and real estate.

Table 7
Employment by NAICS Sector: Grand County, 2001-2004
Base Village Economic and Fiscal Impact Study

NAICS Classification	2001	2002	2003	2004	Change
Employment					
Agriculture	D	D	D	(D)	---
Mining	D	21	19	(D)	---
Utilities	D	D	D	(D)	---
Construction	1,409	1,431	1,409	1,436	27
Manufacturing	115	120	122	131	16
Wholesale Trade	D	D	D	(D)	---
Retail Trade	1,012	976	1,004	1,042	30
Transportation and Warehousing	148	156	154	149	1
Information	78	74	72	75	-3
Finance and Insurance	265	274	284	261	-4
Real estate and Rental and Leasing	1,111	1,048	1,006	1,010	-101
Professional and Technical Services	386	390	427	419	33
Management of Companies and Enterprises	D	49	63	29	---
Administrative and Waste Services	D	339	363	396	---
Educational Services	D	D	D	64	---
Health Care and Social Assistance	D	D	D	293	---
Arts, Entertainment and Recreation	1,317	1,207	1,333	1,152	-165
Accommodation and Food Services	1,733	1,803	1,824	1,841	108
Other Services, except Public Administration	490	516	522	533	43
Government and Government Enterprises	<u>1,127</u>	<u>1,206</u>	<u>1,186</u>	<u>1,172</u>	<u>45</u>
Total Employment ¹	10,083	10,207	10,397	10,312	229
Percent of Total					
Agriculture	D	D	D	D	---
Mining	D	0.2%	0.2%	D	---
Utilities	D	D	D	D	---
Construction	14.0%	14.0%	13.6%	13.9%	0.0%
Manufacturing	1.1%	1.2%	1.2%	1.3%	0.1%
Wholesale Trade	D	D	D	D	---
Retail Trade	10.0%	9.6%	9.7%	10.1%	0.1%
Transportation and Warehousing	1.5%	1.5%	1.5%	1.4%	0.0%
Information	0.8%	0.7%	0.7%	0.7%	0.0%
Finance and Insurance	2.6%	2.7%	2.7%	2.5%	-0.1%
Real estate and Rental and Leasing	11.0%	10.3%	9.7%	9.8%	-1.2%
Professional and Technical Services	3.8%	3.8%	4.1%	4.1%	0.2%
Management of Companies and Enterprises	D	0.5%	0.6%	0.3%	---
Administrative and Waste Services	D	3.3%	3.5%	3.8%	---
Educational Services	D	D	D	D	---
Health Care and Social Assistance	D	D	D	D	---
Arts, Entertainment and Recreation	13.1%	11.8%	12.8%	11.2%	-1.9%
Accommodation and Food Services	17.2%	17.7%	17.5%	17.9%	0.7%
Other Services, except Public Administration	4.9%	5.1%	5.0%	5.2%	0.3%
Government and Government Enterprises	<u>11.2%</u>	<u>11.8%</u>	<u>11.4%</u>	<u>11.4%</u>	<u>0.2%</u>
Total Employment ¹	100.0%	100.0%	100.0%	100.0%	

¹ The sum of Total Employment includes data in categories that have been suppressed in accordance with privacy regulations.

Source: Bureau of Economic Analysis, Economic & Planning Systems

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LODGING AND VISITATION

SKIER VISITS

Annual skier visits at Winter Park Resort are summarized in **Table 8**. Consistent with statewide trends, there has been little growth in skier visits over the last 10 years. Skier visits are affected by external factors such as the overall health of the economy and weather. Before the 2005/06 season, the best year for skier visits was the 1997/98 season, with 1.04 million skier visits. The 2005/06 season was a record season, with 12.5 million skier visits statewide. Winter Park Resort also had a very strong year with almost 1.1 million skiers. Nevertheless, there has been little net growth in total skier visits since 1994/95, consistent with statewide trends.

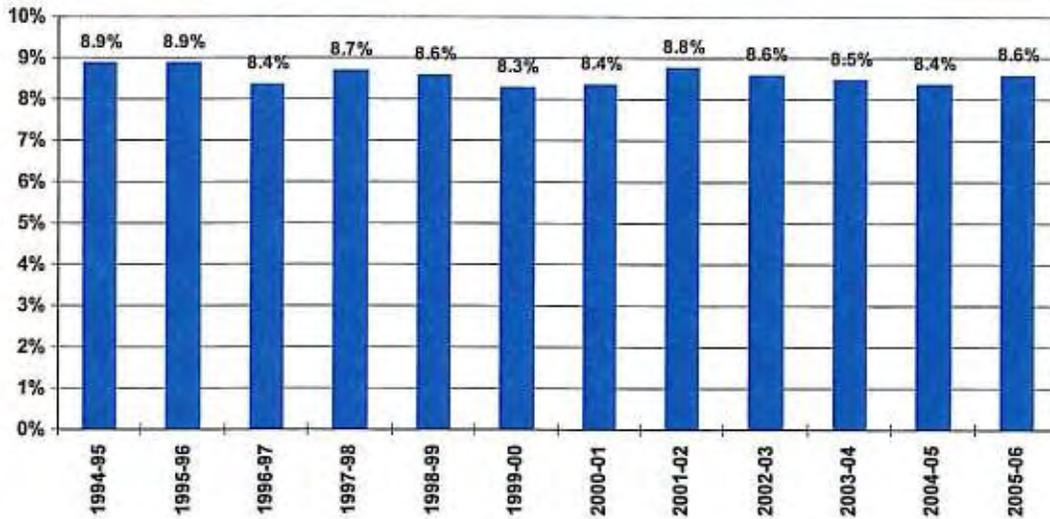
Table 8
Winter Park Resort Skier Visits, 1994 - 2006
Base Village Economic and Fiscal Impact Study

Season	Winter Park			Colorado		
	Skier Visits	Change		Skier Visits	Change	
		#	Ann. %		#	Ann. %
1994-95	986,077	—	—	11,105,106	—	—
1995-96	1,012,580	26,503	2.7%	11,387,058	281,952	2.5%
1996-97	991,393	-21,187	-2.1%	11,844,523	457,465	4.0%
1997-98	1,042,290	50,897	5.1%	11,979,719	135,196	1.1%
1998-99	980,408	-61,882	-5.9%	11,389,561	-590,158	-4.9%
1999-00	902,827	-77,581	-7.9%	10,892,263	-497,298	-4.4%
2000-01	978,539	75,712	8.4%	11,666,672	774,409	7.1%
2001-02	975,256	-3,283	-0.3%	11,128,131	-538,541	-4.6%
2002-03	998,972	23,716	2.4%	11,605,777	477,646	4.3%
2003-04	955,615	-43,357	-4.3%	11,250,761	-355,016	-3.1%
2004-05	990,837	35,222	3.7%	11,815,572	564,811	5.0%
2005-06	1,077,001	86,164	8.7%	12,524,907	564,811	5.0%
Change	90,924		0.7%	1,419,801		1.0%

Source: Colorado Ski Country, USA; Economic & Planning Systems
H:\15865-Winter Park Base Village Pl. I\Modals\15865-Econ Model\09-01-05.xls\SKI-Transd

As shown in Figure 2, Winter Park Resort's share of total Colorado skier visits has been relatively constant over the last 10 years. Winter Park's market share has fluctuated between 8.3 and 8.9 percent since 1994. The trend is generally flat, finishing with 8.6 of Colorado skier visits during the 2005-06 season.

Figure 2
Winter Park Resort Market Share of Colorado Skiers, 1994/95-2005/06
Base Village Economic and Fiscal Impact Study



Skier visits at Winter Park Resort are fairly evenly distributed across the ski season, as shown in **Table 9**. This reflects the resort's popularity with day skiers and Colorado Front Range skiers who can easily access the resort throughout the year. Sixty percent of skier visits occur during the peak ski season, defined generally as the last week of December and February and March, which includes spring break for many schools. The remaining 40 percent of skier visits occur before Christmas and in early April. Winter Park Resort's peak season appears to extend later into March than other resorts, particularly destination ski resorts. In spite of Winter Park's day skier activity, resort survey data indicates 31 percent are overnight or destination skiers.

Table 9
Winter Park Skier Visit Statistics, 2004/2005
Base Village Economic and Fiscal Impact Study

Description	Dates	Visits	Pct.
Peak Season			
Christmas	12/20/04 01/03/05	143,314	14.5%
February - March	02/01/05 03/31/05	<u>454,982</u>	<u>45.9%</u>
Total Peak Season		598,296	60.4%
Non-Peak Season		392,541	39.6%
Total 2004/05 Season	11/17/04 04/17/05	990,837	100.0%
Avg. Peak Season Weekend		9,414	
Avg. Peak Season Day		7,363	

Source: Economic & Planning Systems

H:\15865-Winter Park Base Village Ph II\Models\15865-Econ Model03-20-06.xls\SKI-Peak

OCCUPANCY AND LODGING

Based on occupancy statistics at base area properties, lodging tax collections, and interviews with property managers, EPS estimated occupancy rates by month in the Fraser Valley. March is the busiest month with an estimated occupancy of 85 percent in overnight accommodations valley-wide, as shown in Table 10. The March peak is likely a reflection of school vacations and the popularity of Winter Park with Front Range families. Overall occupancy during the winter (November through April) is estimated at 50 percent and 15 percent during the shoulder and summer months. Occupancy during the summer months never gets above 31 percent, suggesting that the Fraser Valley is largely a winter destination with a smaller draw in the summer.

Intrawest's goal for the Base Village project is to boost occupancy and skier visits by adding destination visitors during the week and the off-season. As the occupancy data indicates, the area could benefit from additional visitors during these times.

Table 10
Town of Winter Park Lodging Tax and Occupancy by Month, 2005
Base Village Economic and Fiscal Impact Study

Month	Lodging Tax		Occupancy
		%	
November	\$24,253	3%	10%
December	\$145,766	16%	63%
January	\$133,941	15%	58%
February	\$147,276	16%	63%
March	\$197,529	22%	85%
April	\$47,230	5%	20%
May	\$8,718	1%	4%
June	\$33,876	4%	15%
July	\$72,438	8%	31%
August	\$44,278	5%	19%
September	\$29,207	3%	13%
October	\$13,730	2%	6%
Total / Average	\$898,244	100%	32%
Nov. - Apr.	\$695,995	77%	50%
May - Oct.	\$202,248	23%	15%

Source: Town of Winter Park, Economic & Planning Systems

H:\15865-Winter Park Base Village Ph II\Model\15865-Econ Model\01-01-06.xls;tab_Tax_Occ'y

The Fraser Valley overnight accommodations bed base is shown in **Table 11**. Currently, the Base Area and Old Town have approximately 631 overnight accommodation units, or 24 percent of the total lodging inventory. Intrawest plans to add an additional 1,553 units at the Base Area over the next 15 years. Lodging units in the Town of Winter Park account for 33 percent of the inventory. Snow Mountain Ranch has the capacity for 2,098 pillows or an estimated 749 units using a conversion factor of 2.8 persons (or pillows) per unit, accounting for 29 percent of the lodging inventory. Fraser has 365 lodging units or 14 percent of the inventory. As shown, approximately 57 percent of visitors stay either in the Town of Winter Park, including Old Town and the Base Area.

Table 11
Fraser Valley Lodging Inventory, 2005
Base Village Economic and Fiscal Impact Study

Location	Total Units	Pct.
Base Area & Old Town		
Vintage	117	4.5%
Zephyr Lodge	175	6.7%
Winter Park Mountain Lodge	162	6.2%
Other Properties	<u>177</u>	<u>6.7%</u>
Subtotal	631	24.0%
Other Areas		
Winter Park	869	33.1%
Fraser	365	13.9%
Snow Mtn. Ranch ¹	749	28.5%
Tabernash	<u>12</u>	<u>0.5%</u>
Subtotal	1,995	76.0%
Total	2,626	100.0%

¹ Unit equivalents at 2.8 persons per unit.

Source: EcoSign Mountain Resort Planners, Ltd.; Economic & Planning Systems

H:\115025-Winter Park Base Village Pl\115025-Econ Model\26-31-06.xls\ACCOM-051.rpt

RETAIL SALES

Sales tax collections over time provide an indication of the level of activity in retail sectors. The Town of Winter Park also tracks lodging tax collections with retail sales tax figures. These trends are shown in **Table 12** and **Figure 3**. As shown, Winter Park retail sales tax collections have been fluctuating between approximately \$950,000 and \$1.1 million between 1999 and 2005. Sales tax from retail and eating and drinking increased from 2002 to 2005 after a decline from 2000 to 2002. Sales tax from eating and drinking exceeded retail sales tax in 2001 and has been higher ever since. Overall, from 1999 to 2005, retail sales tax collections grew by 1.2 percent per year, while eating and drinking grew by 3.7 percent per year. Lodging taxes grew by 3.2 percent per year, but has been generally flat since 2002, indicating little growth in overnight visitors from 2002 to 2005.

Table 12
Winter Park Sales Tax Collections, 1999-2005
Base Village Economic and Fiscal Impact Study

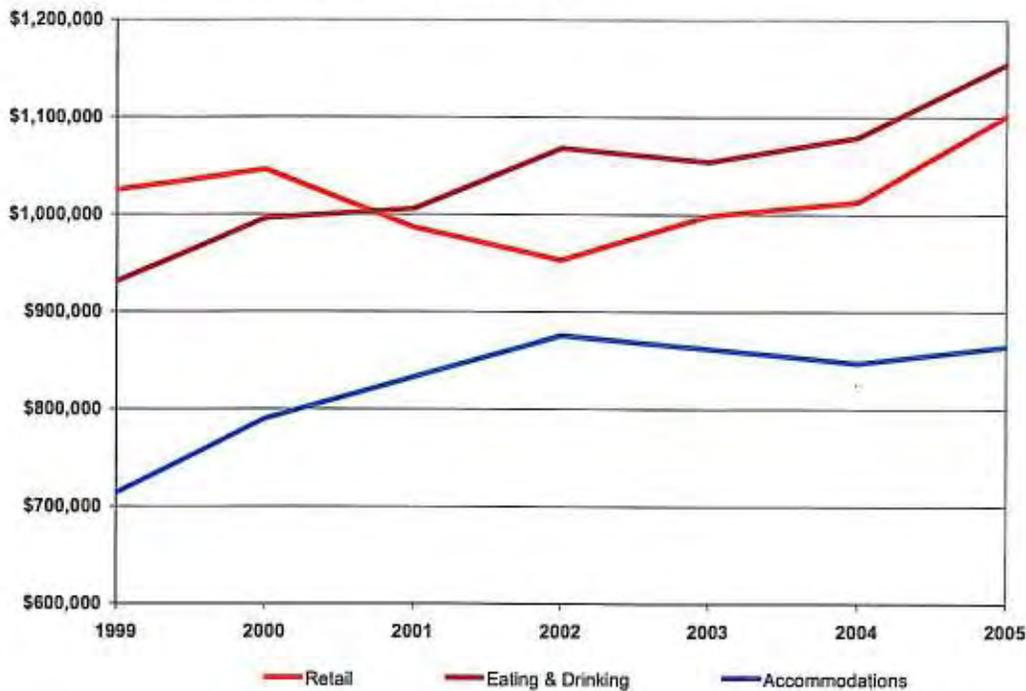
Year	Retail	Eating & Drinking	Lodging ¹	Total
Dollars				
1999	\$1,025,010	\$930,914	\$713,432	\$2,669,357
2000	\$1,045,729	\$995,975	\$789,955	\$2,831,659
2001	\$986,903	\$1,005,629	\$832,914	\$2,825,445
2002	\$953,134	\$1,068,294	\$875,765	\$2,897,193
2003	\$998,614	\$1,053,872	\$862,128	\$2,914,613
2004	\$1,012,729	\$1,079,058	\$847,512	\$2,939,299
2005	\$1,101,096	\$1,154,569	\$864,308	\$3,119,974
Ann. Avg.	\$1,017,602	\$1,041,187	\$826,573	\$2,885,363
Change 1999-2005	\$76,086	\$223,654	\$150,877	\$450,617
Ann. Pct. Change				
1999	---	---	---	---
2000	2.0%	7.0%	10.7%	6.1%
2001	-5.6%	1.0%	5.4%	-0.2%
2002	-3.4%	6.2%	5.1%	2.5%
2003	4.8%	-1.4%	-1.6%	0.6%
2004	1.4%	2.4%	-1.7%	0.8%
2005	8.7%	7.0%	2.0%	6.1%
1999-2005	1.2%	3.7%	3.2%	2.6%

¹ Includes condominiums and accommodations categories.

Source: Town of Winter Park, Economic & Planning Systems

H:\15865-Winter Park Base Village PH (Models)\15865-uxtrend.xls\WP Summary

Figure 3
Sales Tax Collections: Town of Winter Park, 1999-2005
 Base Village Economic and Fiscal Impact Study



Total 2004 retail store sales² in Fraser and Winter Park are estimated in Table 13. The majority of retail sales, 53 percent, occur in Fraser largely because of the three major community-serving businesses of Safeway, Ace Hardware, and Alco. Winter Park captures approximately 40 percent of total Valley retail sales, not including sales in the Winter Park Resort area. Retail sales at the Resort currently account for an estimated 7.0 percent of the total.

Table 13
Estimated Retail Store Sales by Location, 2004
 Base Village Economic and Fiscal Impact Study

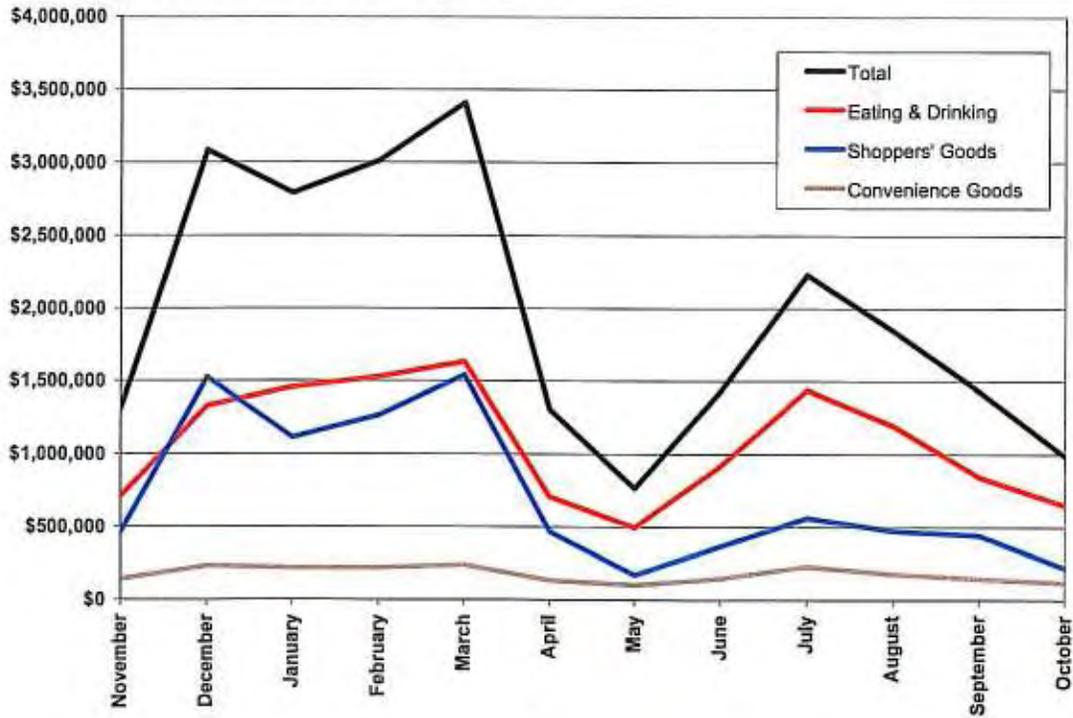
Location	Est. Sales	Percent
Town of Fraser	\$40,825,000	53.4%
Town of Winter Park (not incl. W.P. Resort)	\$30,340,000	39.7%
Winter Park Resort	\$5,330,000	7.0%
Total	\$76,495,000	100.0%

Source: Town of Winter Park, Town of Fraser, Economic & Planning Systems
 H:\15805-Winter Park Base Village Ph III\Models\15805-Retail_Sales.xls\Summary_GEO

² Retail store sales do not include other taxable sales such as utility franchise fees, internet or catalog sales, or local sales tax paid to a business located outside the local jurisdiction.

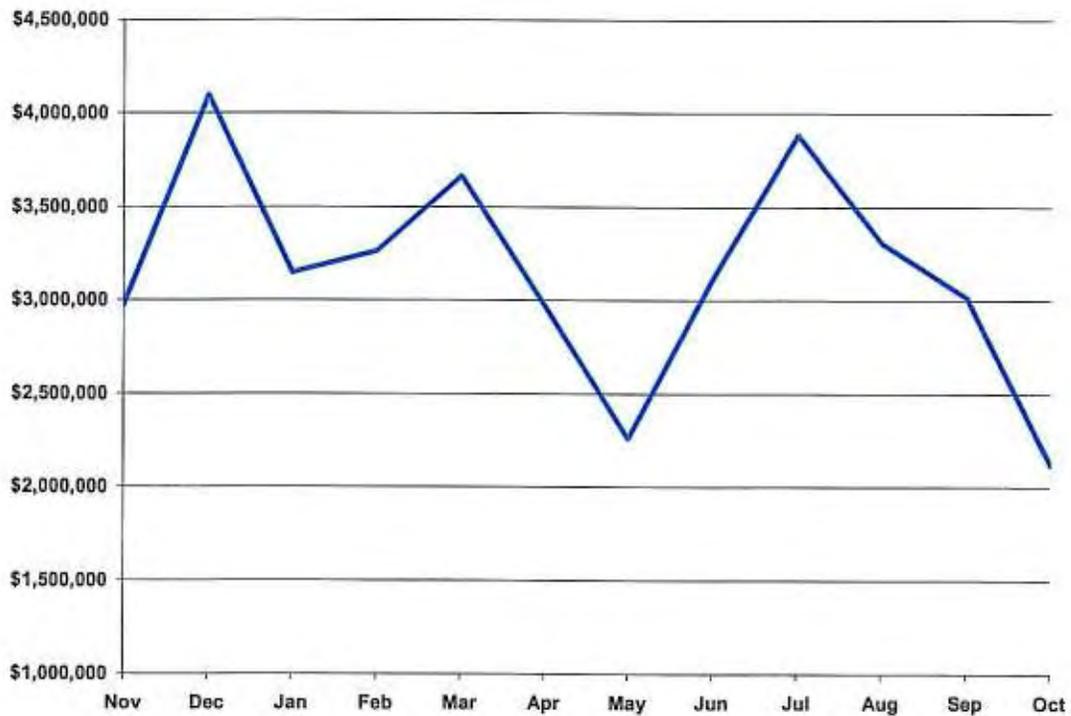
Town of Winter Park retail sales show a high degree of seasonality due to the lack of traditional shopping opportunities (e.g., convenience goods and shoppers goods) for full time residents, the small permanent population base, and the high percentage of retail space devoted to tourism-oriented stores and restaurants. The majority of retail establishments in Winter Park are specialty retailers catering to skiers and other visitors. The busiest winter months are March and December, as shown in Figure 4. July is the busiest non-winter month while May is the slowest.

Figure 4
Retail Sales by Store Type and Month: Town of Winter Park, 2004
Base Village Economic and Fiscal Impact Study



As illustrated in Figure 5, retail sales by month in Fraser show a similar trend, but with less seasonality due to the presence of a full service supermarket, hardware store, and small discounter. The peak months are the same as in Winter Park with a winter peak in December and March and a summer peak in July.

Figure 5
Total Retail Sales by Month: Town of Fraser, 2004
Base Village Economic and Fiscal Impact Study



RETAIL SALES BY TYPE

Retail sales by store type and the retail store inventory for the Fraser Valley (Winter Park and Fraser combined) are shown in **Table 14**. Convenience goods, which include grocery and liquor stores, account for \$28 million in sales or 37 percent of total store sales. Eating and drinking establishments is the second largest category with \$23.6 million in sales and 31 percent of the total. Shoppers goods, which include outdoor clothing and equipment and other specialty retail goods, accounts for \$19.5 million in sales or 26 percent of total sales.

Table 14
Fraser Valley Retail Sales and Store Inventory
Base Village Economic and Fiscal Impact Study

Store Group	Retail Store Sales	Pct. of Total	Store Space (Sq. Ft.)	Estimated \$/Sq. Ft.
Convenience Goods and Grocery	\$27,997,000	36.6%	77,000	\$364
Shoppers Goods	\$19,477,000	25.5%	121,055	\$161
Eating & Drinking	\$23,621,000	30.9%	112,321	\$210
Building Materials	\$5,400,000	7.1%	16,000	\$338
Total	\$76,495,000	100.0%	326,376	\$234

Source: Town of Winter Park, Town of Fraser, Economic & Planning Systems
H:\15865-Winter Park Base Village Ph III\Modals\15865-Retail_Sales.xls\Combined

There is an estimated 326,400 square feet of retail store and restaurant and bar space in the Fraser Valley. The largest inventory is shoppers goods with 121,000 square feet. The Intrawest Base Village development plans currently include 42,000 square feet of commercial space. This would increase the inventory by approximately 9 percent.

Annual sales per square foot range from \$161 in shoppers goods to \$364 per square foot in convenience goods. The overall average is \$234 per square foot. Sales per square foot in the Fraser Valley are below industry standards in the shoppers goods and eating and drinking categories. Well performing stores in these categories in other resort communities often achieve sales of over \$300 per square foot. This can be largely attributed to the seasonal resort economy fluctuations and the fact that Winter Park summer visitation and activity levels are below other resort areas in the region.

Visitors account for an estimated 73 percent of total retail sales in the Fraser Valley with local residents accounting for 27 percent based on household income and retail expenditure data, as shown in **Table 15**. This shows the importance of visitation in the Fraser Valley economy.

Table 15
Retail Sales by Customer Type, 2005
Base Village Economic and Fiscal Impact Study

Est. Retail Sales (\$000s)	Store Sales 2005	Sales to Residents		Inflow & Visitors	
		%	\$	%	\$
Convenience Goods	\$27,997	36%	\$9,999	64%	\$17,998
Shoppers Goods	19,477	10%	1,908	90%	17,569
Eating and Drinking	23,621	22%	5,097	78%	18,524
Building Material & Garden	5,400	69%	3,725	31%	1,675
Total	\$76,495	27%	\$20,729	73%	\$55,766

Source: Economic & Planning Systems

H:\15805-Winter Park Base Village Ph #Models\15865-Econ Model04-18-06.xls\Store_Sales

RESIDENTIAL MARKET CONDITIONS

This section presents data on recent residential development trends and sales in the Fraser Valley including historical construction trends, residential market conditions, and forecasts of future residential development.

CONSTRUCTION TRENDS

Residential building permit records were reviewed to summarize housing construction trends in Grand County from 1995 to 2005, as shown in Table 16. Building permit records indicate that approximately 4,600 new units were constructed from 1995 through 2005. There has been an increase in construction during the most recent five-year period. From 2000 to 2005, construction occurred at an average rate of 408 units per year, up from 364 from 1995 to 2000. In Winter Park, construction occurred at an average of 55 units per year from 2000 to 2005, with 27 units per year in Fraser. The pace has been increasing in both towns with 65 units in Winter Park in 2005 and 53 units in Fraser, for a total of 118 units.

If the portion of unincorporated Grand County in the Fraser Valley were included, study area construction in 2005 would be higher. Winter Park town officials expect nearly 100 units to be built in 2006. The pace of construction is expected to continue to increase due to a number of large development applications under review, new projects that are coming on-line, and the increased level of interest in the Fraser Valley following the announcement by Intrawest to expand the Base Village and make other on-mountain improvements.

RESIDENTIAL SALES TRENDS

Single family home sales in the study area from 1999 through 2005 are summarized in Table 17. The data include new construction and resales of existing homes. As shown, the average price for a single family home in 2005 was \$485,000, which is an increase of \$94,000 from 2004. Since 1999, the average sale price has increased by almost 11 percent per year. The market volume in single family homes (number of sales) has also increased. In 2004, volume peaked with 203 sales compared to the low of 127 sales in 2000. Considering that the data for 2005 only includes January through October, it is likely that 2005 had more than 200 single family sales as well. This increase in market volume is an indication that the level of interest in the Fraser Valley is increasing.

Table 17
Single Family Sales: Fraser Valley, 1999-2005
Base Village Economic and Fiscal Impact Study

Year Sold	Avg \$	Min. \$	Max. \$	Avg \$/Sq. Ft.	# of Sales
1999	\$261,319	\$55,000	\$990,000	\$115	147
2000	\$282,428	\$50,000	\$995,000	\$135	127
2001	\$330,412	\$53,000	\$2,170,615	\$156	135
2002	\$297,451	\$58,500	\$1,400,000	\$145	129
2003	\$340,318	\$65,000	\$972,800	\$167	182
2004	\$391,234	\$50,000	\$2,350,000	\$191	203
2005 ¹	\$485,083	\$65,000	\$2,500,000	\$225	173
Change 1999-2005	\$223,764				
Annual % Change	10.9%				

¹ 2005 includes January through October.

Source: Grand County GIS; Economic & Planning Systems

H:\15865-Winter Park Base Village PII\Models\15865-Sales-03-17-06.xls\Summary

Condominiums and townhomes (attached units) have been the largest market segment in the Fraser Valley. As shown in Table 18, there were over 300 sales in 2004 and 281 as of October 2005. Appreciation in attached units has not been as strong as in single family units. From 1999 to 2005, the average price for an attached unit has increased by 3.9 percent per year, compared to almost 11 percent per year in single family units. This is likely to be due to the existing condominium and townhome inventory, which is somewhat dated. However, market volume in condominium and townhome units has tripled since 1999.

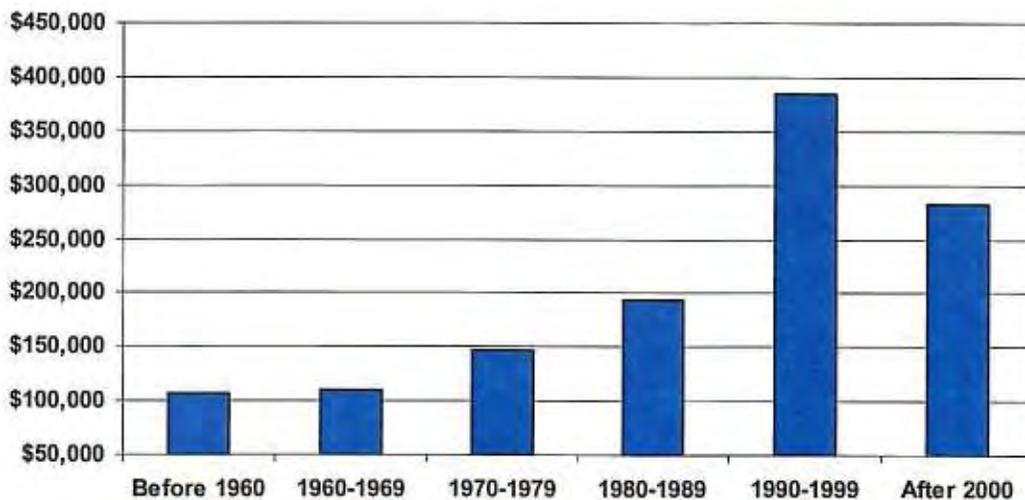
Table 18
Townhome and Condominium Sales: Fraser Valley, 1999-2005
Base Village Economic and Fiscal Impact Study

Year Sold	Avg \$	Min. \$	Max. \$	Avg \$/Sq. Ft.	# of Sales
1999	\$170,690	\$50,000	\$581,000	\$195	104
2000	\$291,217	\$60,000	\$766,382	\$322	245
2001	\$297,262	\$62,000	\$1,729,200	\$302	150
2002	\$177,198	\$61,500	\$534,900	\$189	220
2003	\$183,741	\$61,250	\$610,000	\$205	271
2004	\$220,167	\$54,900	\$4,520,000	\$236	324
2005	\$214,230	\$51,700	\$689,500	\$236	281
Change 1999-2005	\$43,540				
Annual % Change	3.9%				

Source: Grand County GIS; Economic & Planning Systems
H:\15865-Winter Park Base Village Ph II\Modals\15865-Sales-03-17-06.xls\Summary

In **Figure 6**, attached unit sales from 2004 and 2005 are plotted by year of construction. As shown, newer products, particularly units built after 1990, are achieving higher prices than older units. For example, the Zephyr Mountain Lodge was constructed in 1999 and its units sold for an average \$456,000 (\$438 per square foot). Projects built after 2000 include Lakota, Slopeside Village, Lakeview at Waterside, Elk Trail Townhomes, and Elk Creek Village. The average price for units built after 2000 was \$283,000 (\$223 per square foot).

Figure 6
Average Condo/Townhome Sale Price by Year Built, Fraser Valley, 2004 and 2005
Base Village Economic and Fiscal Impact Study



III. FRASER VALLEY FORECASTS

This chapter of the report forecasts future development, overnight visitors, seasonal residents, and skier visits by type based on historic trends, market demand, and future development capacity.

FUTURE RESIDENTIAL DEVELOPMENT

DEVELOPMENT CAPACITY

The Intrawest Base Village is currently under construction, with the first phase of 206 units expected to be ready for occupancy in 2007. Intrawest's expected development schedule is provided in **Table 19**. There is also potential for extensive additional development in the Fraser Valley with several large projects either planned, under review, or under construction, as summarized below.

- **Arrowhead at Winter Park** – This project was recently annexed into the Town of Winter Park. This is potentially a very large development with plans for approximately 1,900 units. Housing construction is not expected for at least two to three years.
- **The Beavers** – This project is another large development parcel with the potential for approximately 1,800 units, according to Town staff estimates. The Beavers is expected to release 21 single family lots in 2006, followed by condominium or townhome development, depending on market demand. Within the Town of Winter Park, there are still an estimated 1,900 unbuilt lots and units. This is a substantial amount of infill development that could add critical mass and population to Downtown Winter Park.
- **Grand Park** (west side of US-40) and **Rendezvous** (east side of US-40) – These are two large development projects to be annexed to Fraser. Rendezvous is under construction with approximately 100 units built. Grand Park is in the process of installing site improvements and utilities and has a preliminary plat approved for the town center location. Grand Park has approvals for more than 400,000 square feet of commercial space, although the total amount that is ultimately built will be determined by market demand.

The Base Village expansion represents approximately 13 percent of the Valley's future development potential, as shown in **Table 20**.

Table 19
Winter Park Base Village Development Program
Base Village Economic and Fiscal Impact Study

Product Type	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total	(Yr. Occupied)															
Annual Absorption	0	206	78	66	0	129	119	87	0	112	68	54	77	0	136	162
Condo Hotel	0	31	8	25	8	17	19	19	0	0	18	36	36	0	19	0
Townhome	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Single Family Homes	0	241	86	91	8	146	138	106	19	112	86	90	113	0	155	162
Total Units	0	241	86	91	8	146	138	106	19	112	86	90	113	0	155	162
Commercial Sq. Ft.	2,095	30,852	0	0	0	5,385	0	0	0	3,660	0	0	0	0	0	0
Cumulative Absorption	0	206	284	350	350	479	598	685	685	797	865	919	996	996	1,132	1,294
Condo Hotel	0	31	39	64	72	89	108	127	146	146	164	200	236	236	255	255
Townhome	0	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Single Family Homes	0	241	327	418	426	572	710	816	835	947	1,033	1,123	1,236	1,236	1,391	1,553
Total Units	0	241	327	418	426	572	710	816	835	947	1,033	1,123	1,236	1,236	1,391	1,553
Commercial Sq. Ft.	2,095	32,947	32,947	32,947	32,947	38,332	38,332	38,332	38,332	41,992						

Source: Intrawest Placemaking, Economic & Planning Systems
 H:\2005\Winter Park Base Village Development Program\2005\SWP_Final_0610_v10e-Absorption

Table 20
Estimated Future Development Potential, Fraser Valley
Base Village Economic and Fiscal Impact Study

Name	Status	Potential Units ¹	Remaining	
			Units	%
Winter Park				
Intrawest Base Village	Construction expected 2008	1,553	1,553	13%
Arrowhead @ Winter Park	Annexation application under review	1,900	1,900	16%
Beavers	21 single family lots expected 2006	1,800	1,800	15%
Lakota	Under construction	481	328	3%
Idlewild	Construction expected 2007	100	100	1%
Other Winter Park Infill & Buildout	Unbuilt lots within Winter Park	<u>1,900</u>	<u>1,900</u>	<u>16%</u>
Total Winter Park		7,734	7,581	62%
Fraser Area				
Grand Park (Fraser)	Site development in progress	3,327	3,327	27%
Rendezvous (Fraser)	Under construction	<u>1,410</u>	<u>1,310</u>	<u>11%</u>
Total Fraser & Grand County		4,737	4,637	38%
Total		12,471	12,218	100%

¹ Includes residential and accommodation units.

Source: Towns of Winter Park & Fraser; EcoSign Mountain Resort Planners; Economic & Planning Systems

I:\15205-Winter Park Base Village Ph II\MapInfo\15205-Econ Model\09-01-06.xls\Development_Summ

ESTIMATED ABSORPTION

In total, the estimated future development potential of the Fraser Valley is approximately 12,000 additional lots and units. However, it is not likely that all of this development potential will be constructed over the next 20 years. For use in the economic forecasts, and for transportation and other capacity planning purposes, a 20-year development absorption estimate is shown for 2005 to 2025 in **Table 21**.

The forecast is based on historical construction trends in Winter Park, Fraser, and unincorporated Grand County. It also considers the potential of the Fraser Valley going forward, in light of development trends in other Colorado mountain and resort communities that have experienced rapid growth and development, especially with the expanding market for second or seasonal homes. The forecast takes into consideration that many of the major resort communities, especially along the I-70 corridor (largely Summit County and the Vail Valley), are largely developed and considerably more expensive than the Fraser Valley. As the market for mountain properties continues to grow, the market is expected to shift to other areas. The Fraser Valley is considered very well positioned to capture the lodging and second home development market, especially from Front Range buyers, as it allows them to avoid frequent travel delays associated with I-70 and the Eisenhower Tunnel. Also, the Fraser Valley is currently less expensive than these other areas.

As shown, a total of 5,100 new units are forecast to be built from 2005 to 2025, not including the Base Village expansion. The Base Village is considered to be a different product type that will attract a different buyer than other second home and lodging developments in the rest of the Fraser Valley. Including the 1,553 units at Base Village, there will be approximately 6,700 total new housing and accommodation units.

Based on interviews with local real estate professionals and developers, approximately 80 percent of new housing units are expected to be sold to second homeowners and investors. EPS estimates that approximately 10 percent of the units will be overnight accommodations units or second homes rented to overnight visitors. The remaining 10 percent are estimated to be for permanent residents. The table shows slight variations in these percentages due to aggregation and rounding.

**Table 21
Fraser Valley Development Forecast
Base Village Economic and Fiscal Impact Study**

Name	Total Units	Factor	Annual Production																					
			2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Annual Construction	5,150		150	200	225	225	180	180	200	200	250	250	250	250	275	275	275	275	275	275	250	250	250	250
Total Units by Occupancy		Percent																						
Seasonal/Second Home	4,119	80.0%	123	160	180	180	200	200	200	200	200	200	200	200	220	220	220	220	220	220	200	200	200	200
Permanent Residential	564	11.0%	19	22	25	25	25	26	27	27	27	27	27	27	30	30	30	30	30	30	28	28	28	28
Overnight Accommodations	466	9.0%	12	18	20	20	20	23	23	23	23	23	23	23	25	25	25	25	25	25	23	23	23	23
Total by Year	5,149	100.0%	154	200	225	225	250	250	250	250	250	250	250	250	275	275	275	275	275	275	250	250	250	250
Cumulative Total			154	354	579	804	1,029	1,278	1,528	1,777	2,027	2,276	2,526	2,800	3,075	3,350	3,625	3,899	4,149	4,399	4,649	4,899	5,149	

Note: Spreadsheet rounding results in small variations from totals as displayed.

Source: Economic & Planning Systems

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LODGING AND VISITATION

The forecast growth of second homes and new lodging units over the 2005 to 2025 time period provides the basis for estimating visitation growth by category. In Table 22, lodging units from the development forecast are added to the existing lodging inventory. By applying per unit occupancies and seasonal occupancy rates, overnight visitors by season are then calculated. As shown, overnight accommodation units are estimated to have an average occupancy of 2.8 persons per unit, with 60 percent average occupancy during winter months and 25 percent during summer months. Total Fraser Valley overnight visitors are estimated to increase from approximately 836,000 to 1.4 million visitor days over the 20 year forecast period. Overnight visitors generated in the Winter Park Resort Base Area and elsewhere in the Fraser Valley are estimated to increase from 238,000 to 672,000 over the same time period.

Table 22
Overnight Visitor Forecast, 2005-2025
Base Village Economic and Fiscal Impact Study

Description	Existing 2005	Forecast					Change 2005-2025
		2008	2010	2015	2020	2025	
Base Area							
Base Area Overnight Units	631	776	882	1,132	1,373	1,563	932
Persons/Unit	2.8	2.8	2.8	2.8	2.8	2.8	—
Winter Occupancy (151 days)	60%	60%	60%	60%	60%	60%	—
Summer Occupancy (214 days)	25%	25%	25%	25%	25%	25%	—
Overnight Visitors							
Winter	159,849	235,515	267,800	343,700	416,800	474,600	314,751
Summer	<u>78,365</u>	<u>96,323</u>	<u>111,300</u>	<u>142,900</u>	<u>173,300</u>	<u>197,300</u>	<u>118,935</u>
Total	238,214	331,839	379,100	486,600	590,100	671,900	433,686
Other Areas							
Existing Units	1,995	1,995	1,995	1,995	1,995	1,995	—
New Units (Cumulative)	<u>12</u>	<u>70</u>	<u>113</u>	<u>227</u>	<u>353</u>	<u>466</u>	—
Total Units	2,007	2,065	2,108	2,223	2,348	2,461	466
Persons/Unit	2.8	2.8	2.8	2.8	2.8	2.8	—
Winter Occupancy (151 days)	50%	50%	50%	50%	50%	50%	—
Summer Occupancy (214 days)	15%	15%	15%	15%	15%	15%	—
Overnight Visitors							
Winter	423,640	435,828	444,946	469,058	495,623	519,366	95,725
Summer	<u>174,467</u>	<u>179,486</u>	<u>183,241</u>	<u>193,171</u>	<u>204,111</u>	<u>213,889</u>	<u>39,422</u>
Total	598,107	615,314	628,186	662,228	699,734	733,255	135,148
Total Visitors							
Winter	583,489	671,344	712,746	812,758	912,423	993,966	410,476
Summer	<u>252,832</u>	<u>275,809</u>	<u>294,541</u>	<u>336,071</u>	<u>377,411</u>	<u>411,189</u>	<u>158,357</u>
Total Visitors	836,321	947,153	1,007,286	1,148,828	1,289,834	1,405,155	568,834

Source: Economic & Planning Systems

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SEASONAL RESIDENTS

Future seasonal resident visitation is estimated in the same manner as overnight visitors. Seasonal units or second homes are added to the existing number of second homes, as shown in Table 23. Occupancy for seasonal residents is estimated at 25 percent in winter months and 20 percent in summer months, or 23 percent annually. In 2010, there are expected to be an estimated 3,100 second homes (900 new) and 595,000 seasonal visitor days. By 2020, there will be 5,200 second homes and approximately 1.0 million seasonal visitor days. By 2025, total second homes are estimated at 6,200 and 1.2 million visitor days.

Table 23
Seasonal Resident Visitation Forecast, 2005-2025
Base Village Economic and Fiscal Impact Study

Description	2005	2010	2015	2020	2025	Change 2005-2025
Seasonal Units						
Existing Housing Units	2,057	2,057	2,057	2,057	2,057	0
New Housing Units (Cumulative)	<u>123</u>	<u>1,022</u>	<u>2,020</u>	<u>3,119</u>	<u>4,119</u>	<u>3,997</u>
Total	2,180	3,080	4,078	5,177	6,177	3,997
Persons/Unit	2.4	2.4	2.4	2.4	2.4	
Winter Occupancy (151 days)	25%	25%	25%	25%	25%	
Summer Occupancy (214 days)	20%	20%	20%	20%	20%	
Seasonal Visitors						
Winter	197,526	279,030	369,449	469,018	559,618	362,092
Summer	<u>223,950</u>	<u>316,357</u>	<u>418,872</u>	<u>531,761</u>	<u>634,481</u>	<u>410,531</u>
Total	421,476	595,387	788,320	1,000,779	1,194,099	772,623

Source: Economic & Planning Systems

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SKIER VISITS

The visitor forecasts are converted to skier visits using average skier participation rates for each visitor segment. As shown in **Table 24**, skier participation rates are estimated at 85 percent for Base Area overnight visitors, and 80 percent for overnight visitors staying elsewhere in the Valley. Skier participation rates are estimated to be lower for seasonal residents, as there are many other activities in the Fraser Valley in which seasonal residents participate, such as snowmobiling, Nordic skiing, and snowshoeing. Skier participation is estimated at 35 percent for seasonal residents. Only moderate growth in day skiers is forecast at 0.5 percent per year based on statewide trends; this includes local Fraser Valley and Front Range day skiers. This is also consistent with Intrawest's plans to increase skier visits by attracting more destination skiers.

As shown, day skiers plus new development in overnight accommodation units and second homes are forecast to generate approximately 1.6 million skier visits by 2025, for an increase of 524,000 total skier visits or 26,000 skier visits per year. The Base Village expansion accommodates an estimated 268,000 new skier visits or approximately half of the projected increase. Seasonal residents generate 24 percent of the increase in skier visits followed by other new accommodations units, which add 15 percent of the new skier visits. Day skiers contribute approximately 10 percent of new skier visits.

Given the fact that skier visits have been generally flat at Winter Park over the past 10 years, this forecast could be viewed as an optimistic scenario. However, if the Base Village expansion is successful in generating additional overnight visitation, it will add considerably to skier visits. The overall increase in development activity in the Fraser Valley is also expected to add to skier visits. The data suggests that Intrawest's goal of 1.4 million skier visits in 20 years is reasonable in light of the potential of the Fraser Valley.

Table 24
Lodging and Development-Based Skier Visits Forecast, 2005-2025
Base Village Economic and Fiscal Impact Study

Description	Factor	2005/06	2010/11	2015/16	2020/21	2025/26	Change 2005-2025	
							Total #	Ann. #
Winter Visitors								
Base Area & Old Town		159,849	267,800	343,700	416,800	474,600	314,751	15,738
All Other Fraser Valley Accommodations		423,640	444,946	469,058	495,623	519,366	95,725	4,786
Seasonal/2nd Home		197,526	279,030	369,449	469,018	559,618	362,092	18,105
Total		781,015	991,775	1,182,206	1,381,441	1,553,584	772,568	38,628
Overnight & Seasonal Skiers								
	Skier Participation							
Base Area & Old Town	85%	135,871	227,630	292,145	354,280	403,410	267,539	13,377
All Other Fraser Valley Accommodations	80%	338,912	355,956	375,246	396,498	415,493	76,580	3,829
Seasonal/2nd Home	35%	59,134	97,660	129,307	164,156	195,866	126,732	6,337
Total		543,918	681,247	796,698	914,935	1,014,769	470,851	23,543
Total Skiers by Type								
Day Skiers & Destination Day Skiers ¹		2005/06	2010/11	2015/16	2020/21	2025/26		
Base Area & Old Town	49.5%	533,083	543,825	557,557	571,636	586,071	52,988	2,649
All Other Fraser Valley Accommodations	12.6%	135,871	227,630	292,145	354,280	403,410	267,539	13,377
Seasonal/2nd Home	31.5%	338,912	355,956	375,246	396,498	415,493	76,580	3,829
Total	6.4%	69,134	97,660	129,307	164,156	195,866	126,732	6,337
		1,077,001	1,225,072	1,354,255	1,486,571	1,600,840	523,839	26,192
Pct. of Skiers by Type								
Day Skiers & Destination Day Skiers		49%	44%	41%	38%	37%	Share of Change	
Base Village		13%	18%	22%	24%	25%	10%	10%
All Other Fraser Valley Accommodations		31%	29%	28%	27%	26%	51%	51%
Seasonal/2nd Home		6%	8%	10%	11%	12%	15%	15%
Total		100%	100%	100%	100%	100%	24%	100%

¹ Destination day skiers include overnight skiers staying outside the Fraser Valley. Day skiers are estimated at 420,000 in 2006.

Growth in day skiers is assumed to occur at 0.5% per year.

Source: Economic & Planning Systems

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IV. RETAIL SALES FORECASTS

This chapter evaluates existing retail sales and expenditure patterns in the Fraser Valley. A forecast of retail expenditures and retail sales is then provided building on the visitation forecasts presented in Chapter III. Using these future sales and expenditure estimates, the demand for retail and eating and drinking floor area is then estimated. In light of the forecast growth, a number of downtown development strategies are also presented.

RETAIL DEFINITIONS

Retail stores are categorized based on shopping and trade area characteristics listed below. Each is described with examples to clarify the types of retail stores included in each of the categories.

Convenience Goods – This category includes supermarkets and other grocery stores, convenience stores, as well as liquor, drug, and other specialty food stores. These stores generally sell frequently purchased, low cost items with little product differentiation.

Shoppers Goods – This category includes general merchandise, apparel, furniture, appliance, and specialty goods stores. General merchandise stores include traditional department stores (such as JCPenney) as well as discount department stores (Wal-Mart, Target, and Kmart). The product lines of these stores are generally more expensive, less frequently purchased items. In general, people are more likely to comparison shop for shoppers goods, and are often more willing to travel farther to buy them.

Eating and Drinking Establishments – This category covers restaurants including conventional sit-down and fast food, and bars. Businesses in this category exhibit some of the characteristics of convenience stores in that many restaurant expenditures are made at establishments close to home and on a frequent basis. However, some higher quality restaurants, more unique in the marketplace, can have a regional draw.

Building Material and Garden – This category is made up of stores selling lumber, paint, glass, hardware, plants and garden supplies, and other retail items related to home improvement. Home improvement centers such as Home Depot and Lowe's are the largest stores in this category.

RETAIL EXPENDITURE FORECASTS

Retail expenditure potentials from 2005 to 2025 are separately estimated for permanent residents, overnight visitors, and seasonal residents.

RESIDENT EXPENDITURES

This section estimates expenditures derived from the growth in year-round residents. Permanent resident expenditures are estimated based on total personal income (TPI) and expenditures by store category from the Census of Retail Trade for Colorado. The expenditure potentials are converted to an estimate of supportable retail space by dividing the total expenditures by store type by industry average sales per square foot.

First, the total potential income (TPI) available for retail expenditures by permanent residents is estimated. As shown in **Table 25**, there are an estimated 2,166 full time resident households in the study area with an average household income of just over \$60,000. These households generate \$131 million in TPI in 2005 dollars. The growth in households results in a corresponding increase in TPI, as shown.

Table 25
Total Personal Income for Permanent Residents, 2005-2025
Base Village Economic and Fiscal Impact Study

Description	2005	2010	2015	2020	2025	Change 2005-2025
Total Households	2,166	2,308	2,443	2,592	2,730	564
Average HH Income	\$60,357	\$60,357	\$60,357	\$60,357	\$60,357	---
Total Personal Income (\$000s)	\$130,700	\$139,300	\$147,500	\$156,500	\$164,800	\$34,100

Source: Claritas; Economic & Planning Systems

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Retail expenditures by store type are estimated as a percent of TPI in **Table 26**. As shown, retail purchases typically account for 32 percent of TPI on average in the State. The largest category is Shoppers Goods with 14.6 percent of expenditures, which includes items such as apparel, electronics, and home furnishings. Convenience Goods, which includes grocery stores and beer, wine, and liquor stores, account for 8.5 percent of TPI.

Full-time resident expenditures by location (spent locally versus outside the study area) are also estimated in **Table 26** using existing store sales data and an expenditure survey from the 2002 Winter Park Community Survey prepared by NWCCOG. By multiplying TPI by the percent spent in each category, multiplied again by the percent spent locally versus outside the study area, Fraser Valley store sales to local residents are estimated. As shown, local residents spend 90 percent of convenience goods purchases, 75 percent of eating and drinking purchases, and 75 percent of building material purchases in Winter Park, Fraser, and Tabernash. Outflow or leakage (sales made outside the local trade area) in shoppers goods is estimated at 90 percent. The majority of shoppers goods purchases are made in Evergreen or elsewhere in the Denver metropolitan area.

Table 26
Permanent Resident Expenditure Patterns
Base Village Economic and Fiscal Impact Study

Store Type	% of TPI	Sales to Residents		Outflow/Leakage	
		% Local	\$	%	\$
Convenience Goods	8.5%	90%	\$9,999	10%	\$1,111
Shopper's Goods	14.6%	10%	1,908	90%	17,175
Eating and Drinking	5.2%	75%	5,097	25%	1,699
Building Material & Garden	<u>3.8%</u>	75%	<u>3,725</u>	25%	<u>1,242</u>
Total (\$000s)	32.1%		\$20,729		\$21,227

Source: Economic & Planning Systems

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RETAIL STORE SALES BY CUSTOMER TYPE

Total Fraser Valley retail store sales are estimated from local sales tax information, a store inventory, and industry sales per square foot averages adjusted for local conditions, as shown in Table 27. The total store sales minus sales to local residents are equal to sales to visitors and pass-through visitors. As shown, it is estimated that inflow and visitor sales account for \$55.7 million or 73 percent of total retail store sales in the study area, with local residents accounting for \$20.7 million or 27 percent of store sales.

Table 27
Retail Store Sales Estimates, 2005
Base Village Economic and Fiscal Impact Study

Retail Sales (\$000s)	Store Sales 2005	Sales to Residents		Inflow & Visitors	
		%	\$	%	\$
Convenience Goods	\$27,997	36%	\$9,999	64%	\$17,998
Shopper's Goods	19,477	10%	1,908	90%	17,569
Eating and Drinking	23,621	22%	5,097	78%	18,524
Building Material & Garden	5,400	69%	3,725	31%	1,675
Total	\$76,495	27%	\$20,729	73%	\$55,766

Source: Economic & Planning Systems

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Year-round resident expenditures by location, within the Fraser Valley or outside the Fraser Valley (leakage), are forecast in Table 28. Expenditure patterns are adjusted to allow for the potential of the Fraser Valley to capture some of the current leakage as the area grows. Growth in permanent residents and visitors will likely stimulate new or expanded retail businesses. Shoppers goods purchases could increase from 10 percent to 20 percent of TPI over time. Convenience goods purchases are not expected to change, since most of these purchases are already captured locally. There could also be a modest increase in eating and drinking expenditures, as local restaurants diversify and improve on the current restaurant and entertainment opportunities.

Table 28
Permanent Resident Expenditure Potentials, 2005-2025
Base Village Economic and Fiscal Impact Study

Expenditures (\$000s)	Factor	2005	2010	2015	2020	2025	Change 2005-2025
Expenditure Potential							
Total Households		2,166	2,308	2,443	2,592	2,730	564
Avg. Household Income		<u>\$60,357</u>	<u>\$60,357</u>	<u>\$60,357</u>	<u>\$60,357</u>	<u>\$60,357</u>	\$0
TPI (000s)		\$130,709	\$139,316	\$147,479	\$156,465	\$164,764	\$34,055
Expenditures by Store Type							
Convenience Goods	8.5%	\$11,110	\$11,842	\$12,536	\$13,300	\$14,005	\$2,895
Shopper's Goods	14.6%	19,084	20,340	21,532	22,844	24,056	4,972
Eating and Drinking	5.2%	6,797	7,244	7,669	8,136	8,568	1,771
Building Material & Garden	<u>3.8%</u>	<u>4,967</u>	<u>5,294</u>	<u>5,604</u>	<u>5,946</u>	<u>6,261</u>	<u>1,294</u>
Total (000s)	32.1%	\$41,958	\$44,720	\$47,341	\$50,225	\$52,889	\$10,932
Local Capture %							
Convenience Goods		90%	90%	90%	90%	90%	0%
Shopper's Goods		10%	12%	15%	20%	20%	10%
Eating and Drinking		75%	75%	80%	80%	80%	5%
Building Material & Garden		75%	75%	75%	75%	75%	0%
Outflow %							
Convenience Goods		10%	10%	10%	10%	10%	0%
Shopper's Goods		90%	88%	85%	80%	80%	-10%
Eating and Drinking		25%	25%	20%	20%	20%	-5%
Building Material & Garden		25%	25%	25%	25%	25%	0%
Local Capture \$							
Convenience Goods		\$9,999	\$10,658	\$11,282	\$11,970	\$12,604	\$2,605
Shopper's Goods		1,908	2,441	3,230	4,569	4,811	2,903
Eating and Drinking		5,098	5,433	6,135	6,509	6,854	1,757
Building Material & Garden		<u>3,725</u>	<u>3,971</u>	<u>4,203</u>	<u>4,459</u>	<u>4,696</u>	<u>971</u>
Total (000s)		\$20,730	\$22,502	\$24,850	\$27,507	\$28,966	\$8,235
Outflow \$							
Convenience Goods		\$1,111	\$1,184	\$1,254	\$1,330	\$1,400	\$289
Shopper's Goods		17,175	17,899	18,302	18,275	19,244	2,069
Eating and Drinking		1,699	1,811	1,534	1,627	1,714	14
Building Material & Garden		<u>1,242</u>	<u>1,324</u>	<u>1,401</u>	<u>1,486</u>	<u>1,565</u>	<u>324</u>
Total (000s)		\$21,227	\$22,218	\$22,491	\$22,719	\$23,924	\$2,697

Source: Economic & Planning Systems

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VISITOR EXPENDITURES

Overnight visitor expenditures are estimated by applying a dollar per day expenditure figure to the number of visitors for the 2005 to 2025 forecast period, as shown in **Table 29**. Winter expenditures are estimated at \$55 per day, while summer expenditures are lower at \$30 per day. These expenditure figures represent retail store and eating and drinking expenditures only. These retail expenditures are forecast to increase from \$39.6 million in 2005 to \$67.0 million in 2025.

Table 29
Overnight Visitor Expenditures, 2005-2025
Base Village Economic and Fiscal Impact Study

Description	\$/Day	2005	2010	2015	2020	2025
Overnight Visitors						
Winter		583,489	712,746	812,758	912,423	993,966
Rest of Year		<u>252,832</u>	<u>294,541</u>	<u>336,071</u>	<u>377,411</u>	<u>411,189</u>
Total		836,321	1,007,286	1,148,828	1,289,834	1,405,155
Expenditures						
Winter	\$55	\$32,091,906	\$39,201,003	\$44,701,664	\$50,183,263	\$54,668,111
Rest of Year	\$30	<u>\$7,584,956</u>	<u>\$8,836,224</u>	<u>\$10,082,124</u>	<u>\$11,322,335</u>	<u>\$12,335,672</u>
Total		\$39,676,861	\$48,037,228	\$54,783,788	\$61,505,598	\$67,003,783

Source: Economic & Planning Systems

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SEASONAL EXPENDITURES

Seasonal resident expenditures are estimated by multiplying \$20 dollars per day by the number of visitor days from 2005 to 2025, as shown in **Table 30**. Expenditures from second homeowners are forecast to grow from \$8.4 million in 2005 to \$239 million in 2025, as shown.

Table 30
Seasonal Resident Expenditures, 2005-2025
Base Village Economic and Fiscal Impact Study

Description	\$/Day	2005	2010	2015	2020	2025	Change 2005-2025
Seasonal Resident Days							
Winter		197,526	279,030	369,449	469,018	559,618	362,092
Summer		223,950	316,357	418,872	531,761	634,481	410,531
Expenditures							
Winter	\$20	\$3,950,522	\$5,580,598	\$7,388,974	\$9,380,362	\$11,192,362	\$7,241,839
Summer	\$20	\$4,479,003	\$6,327,141	\$8,377,432	\$10,635,218	\$12,689,618	\$8,210,615
Total		\$8,429,525	\$11,907,739	\$15,766,406	\$20,015,580	\$23,881,980	\$15,452,454

Source: Economic & Planning Systems

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TOTAL EXPENDITURE GROWTH

In **Table 31**, expenditure estimates for each market segment are combined, including day skiers and other day visitors. It is estimated that day skiers and other day visitors account for approximately 10 percent of all retail sales. Total retail expenditures grow from \$76.5 million in 2005 to \$1286 million in 2025.

SUPPORTABLE RETAIL SPACE

Based on the forecast expenditure potentials, the floor area of retail space that can be supported by this level of expenditure is estimated by applying industry standard sales per square foot figures to the expenditures by store type. The *change in expenditure potential* divided by average sales per square foot figures calculates the amount of *net new* retail space that could be supported by the growth in new visitors and new residents.

In Table 32, the growth in expenditures from visitors is combined with the growth in expenditures from permanent residents to estimate total Fraser Valley expenditure potentials over the forecast period. Approximately 50,000 square feet of new space is supportable for each five-year time period from 2005 to 2020, with an additional 40,000 square feet from 2020 to 2025. In total, it is estimated that the Fraser Valley could support a total of nearly 200,000 square feet of new retail and eating and drinking space over the next 20 years.

Table 32
Total New Supportable Retail Space, 2005-2025
Base Village Economic and Fiscal Impact Study

Store Type	Factor	2005-2010	2010-2015	2015-2020	2020-2025	Total
Total Expenditures						
Convenience Goods		\$3,674,607	\$3,341,322	\$3,498,130	\$3,046,569	\$13,560,628
Shopper's Goods		3,548,642	3,505,811	4,149,708	2,654,022	13,858,183
Eating and Drinking		6,194,116	5,942,542	5,782,800	4,975,300	22,894,759
Building Material & Garden		419,208	425,587	468,550	429,844	1,743,188
Total		\$13,836,574	\$13,215,262	\$13,899,187	\$11,105,736	\$52,056,758
Supportable Retail Space						
	Sales/ Sq. Ft.					
Convenience Goods	\$300	12,249	11,138	11,660	10,155	45,202
Shopper's Goods	\$300	11,829	11,686	13,832	8,847	46,194
Eating and Drinking	\$250	24,776	23,770	23,131	19,901	91,579
Building Material & Garden	\$275	1,524	1,548	1,704	1,563	6,339
Total		50,378	48,142	50,328	40,466	189,314

Source: 2002 Census of Retail Trade; Economic & Planning Systems

RETAIL DEVELOPMENT POTENTIALS

The expenditure and demand estimates reflect sales in store types representative of a main street setting in a resort town. The specific store types include specialty apparel, outdoor sporting goods and apparel, gifts and miscellaneous retail, and eating and drinking establishments. The retail demand forecast indicates a significant amount of main street style development and redevelopment potential in the Fraser Valley over the next 20 years. Based on Winter Park's proximity to the ski area, and the potential for transit links between Winter Park Resort and the Town, it can be expected that Winter

Park will capture the majority of development potential over and above the 42,000 square foot planned for the Base Village. However, some portion of this demand could also be met by new space in Fraser or in new retail developments such as Grand Park.

The retail analysis for the study area demonstrated demand for additional retail/commercial development in the future, but the demand increases are not large enough to trigger major anchor stores oriented to the permanent population in the Fraser Valley study area. However, some additional retail development in the East Grand County area is expected in the next five years based on the population distribution of the county and the rapid increase in development that is occurring. A preliminary analysis of a trade area including East Grand County from Kremmling to Winter Park, with 50 percent inflow from visitors and second homeowners, suggests that a discount department store (e.g., Wal-Mart or Target) and a home improvement center (e.g., Home Depot or Lowe's) will be supportable in the Granby area in the near future.

The retail demand forecasts only account for the demand generated by the growth in residents and visitors. This study has also found that the Fraser Valley is currently underserved by retail and commercial development and there is a large amount of retail leakage or outflow. The reasons for this are complex and due to a number of factors such as a lack of critical mass in the downtown areas, and the barriers to pedestrian friendly main street format development created by Highway 40. The trade area could potentially support more retail/commercial development than the forecasts indicate if the overall downtown environment can be improved to create a place where both residents and visitors will want to spend more time.

DOWNTOWN WINTER PARK POTENTIALS

The analysis indicates that Downtown Winter Park will have approximately five years to absorb the proposed 42,000 square feet of space in Base Village. Also, existing downtown retail sales levels do not provide an impetus for adding new space. The downtown area therefore needs a catalyst to stimulate new development in the short-term time horizon.

The Town should pursue and encourage additional lodging in the downtown core. Increasing the number of lodging units will help to stimulate a higher level of activity in the downtown and in turn help to reinforce business conditions and commercial redevelopment opportunities. The seasonality and weekend orientation of visitation in Winter Park dictates that traditional hotel development is not likely to be feasible in the near future. The best opportunities are for condominium hotel properties (also known as condotel). These properties consist of individually owned units with a central property management and reservations staff. The individually owned units allow the developer to spread the risk of the project over more owners. The central management system facilitates overnight rentals of units. Typically, 70 to 80 percent of condotel units in any given project are in the overnight rental pool and can provide the hot beds desired to accommodate additional overnight visitations.

The transit improvements proposed in the Winter Park Transportation Plan will help to provide some of this additional energy. It will be important to have a strong link between downtown and Winter Park Resort to ensure that visitors have a convenient way of accessing downtown from the Resort. Also, potential stops and transfer areas can generate additional pedestrian activity that could help to increase downtown vitality.

V. WINTER PARK FISCAL IMPACTS

This chapter addresses the fiscal impacts of the IntraWest Base Village expansion at Winter Park Resort on the Town of Winter Park. The impacts of the project on the annual operating budget as well as one-time capital needs are considered.

METHODOLOGY

The analysis evaluates the impacts of the project on detailed estimates of public revenues and costs including the budgets of the affected jurisdictions. EPS conducted a detailed budget analysis to gain an understanding of how the Town is organized and what services are provided. EPS also conducted a series of interviews with departmental staff to gain an understanding of current operations and to discuss how additional growth would impact each department's ability to maintain existing service standards. Information from the Town's 2005 Budget and the Certified Annual Financial Report (CAFR), plus detailed budget information by department provided by the Finance Director were used to quantify current revenues and costs.

Costs and revenues were estimated using one of the following methodologies: case study, per capita, per person served, or cost recovery as defined below.

Case Study – This refers to a specific calculation of the marginal costs or revenues derived from the project based on available data. Case studies were developed for revenue sources when refined calculation methods were available (e.g., real estate taxes).

Per Capita – This is an average measure based on current per capita estimates of costs or revenues. This estimating technique is used when more detailed data is not available. Budget items are divided by the population served to derive a current average per capita cost or revenue estimate.

Per Peak Person Served – This is an average measure based on the peak daytime population of a jurisdiction, accounting for the entire residential population, visitors, and 50 percent of the non-resident employees working in the jurisdiction. The assumption is that a portion of the non-resident employment base impacts some services such as public safety. The County budget is divided by the population served to derive an average persons served multiplier.

Cost Recovery – This method refers to the recovery of the direct costs associated with the impact.

BUDGET ANALYSIS

Revenues

This section presents an analysis of the Town of Winter Park General Fund in order to derive estimating methods for future revenues and expenditures generated by the project. As shown in **Table 33**, the budget is broken down into six major revenue streams: taxes, licenses and permits, intergovernmental revenue, charges for services, other income, and donations and contributions. Taxes comprise 78 percent of the general fund budget, with almost \$5.0 million in annual revenue out of a total budget of \$6.4 million. Sales tax accounts for 53 percent of total revenue and is the largest revenue generator; real estate transfer tax (RETT) generates over \$1.0 million per year, or 16 percent of total revenues; and property taxes are 5.5 percent of total general fund revenue.

Expenditures

Out of \$6.4 million in general fund revenues, the Town currently spends approximately \$4.2 million per year in operating Town government and providing Town services, as shown in **Table 34**. Included is approximately \$800,000 to \$1.0 million per year in capital improvements and maintenance items, such as pavement management and other road and infrastructure improvements and maintenance. Surplus revenues are either spent on additional capital needs or put into a reserve fund. In 2005, the Town had a surplus of \$2.16 million, which shows the Town's relatively strong fiscal position.

Table 33
Town of Winter Park General Fund Revenues and Estimating Methods
Base Village Economic and Fiscal Impact Study

Revenue Sources	2005 Actual	Forecasting Method	Gross Multiplier	Percent Variable	Net Multiplier
Winter Park General Fund					
<u>Taxes</u>					
Property Tax	\$281,000	Case Study	—	—	—
Specific Ownership Taxes	21,000	Resident Per Capita	\$25.30	100%	\$25.30
Sales Tax	3,408,000	Case Study	—	—	—
Franchise Tax	75,000	Per DU (All Types)	\$40.63	50%	\$20.31
Other Taxes	21,000	N/A	—	—	—
Lodging Tax	171,000	Case Study	—	—	—
Real Estate Transfer Tax	<u>1,021,000</u>	Case Study	—	—	—
Subtotal	4,998,000				
<u>Licenses and Permits</u>					
Liquor License Fee	10,000	N/A	—	—	—
Occupational Tax	43,000	Per Employee	\$13.55	100%	\$13.55
Building Permits	<u>197,000</u>	Case Study	—	—	—
Subtotal	250,000				
<u>Intergovernmental Revenue</u>					
Grant Revenue	105,000	N/A	—	—	—
State Highway Users Fund	35,000	Resident Per Capita	\$42.17	100%	\$42.17
County Road and Bridge	15,000	N/A	—	—	—
Other	0	N/A	—	—	—
Police Contract (Fraser Reimbursement)	197,000	Cost Recovery	—	—	—
Conservation Trust/Lottery	<u>0</u>	N/A	—	—	—
Subtotal	352,000				
<u>Charges for Services</u>					
Development Review Fees	33,000	Cost Recovery	—	—	—
Open Space Fees	231,000	N/A	—	—	—
Rents	20,000	N/A	—	—	—
Other	<u>37,000</u>	N/A	—	—	—
Subtotal	321,000				
<u>Other Miscellaneous Income</u>					
Traffic Fines	7,000	Peak Persons Served	\$1.30	100%	\$1.30
Other	22,000	N/A	—	—	—
Investment Income	99,000	N/A	—	—	—
Other Income	<u>276,000</u>	Cost Recovery	—	—	—
Subtotal	404,000				
<u>Donations and Contributions</u>					
Ski Area	45,000	N/A	—	—	—
Night Shuttle Condo	9,000	N/A	—	—	—
Night Shuttle Lodge	<u>2,000</u>	N/A	—	—	—
Subtotal	56,000				
Total General Fund Revenue	\$6,381,000				

Notes: N/A indicates items not forecasted because magnitude of impact from project is not significant and/or irregular or volatile source of revenue.

Cost recovery items are not forecast because they are assumed to be cancelled out by the cost of providing the service.

Source: Town of Winter Park; Economic & Planning Systems

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Table 34
Winter Park Expenditures and Estimating Methods
Base Village Economic and Fiscal Impact Study

Expenditure Sources	2005	Forecasting Method	Gross Multiplier	Percent Variable	Net Multiplier
<u>General Government Admin.</u>					
Legislative	\$42,000	Peak Persons Served	\$7.77	50%	\$3.89
Clerk	307,000	Peak Persons Served	\$56.81	50%	\$28.41
Court	2,000	Peak Persons Served	\$0.37	50%	\$0.19
Town Attorney	57,000	Peak Persons Served	\$10.55	50%	\$5.27
Town Manager	117,000	Peak Persons Served	\$21.65	25%	\$5.41
Elections	0	N/A	---	---	---
Subtotal	525,000				
<u>Planning and Building</u>					
Planning & Zoning	127,000	Per DU	\$68.80	75%	\$51.60
Building Maintenance	16,000	N/A	---	---	---
Building Officials	105,000	Per DU	\$56.88	100%	\$56.88
Subtotal	248,000				
<u>Public Safety</u> ¹					
Grand Co. Contract	N/A	N/A	---	---	---
Fraser Patrol & Admin.	197,000	Cost Recovery	---	---	---
Winter Park Admin.	48,000	Peak Persons Served	\$8.88	50%	\$4.44
Winter Park Patrol	260,000	Peak Persons Served	\$48.11	100%	\$48.11
Subtotal	505,000				
<u>Public Works</u>					
Administration	137,000	Peak Persons Served	\$25.35	50%	\$12.68
Maintenance Personnel	432,000	Peak Persons Served	\$79.94	100%	\$79.94
Landscaping & Gardening	115,000	N/A	---	---	---
Roadways & Gen'l Maint	206,000	Peak Persons Served	\$38.12	100%	\$38.12
Parking Facility	136,000	Peak Persons Served	\$25.17	50%	\$12.58
Subtotal	1,026,000				
<u>Economic Development</u>					
Marketing & Tourism	570,000	N/A (Pass Through)	---	---	---
Public Transit	361,000	Peak Persons Served	\$66.81	100%	\$66.81
Community Assistance	108,000	Resident Per Capita	\$130.12	100%	\$130.12
Subtotal	1,039,000				
Capital Outlay ²	880,000	N/A	---	---	---
Total Expenditures	\$4,223,000				
Excess (Deficiency) of Revenues over Expenditures					
	\$2,158,000				

¹ 60% of total police expenses allocated to Winter Park based on call volume.

² The Capital Outlay is a balancing line in the budget. Excess funds are spent on capital improvements and reserve funds.

Source: Town of Winter Park; Economic & Planning Systems

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FISCAL MODEL INPUTS

Due to some overlapping service and jurisdictional areas, population and peak persons served are estimated for the Town of Winter Park and the larger Fraser Valley. In **Table 35**, population, employment, and peak persons served figures are shown for the Town of Winter Park, while **Table 36** shows these figures for the larger Fraser Valley study area. These figures are generated from demographic information presented in Chapter II of this report, from detailed local area employment data obtained from the Colorado Department of Labor, and from the 2001 Grand County Housing Needs Assessment.

Currently, in the Fraser Valley as a whole, it is estimated that approximately 80 percent of employees live within the Fraser Valley based on employment patterns and data obtained from the 2001 Grand County Housing Needs assessment, which surveyed households on their commuting patterns. For future employment growth in this analysis, it is estimated that 75 percent will live locally and 25 percent will commute from other areas of Grand County. The Town of Winter Park has a much higher degree of commuting; only an estimated 20 percent of employees within Winter Park live in Winter Park.

Table 35
Town of Winter Park Peak Persons Served Calculations
Base Village Economic and Fiscal Impact Study

Existing Conditions - Population and Employment				
Resident Population	830			
Labor Force (18-65 Years)	<u>83%</u>			
Labor Force	689			
Percent of Labor Force Employed Locally ¹	77%			
Resident Employees	530			
Peak Employment, Town of Winter Park ²	3,173			
1.25 Jobs/Person Reduction	2,538	100%		
Resident Employees	<u>-530</u>	<u>21%</u>		
Non-Resident Employees (Commuters)	2,008	79%		
Peak Persons Served Calculation	Units	Persons/ Unit ³	Occupancy Rate ⁴	Peak Season Population (Per Day)
Peak Population				
Overnight Visitors	1,500	2.8	85%	3,570
Seasonal Residents	0	2.4	75%	0
Permanent Residents	<u>401</u>	2.1	100%	<u>830</u>
Total Peak Population	1,901			4,400
Peak Persons Served				
Total Peak Population				4,400
1/2 of Non-Resident Employees				<u>1,004</u>
Total Peak Persons Served				5,404
Total Winter Park Dwelling Units	1,846			

¹ Grand County Housing Needs Assessment (2001).

² Estimated from Colorado Dept. of Labor ES-202 local area employment data plus 35% for total employment, and Grand County Housing Needs Assessment (2001).

³ Overnight visitors based on property manager interviews and prior EPS research. Seasonal and permanent residents based on average household sizes for Grand County and Winter Park, respectively.

⁴ Estimated from lodging tax data and interviews with property managers.

Source: Economic & Planning Systems

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Table 36
Fraser Valley Peak Persons Served Calculations
Base Village Economic and Fiscal Impact Study

Existing Conditions - Population and Employment				
Resident Population	4,874			
Labor Force (18-65 Years)	<u>80%</u>			
Labor Force	3,899			
Percent of Labor Force Employed Locally ¹	75%			
Resident Employees	2,924			
Peak Employment, Fraser Valley ²	4,455			
1.25 Jobs/Person Reduction	3,564	100%		
Resident Employees	<u>-2,924</u>	<u>82%</u>		
Non-Resident Employees (Commuters)	640	18%		
Peak Persons Served Calculation	Units	Persons/ Unit ³	Occupancy Rate ⁴	Peak Season Population (Per Day)
Peak Population Calculation				
Overnight Visitors	2,626	2.8	85%	6,251
Seasonal Residents	2,057	2.4	75%	3,703
Permanent Residents	<u>2,166</u>	2.25	100%	<u>4,874</u>
Total Peak Population	6,850			14,827
Peak Persons Served				
Total Peak Population				14,827
1/2 of Non-Resident Employees				<u>320</u>
Total Peak Persons Served				15,147

¹ Estimated from Grand County Housing Needs Assessment (2001).

² Estimated from Colorado Dept. of Labor ES-202 local area employment data plus 35% for total employment, and Grand County Housing Needs Assessment (2001).

³ Overnight visitors based on property manager interviews and prior EPS research. Seasonal and permanent residents based on average household sizes for Grand County and Winter Park, respectively.

⁴ Estimated from lodging tax data and interviews with property managers.

Source: Economic & Planning Systems

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BASE VILLAGE DEVELOPMENT PROGRAM

The development program and absorption schedule were provided by Intrawest Placemaking. Intrawest plans to construct 1,294 condotel units with an average price of \$495,000 per unit; 255 townhomes at an average of \$640,000, and four single family homes at an estimated \$785,000. Total residential market value as planned is approximately \$807 million, as shown in **Table 37**. The project will also include 42,000 square feet of commercial space, which may include some skier services space.

Table 37
Intrawest Base Village Development Program
Base Village Economic and Fiscal Impact Study

Product Type	# Units	Avg. Unit Size (Sq. Ft.)	Avg. \$/Sq. Ft.	Market Value per Unit	Total Market Value
Condo Hotel	1,294	882	\$561	\$495,381	\$641,023,423
Townhome	255	1,795	\$356	\$639,982	\$163,195,315
Single Family	4	1,570	\$500	\$785,000	\$3,140,000
Totals/Averages	1,553	1,034	\$528	\$519,870	\$807,358,738
Commercial (Sq. Ft.)	41,992		\$300		\$12,597,600

Source: Intrawest Placemaking, Economic & Planning Systems

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Intrawest estimates the project will be built over approximately 15 years from 2007 to 2022, with the first residential units ready for occupancy in 2008. Table 38 shows the estimated absorption schedule provided by Intrawest. Also shown are the total square feet of improvements included in the project, which will be used to calculate building permit and impact fees.

Table 38
Base Village Estimated Absorption
Base Village Economic and Fiscal Impact Study

Product Type	Total	Year				
		2007 (Yr. Occupied)	2012	2017	2022 (Buildout)	
Cumulative Absorption (Units)	1,553	0	572	1,033	1,553	
Commercial Sq. Ft.	41,992	2,095	38,332	41,992	41,992	
Square Feet of Development	Sq. Ft. /Unit					
Condo Hotel	882	1,141,627	0	113,810	59,993	142,924
Townhome	1,795	457,773	0	30,518	32,313	0
Single Family Homes	1,570	6,280	0	0	0	0
Commercial	—	41,992	2,095	5,385	0	0
Total Square Feet		1,647,672	2,095	149,713	92,306	142,924

Source: Intrawest Placemaking, Economic & Planning Systems

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New Peak Persons Served

The new population and employment generated by the project, linked to the absorption schedule, is shown in **Table 39**. Based on the unit types and prices, the project is expected to generate 150 to 200 permanent residents, 1,500 second home/seasonal residents, and 2,125 overnight visitors per day during the peak season from December to March. Including onsite employees, the project adds approximately 4,000 people to the Town's peak population over the 15-year buildout. Resident employees are not counted, as they may not be a net new addition to the town's employment base and may already live in the community.

Table 39
Base Village Peak Persons Served
Base Village Economic and Fiscal Impact Study

Occupancy Type	Factor	Peak Occ'y.	Total Occ'y	2007	2012	2017	2022 (Buildout)
Visitors and Residents							
Seasonal/2nd Homes	2.8	95%	1,446	0	533	962	1,446
Permanent	2.4	100%	186	0	69	124	186
Overnight Accomodations	2.4	95%	<u>2,125</u>	<u>0</u>	<u>782</u>	<u>1,413</u>	<u>2,125</u>
Total Visitors and Residents			3,757	0	1,384	2,499	3,757
Employees							
Commercial Sq. Ft.			41,992	2,095	38,332	41,992	41,992
Commercial Employees	350 Sq. Ft./Empl.		120	6	110	120	120
Condohotel Units			1,294	0	479	865	1,294
Accommodations Employees	.50 Per Room		<u>647</u>	<u>0</u>	<u>240</u>	<u>433</u>	<u>647</u>
Total Employees			767	6	350	553	767
Resident Employees	20%		153	1	70	111	153
Non-Resident Employees	80%		614	5	280	442	614
Total Peak Persons Served							
Visitors and Residents			3,757	0	1,384	2,499	3,757
50% of Non-Resident Employees	50%		<u>307</u>	<u>2</u>	<u>140</u>	<u>221</u>	<u>307</u>
Total Peak Persons Served			4,064	2	1,524	2,720	4,064

Source: Economic & Planning Systems

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WINTER PARK REVENUES

Revenues to the Town are divided into two major categories: one-time and ongoing. One-time revenues are generally realized only over the construction period including building permit fees and impact fees. These funds are best matched to one-time capital expenditures, and legally impact fees can only be used for the purpose of the fee. Ongoing revenues such as sales tax, property tax, and the RETT can be used to fund general government services and operations, or a portion earmarked for additional capital improvements or reserves.

ONE-TIME REVENUES

Using Intrawest's expected absorption schedule and the Town's building permit fee schedule, building permits and affordable housing impact fees are calculated in Table 40. Over the 15-year buildout, the project is estimated to generate \$1.1 million in building permit fees, and \$4.9 million in affordable housing impact fees.

Table 40
Building Permit and Impact Fees
Base Village Economic and Fiscal Impact Study

Product Type	Factor	Total	2007 (Yr. Occupied)	2012	2017	2022 (Buildout)
Building Permit Fees						
Building Permit	\$110.88	\$688,802	\$795	\$61,572	\$39,301	\$59,787
Plan Review	65%	<u>447,722</u>	<u>517</u>	<u>40,022</u>	<u>25,546</u>	<u>38,861</u>
Total		\$1,136,524	\$1,312	\$101,594	\$64,846	\$98,648
Affordable Housing Impact Fees						
	\$3.00/Sq. Ft.	\$4,943,016	\$6,285	\$449,139	\$276,918	\$428,772

¹ See Town of Winter Park Building Permit Fees Table 1-11-2B.

Note: Does not include other space such as parking garages, basements, or decks. Estimates only account for dwelling unit space and commercial space.

Source: Economic & Planning Systems

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ONGOING REVENUES

Sales Tax

The ongoing revenues generated by the project will include sales tax, lodging tax, property tax, and RETT. Sales tax revenues are estimated by applying sales per square foot estimates to the amount of retail/commercial space in the project. Some of the commercial space may be allocated to skier services or ticket sales, which would not generate taxable retail sales. Therefore, it is assumed that 75 percent of sales are taxable. At buildout, commercial space is estimated to generate \$9.4 million in retail sales, and \$425,000 in new sales tax revenues, as shown in Table 41. Sales tax revenues as shown are net of the 0.5 percent sales tax earmarked for the Chamber of Commerce and economic development purposes.

Table 41
Base Village Annual Retail Sales Tax
Base Village Economic and Fiscal Impact Study

Description	Factors	2007	2012	2015	2020	2022 (Buildout)
Base Village Retail Sales						
Square Feet		2,095	38,332	38,332	41,992	41,992
Retail Sales ¹	\$300/Sq. Ft.	\$628,500	\$11,499,600	\$11,499,600	\$12,597,600	\$12,597,600
Taxable Retail Sales	75% Taxable	\$471,375	\$8,624,700	\$8,624,700	\$9,448,200	\$9,448,200
Sales Tax to General Fund ²	4.5%	\$21,212	\$388,112	\$388,112	\$425,169	\$425,169

[1] Sales per square foot estimated from existing Winter Park store sales and industry standard benchmarks.
[2] Net of 0.5% sales tax passed through for economic development and Chamber of Commerce funding.

Source: Economic & Planning Systems

H:\5555\Winter Park Base Village PE\Fiscals\Fiscal\11005-WP_Fiscal_10-02.xlsx\10 Sales Tax

The annual retail expenditures generated by the new visitors and occupants in the project were previously estimated at over \$32 million at buildout. Based on current sales per square foot estimates, approximately two-thirds of these expenditures will be made in Downtown Winter Park and Fraser.

Lodging Tax, Property Tax, and RETT

As shown in Table 42, the project is estimated to generate \$11,000 to \$12,000 in annual lodging taxes after buildout. Property tax grows to \$280,000 per year at buildout, as shown in Table 43. The property tax calculations take into account the year lag between construction and assessment.

Table 42
Base Village Annual Lodging Tax
Base Village Economic and Fiscal Impact Study

Description	Factor	2007	2010	2015	2020	2022 (Buildout)
Lodging Rentals						
Overnight Visitors Room Revenue ¹	\$110/Night ADR	0	572	1,142	1,691	2,125
		\$0	\$62,901	\$125,651	\$185,993	\$233,695
Lodging Tax						
Marketing	0.5%	\$0	\$315	\$628	\$930	\$1,168
Capital Improvements	0.5%	0	315	628	930	1,168
General Fund	4.0%	0	2,516	5,026	7,440	9,348
Total Lodging Tax	5.0%	\$0	\$3,145	\$6,283	\$9,300	\$11,685

¹ \$250/night average rate multiplied by 42% annual occupancy.

Source: Economic & Planning Systems

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Table 43
Annual Real Estate Tax from Base Village
Base Village Economic and Fiscal Impact Study

Product Type	Mill Levy	2007	2012	2017	2022 (Buildout)	2023	2024 (Stabilized)
Total Assessed Value (\$000s)		\$0	\$20,586	\$42,768	\$61,531	\$67,919	\$67,919
Town of Winter Park Property Tax							
General Fund	2.110	\$0	\$42,576	\$80,251	\$116,473	\$129,830	\$143,309
Forest Mngl. & Water	2.000	0	40,356	76,067	110,401	123,062	135,838
Total Property Tax		\$0	\$82,931	\$156,318	\$226,873	\$252,892	\$279,147

Source: Economic & Planning Systems

H:\15205-Winter Park Base Village PB (Economic/Fiscal)\15205-WP_Fiscal_06-16.xls\13-RETX_WP

The project is estimated to generate a substantial amount of RETT revenue, due to the high sale prices during the initial sales period, and from the annual turnover of units. Based on prior EPS research on similar development projects, approximately 10 percent of the units turn over each year in these types of developments once the project becomes stabilized. Total RETT revenue from initial sales is approximately \$8.0 million over the 15-year buildout, as shown in Table 44. RETT from annual unit re-sales stabilizes at about \$800,000 per year from 2022 onward.

Table 44
Base Village Annual Real Estate Transfer Tax
Base Village Economic and Fiscal Impact Study

Description	Factor	2007	2012	2017	2022
		(Yr. Occupied)			(Buildout)
Cumulative RETT from Initial Sales					
Condo Hotel	\$495,381	\$0	\$237,287,650	\$428,504,838	\$641,023,423
Townhome	\$639,982	0	56,958,365	104,956,987	163,195,315
Single Family Homes	\$785,000	0	<u>3,140,000</u>	<u>3,140,000</u>	<u>3,140,000</u>
Cumulative Sales		\$0	\$297,386,015	\$536,601,825	\$807,358,738
RETT from Initial Sales	1.0%	\$0	\$2,973,860	\$5,366,018	\$8,073,587
RETT From Resales					
Cumulative Units		0	572	1,033	1,553
Unit Turnover ¹	10%	0	57	103	155
Sales Volume (Avg. \$/Unit)	\$518,870	<u>\$0</u>	<u>\$29,632,613</u>	<u>\$53,546,652</u>	<u>\$80,579,913</u>
RETT	1.0%	\$0	\$296,326	\$535,467	\$805,799

¹ Estimated from prior EPS research on similar developments.

Source: Economic & Planning Systems

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WINTER PARK EXPEDITURES

While the project is expected to generate significant revenues, the increase in activity and population served within the Town will also result in increases in expenditures. As shown in Table 45, it is estimated that the project will result in an increase in expenditures by the town of approximately \$930,000 at buildout. The majority of these expenditures are expected to be in Public Works, as the increase in activity results in more wear and tear on public facilities. Under economic development, the increase in peak population will also translate to an increase in transit riders (on the existing transit system), which will increase the operating costs of this system by an estimated \$271,000. An increase of \$214,000 per year is estimated in Public Safety.

NET FISCAL IMPACT

The fiscal impact of the project is shown on a year-by-year basis in **Table 45**. The relatively low level of services required from the Town to serve the project, combined with the new sales and property tax generated by the project result in a positive net fiscal impact during each year of the development. When revenues from the project stabilize, accounting for the two-year lag between property tax assessments and tax collections, the project has a positive net fiscal impact of \$635,000 at buildout.

Additional detailed calculations can be found in the Appendix including assessed value and property tax calculations by year, one time revenues by type, and ongoing revenues by type.

VI. GRAND COUNTY FISCAL IMPACT ANALYSIS

This chapter summarizes the fiscal impact on specified Grand County area service providers that may be affected by the project. The East Grand Fire District #4, Grand County EMS, and Grand County Sheriff are evaluated. The fiscal impact methodology generally follows the steps applied to the Winter Park analysis previously presented..

EAST GRAND FIRE DISTRICT #4

The East Grand Fire District is a special service district serving the Fraser Valley, including Winter Park, Fraser, and Tabernash. The District is an all volunteer fire department with three full time paid staff: a Fire Chief, an Assistant Fire Chief, and an administrative staff member. The District's service area is nearly identical to the study area identified in Chapter II of this report. The East Grand Fire District annual 2005 budget is summarized below in Table 46. The District has annual revenues of \$1.3 million and expenses of almost \$800,000. The balance of approximately \$475,000 is applied to capital expenses (equipment replacement) and reserves. The District has recently started collecting impact fees on new residential construction and received \$55,000 in impact fee revenue in 2005.

Table 46
Fire District Budget and Estimating Methods
Base Village Economic and Fiscal Impact Study

Description	2005 Budget	Estimating Method	Gross Multiplier	Percent Variable	Net Multiplier
General Fund Revenues					
Property Taxes	\$1,176,851	Case Study	---	---	---
Specific Ownership Taxes	78,250	N/A	---	---	---
Interest Income	15,976	N/A	---	---	---
Other Income	0	N/A	---	---	---
Total Revenues	\$1,271,077				
General Fund Expenses					
Administration and Training	\$430,750	Peak Person Served	\$28.44	25%	\$7.11
Payroll	286,300	Peak Person Served	\$18.90	50%	\$9.45
Equipment, Supplies, and Maintenance	79,300	Peak Person Served	\$5.24	100%	\$5.24
Reserves and Capital Expenses	<u>474,727</u>				
Total Expenses	\$1,271,077				
Special Revenue Fund (Impact Fees)					
	\$55,000	Case Study	---	---	---

Notes: N/A indicates items not forecasted because magnitude of impact not significant and/or irregular or volatile source of revenue.

Source: East Grand County Fire District #4, Economic & Planning Systems

H:\2005\2005 Winter Park Base Village PE (M)Model\2005\2005WRP_Final_10-02-04\WRP_Budget

Multipliers for each budget item are estimated using the population and employment factors for the Fraser Valley previously shown in Table 36. The majority of revenues to the District generated by the project will be in the form of property taxes and impact fees. The project is not expected to generate significant revenues in specific ownership taxes or interest income. Expenditures were grouped by type in order to evaluate which expenditures were related to administration and operations. In general, administrative expenses are not increased at the same rate as operational expenses (call and response related) that are more directly related to the increase in call and response volume associated with growth.

REVENUES

The project will generate ongoing revenues and one-time revenues to the Fire District, as shown in Table 47. At buildout in 2022, the project will generate approximately \$450,000 to \$500,000 in annual property tax revenue. Additional detail on assessed valuation and property tax estimates can be found in the Appendix.

Impact fees will be one-time revenues during construction of the project. The project will generate approximately \$715,000 in impact fees during construction from 2007 to 2022.

Table 47
Fire District Revenues from Base Village
Base Village Economic and Fiscal Impact Study

Description	Factor	2007	2012	2017	2022 (Buildout)	2023	2024 (Stabilized)	2025
Property Tax (Ongoing Revenue)								
Base Village Assessed Value (\$000s)		\$0	\$20,586	\$42,768	\$61,531	\$67,919	\$67,919	\$67,919
Property Tax	5.898	\$0	\$119,010	\$224,322	\$325,571	\$362,910	\$400,587	\$400,587
Total		\$0	\$139,595	\$267,091	\$387,102	\$430,829	\$468,506	\$468,506
Impact Fee Revenues (One-Time Revenues)								
<u>Development Program</u>								
Commercial Square Feet		2,095	5,385	0	0	0	0	0
Residential Units		0	146	86	162	0	0	0
<u>Impact Fees</u>								
Commercial ¹	\$0.25/Sq. Ft.	\$528	\$1,358	\$0	\$0	\$0	\$0	\$0
Residential	\$454	0	66,284	39,044	73,548	0	0	0
Impact Fees		\$528	\$67,642	\$39,044	\$73,548	\$0	\$0	\$0
Cumulative Impact Fees		\$528	\$269,356	\$479,573	\$715,653	---	---	---

¹ Equivalent to Square Feet / 1,800 X \$454 per Emergency Services Impact Fee.

Source: Economic & Planning Systems

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EXPENSES

The project will generate an increase in visitors and residents, which will in turn affect the services of the district, mainly in terms of call volume, personnel, and equipment and supplies. As shown in **Table 48**, the project is estimated to increase district expenditures by \$89,000 at buildout. The largest component of this increase is in payroll (paid staff salaries and benefits) at \$38,000, reflecting an increase in staff workload and man-hours. Equipment and supplies expenditures due to the increase in call volume are estimated at an increase of \$21,000, with administration and training increasing by \$29,000.

NET FISCAL IMPACT

The net fiscal impact of the project by year is shown in **Table 48**. As shown, there is a substantial positive net fiscal benefit to the Fire District of approximately \$380,000 in terms of ongoing operations and general administrative costs.

Table 48
Net Fiscal Impact by Year, East Grand Fire District #4
Base Village Economic and Fiscal Impact Study

Description	Net Multiplier	2007	2012	2017	2022	2023	2024	2025
					(Buildout)		(Stabilized)	
Total Peak Persons Served		2	1,524	2,720	4,064	4,064	4,064	4,064
Expenditures								
Administration and Training	\$7.11	\$17	\$10,832	\$19,338	\$28,889	\$28,889	\$28,889	\$28,889
Payroll	9.45	23	14,389	25,706	38,402	38,402	38,402	38,402
Equipment, Supplies, and Maintenance	5.24	13	7,977	14,240	21,273	21,273	21,273	21,273
Total Expenditures		\$52	\$33,208	\$59,283	\$88,565	\$88,565	\$88,565	\$88,565
Total Revenues		\$0	\$139,595	\$267,091	\$387,102	\$430,829	\$468,506	\$468,506
Net Fiscal Benefit (Deficit)		(\$52)	\$106,387	\$207,807	\$298,538	\$342,264	\$379,941	\$379,941

Source: Economic & Planning Systems
 H:\1555\Work\Proj\Base Village Econ and Fiscal Impact Study\Fiscal_Impact_10-02-06\FinRep

FIRE DISTRICT CAPITAL NEEDS

The Fire District has indicated the need for a new substation near Winter Park Resort so that crews can respond to incidents in the vicinity of the Resort and the southern end of the County if there are access constraints due to an accident or other problem on Highway 40 between the existing station in Fraser and the Resort area. The District has also indicated need for an additional ladder truck or aerial platform truck to serve high-rise lodging properties in the Resort area, including existing properties such as the Zephyr Mountain Lodge and the Winter Park Mountain Lodge. A second ladder or aerial platform truck is also needed to replace an aging 20-year old truck.

The Fire District estimates that the substation would cost approximately \$1.5 million. The substation would need to be equipped with a Type I engine (approx. \$200,000), and a ladder or aerial platform truck (\$600,000 to \$750,000), resulting in a total capital requirement of approximately \$2.3 million in the southern end of its service area. Intrawest committed to dedicating a fire station site in its development agreement. The property has not yet been deeded to the District.

The capital requirements of the District are separated into existing deficiencies and those associated with growth attributable to the project. 'Catch up' refers to pre-existing deficiencies or deferred maintenance. 'Keep up' refers to needs directly attributable to the impacts of new development. Based on conversations with the District, the substation is considered to be an existing deficiency due to the presence of other tall structures in the Winter Park Resort vicinity. However, the project would be responsible for its proportionate share of the impact based on expected service needs. The same analysis applies to the ladder/aerial platform trucks.

Since Intrawest will be paying impact fees to the District, these fees can be put towards new equipment needs generated by the project. The station site included in the development agreement will also help to mitigate some of the District's needs. The aging ladder truck is a 'keep up' item that will need to be replaced out of operational funds.

Currently, there are approximately 450 lodging units in high rise structures (Winter Park Mountain Lodge, Vintage Hotel, and Zephyr Mountain Lodge). The project will add over 1,500 new units, many of which will be in three or more story buildings, indicating that the project will have the largest impact on this area of the District. There is little other development expected in this area.

The project is expected to generate \$715,000 in impact fees, which is approximately 34 percent of the total capital need. Total cumulative property tax collections over the course of construction (2007 through 2022) are estimated at \$2.7 million, although they accrue over a 15 year period rather than being a lump sum payment. Depending on other competing funding priorities, the District could dedicate some of this revenue to capital needs as well. In total, property tax revenues and impact fees cover the estimated capital needs. There is a timing issue in that the capital improvements are needed in the near future, while the revenues will take several years to accrue.

GRAND COUNTY EMS

Grand County EMS (EMS) is a county department that serves all of Grand County. EMS has 42 full time staff, including 34 field staff, five command staff, and three administrative staff. The department also has 12 part time field staff. During the winter months from December through March, EMS has two ambulance crews stationed in the Fraser Valley. Each ambulance has a crew of two people working 10 hour shifts, so during the peak season, there are always two ambulances with eight staff dedicated to this area (four staff in the field at any given time). From EMS call records, approximately 29 percent of the call volume originates in the Fraser Valley.

EMS gets the majority of its revenue from charges for services that make up 63 percent of its budget, or \$1.8 million per year as shown in Table 49. Property tax accounts for 35 percent of the annual budget.

EMS revenues and expenses are allocated to the Fraser Valley based on call volume. Budget line items were re-categorized into the format shown in order to determine which expenses were directly proportional to increases in the population served, compared to administrative expenses which may not increase at the same rate. Multipliers for budget line items are also shown using the population and employment factors previously shown.

Table 49
Grand County EMS Budget and Estimating Methods
Base Village Economic and Fiscal Impact Study

Description	2005 Budget	Fraser Valley Allocation 29% of Call Volume	Estimating Method	Gross Multiplier	Percent Variable	Net Multiplier
Revenues						
Property Tax	\$986,355	\$286,000	Case Study	---	---	---
Specific Ownership Tax	50,000	14,500	N/A	---	---	---
Charges for Services	1,800,000	522,000	Per Peak Persons Served	\$118.83	100%	\$118.83
Investment Earnings	900	300	N/A	---	---	---
Miscellaneous	8,750	2,500	N/A	---	---	---
Total Revenues	\$2,846,005	\$825,300				
Expenses						
Personnel	\$1,918,047	\$556,200	Per Peak Persons Served	\$126.63	100%	\$126.63
Operations	70,000	20,300	Per Peak Persons Served	\$4.62	100%	\$4.62
Administration	419,274	121,600	Per Peak Persons Served	\$27.68	25%	\$6.92
Total Expenses	\$2,407,321	\$698,100				

Notes: N/A indicates items not forecasted because magnitude of impact not significant and/or irregular or volatile source of revenue.

Source: Economic & Planning Systems

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REVENUES

Revenues to EMS from the project will consist of new property tax revenue and additional charges for services associated with the new population served. At buildout, the project will generate approximately \$136,000 per year in additional property tax. Charges for services are estimated to increase proportionally with the population served. At buildout, EMS could receive approximately \$483,000 in new charges for services revenue. Total new revenue is approximately \$619,000 at buildout, as shown in Table 50. (Additional detail on assessed valuation and property tax estimates can be found in the Appendix.)

Table 50
Grand County EMS Revenues from Base Village
Base Village Economic and Fiscal Impact Study

Description	Factor	2007	2012	2017	2022 (Buildout)	2023	2024 (Stabilized)	2025
Property Tax	Mill Levy							
Assessed Value (\$000s)		\$0	\$20,586	\$42,768	\$61,531	\$67,919	\$67,919	\$67,919
Property Tax	2.000	\$0	\$40,356	\$76,067	\$110,401	\$123,062	\$135,838	\$135,838
Charges for Services								
Peak Persons Served		2	1,524	2,720	4,064	4,064	4,064	4,064
Charges for Services	\$118.83	\$285	\$181,062	\$323,228	\$482,878	\$482,878	\$482,878	\$482,878
Total Revenue		\$285	\$221,418	\$399,296	\$593,279	\$605,940	\$618,716	\$618,716

Source: Economic & Planning Systems

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NET FISCAL IMPACT

Buildout of the project occurs in 2022 based on Intrawest's estimated absorption schedule. The net fiscal impact of the project at buildout in 2022 and going forward is a positive \$423,000, as shown in Table 51. This indicates that costs of serving the growth generated by the project are adequately covered by the new revenue it generates.

Based on the multipliers in this analysis, the project generates the need for an additional field staff person, which does not constitute a full crew. However, considering the additional development planned in the Fraser Valley, EMS should anticipate needing an additional year round crew, one ambulance and two staff, in the next five years. EMS has also indicated the need for a substation in the Fraser Valley. Based on conversations with EMS staff, this need is primarily a pre-existing need that is not directly attributable to the project. However, the project will contribute to the need for this facility and the eventual need for an additional crew in the Fraser Valley.

**Table 51
Grand County EMS Base Village Expenditure Impacts
Base Village Economic and Fiscal Impact Study**

Description	Factor	2007	2011	2012	2017	2022 (Buildout)	2023	2024	2025
Staff Costs									
Total Peak Persons Served		2	1,138	1,524	2,720	4,064	4,064	4,064	4,064
New Staff Needed per 1,000	0.264	0.00	0.30	0.40	0.72	1.07	1.07	1.07	1.07
New Staff Cost	\$139,000	\$88	\$41,775	\$55,928	\$99,842	\$149,156	\$149,156	\$149,156	\$149,156
Other Expenditures									
Operations	\$4.62	\$11	\$5,259	\$7,041	\$12,570	\$18,779	\$18,779	\$18,779	\$18,779
Administration	\$6.92	17	7,876	10,544	18,822	28,119	28,119	28,119	28,119
Total Expenses		\$28	\$13,135	\$17,585	\$31,392	\$46,898	\$46,898	\$46,898	\$46,898
Total Expenditures		\$116	\$54,910	\$73,513	\$131,234	\$196,053	\$196,053	\$196,053	\$196,053
Total Revenues		\$285	\$167,847	\$221,418	\$399,296	\$593,279	\$605,940	\$618,716	\$618,716
Net Fiscal Benefit (Deficit)		\$169	\$112,937	\$147,905	\$268,062	\$397,225	\$409,887	\$422,663	\$422,663

Source: Economic & Planning Systems

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GRAND COUNTY SHERIFF

The Grand County Sheriff's department provides police protection services in unincorporated Grand County. Until May 2005, when Winter Park and Fraser formed a joint police force, the Sheriff's department also served these towns. The Winter Park/ Fraser Police Department will be responsible for any calls originating in the project. However, the Sheriff's department is concerned with how the increase in employees related to the project and the overall growth of the Fraser Valley will affect its service requirements since many employees commute from outside the Fraser Valley.

Currently, the Sheriff's department has 52 officers serving a full time population of approximately 14,000, which equates to 3.73 officers per 1,000 population, as shown in Table 52. EPS surveyed other counties in northern and central Colorado to compare service standards. Routt County has 12 officers, the fewest among the counties surveyed, and 0.55 officers per 1,000 people. Summit County has 23 officers, or 0.84 per 1,000 population, while Eagle County has 1.85 officers per 1,000 population. Summit and Eagle Counties have more contained and centralized population centers and a less dispersed unincorporated area, which may contribute to their lower ratios of officers to population.

Table 52
County Sheriff Service Comparisons
Base Village Economic and Fiscal Impact Study

County	Officers	2004 Population	Officers/ 1,000 Population
Grand County	52	13,943	3.73
Routt County	12	21,671	0.55
Summit County	23	27,443	0.84
Eagle County	89	47,990	1.85

Source: Economic & Planning Systems

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METHODOLOGY

The project impacts on the County Sheriff will be primarily related to the growth in project direct and indirect employment and the residency and community patterns of this employment growth. The Base Village expansion will create new jobs related to the operations and management of condo/hotel lodging units at the new facility, which will be similar to the existing Zephyr Mountain Lodge in terms of operations. The increase in visitation generated by these units will also contribute to an increase in skier visits, as will the significant on-mountain improvements planned by Intrawest.

Direct Employment Impacts

Currently, Winter Park Resort (Intrawest Winter Park Operating Corporation) employs approximately 1,200 people during the December to March peak season. This is equivalent to 1.11 jobs per 1,000 skier visits, as shown in **Table 53**. Based on this ratio, the total number of new jobs over the next 20 years is estimated to grow by 575 jobs.

Table 53
Projected New Ski Area Employment
Base Village Economic and Fiscal Impact Study

Description	2005/06	2010/11	2015/16	2020/21	2025/26
Skier Visits	1,077,001	1,225,072	1,354,255	1,486,571	1,600,840
Jobs per 1,000 Skier Visits	<u>1.11</u>	<u>1.11</u>	<u>1.11</u>	<u>1.11</u>	<u>1.11</u>
Jobs	1,200	1,375	1,500	1,650	1,775
Net New Jobs (Change)	0	175	300	450	575

Source: Economic & Planning Systems

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Lodging and retail/commercial employees at Base Village are estimated in **Table 54**, and combined with ski area employees for the total employment impact (net new jobs). Prior EPS research indicates that these types of lodging properties typically require approximately 0.5 employees per unit. At buildout, the project would generate approximately 650 lodging jobs. Retail/commercial establishments in resort areas typically require one employee for every 300 to 400 square feet, while restaurants can employ one person for every 100 to 200 square feet. A blended average of one employee per 350 square feet is used in **Table 50** to estimate retail/commercial jobs. As shown, at buildout the 42,000 square feet of commercial space employs approximately 120 people. Total new jobs by 2025, including ski area jobs, are estimated at 1,300.

Next, new jobs are converted to new employees. The Grand County Housing Needs Assessment (2001) found that each employee has 1.25 jobs. As shown, the 1,342 new jobs equate to 1,100 new employees, who can also be assumed to be new residents.

By comparing commuting and employment patterns from recent employment estimates and the 2001 Grand County Housing Needs Assessment, about 75 percent of these employees are expected to live within the Fraser Valley, with the remaining 25 percent commuting from other areas of Grand County such as the Granby and Hot Sulphur Springs areas. This may change over time as housing costs continue to increase in the Fraser Valley, which will cause an increase in commuting from East Grand County and/or from Clear Creek County to the Fraser Valley.

Table 54
New Base Village Lodging and Retail/Commercial Employees, 2007-2022
Base Village Economic and Fiscal Impact Study

Description	Factor	2007	2012	2017	2022 (Buildout)	2023	2024	2025
Lodging Jobs								
Condo/Hotel Units		0	479	865	1,294	1,294	1,294	1,294
Jobs	0.5 Empl./Unit	0	240	433	647	647	647	647
Retail/Commercial Employees								
Commercial Sq. Ft.		2,095	38,332	41,992	41,992	41,992	41,992	41,992
Commercial/Retail Jobs	350 Sq. Ft./Empl.	6	110	120	120	120	120	120
Net New Ski Area Jobs		50	225	375	550	550	575	575
Total New Jobs		56	575	928	1,317	1,317	1,342	1,342
Employees (1.25 Jobs/Employee)	1.25	45	460	742	1,054	1,054	1,074	1,074
Fraser Valley Residents	75%	34	345	557	790	790	805	805
Grand County Commuters	25%	11	115	186	263	263	268	268

Source: Economic & Planning Systems

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Indirect Employment Impacts

The indirect employment impacts are the new employees generated by the overall increase in activity anticipated in the Fraser Valley. The analysis is limited to retail/commercial employees. However, some additional construction employees can also be expected with the increase in development activity. Some additional lodging/accommodations employees can be expected in limited numbers; significant 'hot bed' lodging development is not expected in Winter Park or Fraser in the near future due to the more competitive inventory and location in the Winter Park Resort vicinity. As shown in Table 55, an additional 540 commercial/retail jobs can be expected from the growth in retail/commercial space in the Fraser Valley over the next 20 years. This equates to approximately 430 new employees. Commuting patterns indicate that about 75 percent will live within the Fraser Valley while the remaining 25 percent, or 110 employees, will commute from other areas of Grand County.

Table 55
Indirect Fraser Valley Retail/Commercial Employees
Base Village Economic and Fiscal Impact Study

Description	Factor	2005-2010	2010-2015	2015-2020	2020-2025	Total
Retail/Commercial Sq. Ft.		50,378	48,142	50,328	40,466	189,314
Cumulative		50,378	98,520	148,848	189,314	
New Jobs	350 Sq. Ft./Empl.	144	281	425	541	541
Employees (1.25 Jobs/Employee)	1.25	115	225	340	433	433
Fraser Valley Residents	75%	86	169	255	325	325
Grand County Commuters	25%	29	56	85	108	108

Source: 2002 Census of Retail Trade; Economic & Planning Systems
H:\15865-Winter Park Base Village Ph II\Models\15865-Econ Model09-01-08.xls\Retail_Empl

Summary

The addition of direct and indirect commuter employees (employees living outside the Fraser Valley) will add approximately 1,500 new residents to Grand County, including the Fraser Valley, over the next 20 years, or a modest increase of 11 percent on the total County population of approximately 14,000. The increase in employees living outside the Fraser Valley is estimated at 400, or an increase of 4.4 percent on the current population of 9,100 living in Grand County outside the Fraser Valley. As indicated in conversations with the Sheriff's department, they do not anticipate a significant increase in service demands due to this growth, as it will be part of the overall growth of Grand County.

The Sheriff's department is funded out of the County's General Fund. Additional County property tax revenues generated by the County general mill levy of 15.155 from the Base Village development are likely to cover any additional staff costs directly attributable to the project. At buildout, the project is estimated to generate approximately \$1.0 million in new County property tax revenue.

APPENDIX

**Table A-1
Base Village Building Permit and Impact Fee Calculation
Base Village Economic and Fiscal Impact Study**

Product Type	Factor	Total	2007 (In Occupied)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (Medium)
Construction Value ¹	Basic FL	\$126,543,002	\$0	\$20,151,640	\$7,630,233	\$6,456,351	\$0	\$12,819,231	\$11,640,968	\$8,510,844	\$0	\$10,956,231	\$9,951,998	\$5,262,469	\$7,532,409	\$0	\$13,303,095	\$15,847,400
	Cardo Hotel	\$10.88	0	6,170,565	1,592,404	4,076,262	1,922,404	3,383,008	3,791,969	3,701,959	3,781,959	0	3,562,008	7,165,917	7,165,917	0	3,781,959	0
	Townhome	\$10.88	0	685,326	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Single Family Homes	\$10.88	\$178,037,706	\$27,015,531	\$9,222,820	\$11,432,912	\$1,592,484	\$16,003,009	\$15,422,955	\$12,292,803	\$3,781,959	\$10,956,231	\$10,324,905	\$12,448,280	\$14,698,226	\$0	\$17,085,094	\$15,847,400
	Total Residential		\$2,008,148	\$120,722	\$1,916,386	\$0	\$0	\$333,439	\$0	\$0	\$0	\$226,927	\$0	\$0	\$0	\$0	\$0	\$0
Total Valuation		\$186,037,943	\$120,722	\$28,828,887	\$9,222,820	\$11,432,912	\$1,922,484	\$16,422,958	\$16,422,955	\$12,292,803	\$3,781,959	\$11,162,859	\$10,224,905	\$12,448,280	\$14,698,226	\$0	\$17,085,094	\$16,847,400
Building Permit Fees	Building Permit	\$10.60	\$756	\$107,534	\$35,606	\$43,673	\$7,759	\$93,572	\$88,237	\$46,812	\$16,748	\$42,781	\$30,301	\$47,380	\$55,562	\$1,944	\$64,307	\$50,787
	Plan Review	25%	517	69,807	23,144	28,302	5,061	49,062	27,664	30,622	32,228	27,109	23,846	30,192	38,135	1,263	41,800	30,961
	Total		\$1,273	\$177,341	\$58,750	\$72,066	\$12,820	\$143,634	\$115,901	\$77,434	\$47,454	\$48,976	\$54,147	\$77,572	\$93,697	\$3,207	\$106,107	\$81,748
	Affordable Housing Impact Fees	\$1,000/sq. ft.	\$4,943,016	\$6,285	\$823,577	\$249,530	\$399,324	\$43,085	\$448,139	\$417,288	\$332,892	\$102,326	\$387,615	\$276,818	\$336,304	\$397,679	\$0	\$462,282

¹ See Table of Village Peak Building Permit Fees Table (A-12B).
Note: Does not include other fees such as parking garage, elevators, or stairs. Estimates only account for dwelling and space and commercial space.
Source: Economic & Planning Systems

Table A-3
Total Base Village Revenues by Year
Base Village Economic and Fiscal Impact Study

Revenue Type and Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
																(thousands)			
General Fund																			
Taxes																			
Sales Tax	\$21,212	\$333,568	\$333,568	\$333,568	\$333,568	\$386,112	\$386,112	\$386,112	\$386,112	\$425,169	\$425,169	\$425,169	\$425,169	\$425,169	\$425,169	\$425,169	\$425,169	\$425,169	\$425,169
Lodging Tax - Marketing	0	181	246	315	321	430	534	614	628	713	777	845	930	930	1,047	1,168	1,168	1,168	1,168
Lodging Tax - Capital Improvements	0	181	246	315	321	430	534	614	628	713	777	845	930	930	1,047	1,168	1,168	1,168	1,168
Property Tax - General Fund	0	0	385	27,647	34,397	42,676	43,435	56,984	68,928	78,289	88,251	99,241	97,834	106,196	116,473	116,473	129,600	143,309	143,309
Property Tax - Forest Mgmt. & Water	0	0	365	25,637	32,604	40,356	41,171	54,014	65,334	74,131	78,067	85,537	92,734	100,660	110,491	110,491	123,062	135,838	135,838
Real Estate Transfer Tax (Retail Sales)	0	1,250,290	437,986	466,947	51,199	747,639	711,100	52,578	121,597	554,877	452,056	487,889	611,837	0	795,315	0	0	0	0
Real Estate Transfer Tax (Rn-Sales)	0	0	0	0	0	296,326	369,108	496,284	436,691	493,877	535,467	582,255	644,639	644,639	722,620	805,799	805,799	805,799	805,799
Specific Ownership Taxes	0	732	983	1,269	1,253	1,737	2,156	2,477	2,535	2,875	3,136	3,410	3,753	3,783	4,223	4,715	4,715	4,715	4,715
Franchise Tax	0	4,896	6,543	9,491	8,654	11,600	14,423	16,875	16,962	19,238	20,085	22,813	24,108	25,108	28,257	31,568	31,568	31,568	31,568
Subtotal	\$21,212	\$1,869,858	\$760,961	\$883,609	\$462,376	\$1,529,425	\$1,670,873	\$1,498,283	\$1,101,415	\$1,649,751	\$1,594,005	\$1,709,014	\$1,902,934	\$1,307,986	\$2,304,551	\$2,238,959	\$1,522,461	\$1,548,715	\$1,548,715
License, Permits, and Fees																			
Occupational Tax	\$0	\$302	\$532	\$680	\$693	\$630	\$1,155	\$1,327	\$1,358	\$1,540	\$1,680	\$1,827	\$2,010	\$2,010	\$2,262	\$2,526	\$2,526	\$2,526	\$2,526
Building Permits	1,312	177,631	98,769	72,950	12,287	101,564	95,092	77,238	25,954	70,358	64,806	78,377	\$1,722	3,207	108,107	96,640	0	0	0
Subtotal	\$1,312	\$177,933	\$99,282	\$72,740	\$13,980	\$102,624	\$97,246	\$78,966	\$27,342	\$72,696	\$66,927	\$80,003	\$93,737	\$5,217	\$109,369	\$101,174	\$2,526	\$2,526	\$2,526
Intergovernmental Revenue																			
State Highway Users Fund	\$0	\$1,220	\$1,055	\$2,115	\$2,156	\$2,894	\$3,593	\$4,129	\$4,225	\$4,792	\$5,227	\$5,603	\$6,254	\$6,254	\$7,039	\$7,859	\$7,859	\$7,859	\$7,859
Traffic Fees	\$3	\$857	\$1,147	\$1,449	\$1,474	\$1,974	\$2,437	\$2,792	\$2,851	\$3,230	\$3,523	\$3,820	\$4,103	\$4,103	\$4,714	\$5,264	\$5,264	\$5,264	\$5,264
Total General Fund	\$22,527	\$1,789,758	\$862,149	\$959,013	\$479,456	\$1,636,817	\$1,673,849	\$1,593,750	\$1,138,834	\$1,729,875	\$1,669,982	\$1,798,510	\$2,007,119	\$1,323,081	\$2,324,673	\$2,413,955	\$1,538,109	\$1,664,364	\$1,664,364
Non-General Fund Revenues																			
Affordable Housing Impact Fees	\$9,285	\$823,577	\$249,530	\$309,324	\$43,085	\$449,139	\$417,280	\$332,892	\$102,326	\$397,415	\$276,918	\$336,864	\$397,679	\$0	\$462,282	\$428,772	\$0	\$0	\$0
Total Revenues	\$28,812	\$2,593,335	\$1,091,679	\$1,269,237	\$522,541	\$2,085,956	\$2,091,137	\$1,916,342	\$1,238,160	\$2,037,290	\$1,946,881	\$2,135,373	\$2,404,798	\$1,323,081	\$2,786,955	\$2,842,027	\$1,538,109	\$1,664,364	\$1,664,364

Source: Economic & Planning Systems
 H:\Economic and Fiscal Impact Studies\2006\Final\Final Report.doc

**Table A-4
 One-Time Revenues from Base Village
 Base Village Economic and Fiscal Impact Study**

Revenue Type and Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (Buildout)
Real Estate Transfer Tax on Initial Sales	0	1,250,000	436,000	487,000	51,000	748,000	711,000	553,000	122,000	555,000	452,000	498,000	612,000	0	795,000	803,000
Building Permits	1,312	177,431	58,750	72,060	12,797	101,594	98,092	77,239	25,984	70,556	84,846	78,177	91,727	3,207	106,107	98,648
Affordable Housing Impact Fees	6,265	823,577	249,530	309,324	43,085	449,139	417,288	332,592	102,326	307,415	276,518	336,804	397,679	0	462,282	428,772
Total One-Time Revenues	\$7,597	\$2,251,008	\$746,280	\$866,384	\$106,882	\$1,299,733	\$1,224,379	\$962,831	\$250,309	\$932,970	\$793,765	\$912,981	\$1,101,406	\$3,207	\$1,363,389	\$1,330,420

Source: Economic & Planning Systems
 Prepared for the Base Village Economic and Fiscal Impact Study, December 2006

**Table A-5
Total Expenditures and Net Fiscal Impact by Year
Base Village Economic and Fiscal Impact Study**

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (Budget)	2023	2024 (Budget)	2025 (Budget)
Expenditures																			
General Government Admin.																			
Legislative	\$9	\$2,572	\$3,441	\$4,348	\$4,423	\$5,921	\$7,310	\$9,375	\$8,554	\$9,709	\$10,570	\$11,409	\$12,580	\$12,580	\$14,343	\$15,791	\$15,791	\$15,791	\$15,791
Clerk	68	18,709	25,151	31,779	32,329	43,261	53,434	61,218	62,524	70,970	77,265	83,756	91,953	91,953	103,376	115,428	115,428	115,428	115,428
Court	0	122	164	207	211	282	348	399	407	462	503	546	599	599	673	752	752	752	752
Town Attorney	13	3,490	4,870	5,900	6,002	8,036	9,921	11,369	11,009	13,177	14,348	15,551	17,073	17,073	19,164	21,431	21,431	21,431	21,431
Town Manager	13	3,562	4,793	5,956	6,160	8,247	10,182	11,665	11,914	13,524	14,723	15,950	17,522	17,522	19,659	21,995	21,995	21,995	21,995
Subtotal	\$104	\$28,565	\$38,218	\$48,290	\$48,125	\$65,768	\$81,196	\$93,024	\$95,007	\$107,841	\$117,408	\$127,271	\$139,726	\$139,726	\$157,085	\$175,390	\$175,390	\$175,390	\$175,390
Planning and Building																			
Planning and Zoning	\$0	\$12,435	\$4,437	\$4,695	\$413	\$7,533	\$7,121	\$5,469	\$980	\$5,779	\$4,437	\$4,644	\$5,631	\$0	\$7,988	\$8,359	\$0	\$0	\$0
Building Officials	0	13,708	4,892	5,178	454	9,304	7,849	9,023	1,081	8,371	4,852	5,119	8,427	0	8,916	9,215	9,215	9,215	9,215
Subtotal	\$0	\$26,143	\$9,329	\$9,873	\$868	\$16,838	\$14,970	\$11,499	\$2,061	\$12,150	\$9,329	\$9,763	\$12,258	\$0	\$16,904	\$17,573	\$9,215	\$9,215	\$9,215
Public Safety																			
Winter Park Patrol	\$115	\$31,841	\$42,601	\$53,628	\$54,759	\$73,311	\$90,508	\$103,652	\$106,903	\$120,209	\$130,873	\$141,887	\$165,751	\$165,751	\$175,100	\$195,514	\$195,514	\$195,514	\$195,514
Administration	11	2,939	3,932	4,959	5,055	6,767	8,355	9,572	8,778	11,059	12,081	13,095	14,377	14,377	16,183	18,047	18,047	18,047	18,047
Subtotal	\$126	\$34,780	\$46,534	\$58,587	\$59,814	\$80,078	\$98,863	\$113,223	\$115,681	\$131,268	\$142,953	\$154,982	\$170,128	\$170,128	\$191,283	\$213,561	\$213,561	\$213,561	\$213,561
Public Works																			
Administration	\$30	\$8,389	\$11,224	\$14,182	\$14,427	\$19,315	\$23,845	\$27,319	\$27,501	\$31,970	\$34,480	\$37,377	\$41,034	\$41,034	\$46,132	\$51,510	\$51,510	\$51,510	\$51,510
Maintenance Personnel	192	52,905	70,784	89,437	90,984	121,609	150,382	172,288	175,062	199,732	217,450	235,718	258,786	258,786	290,935	324,854	324,854	324,854	324,854
Roadways & Gen'l Maint	91	25,228	33,753	42,648	43,396	58,085	71,710	82,159	83,908	95,243	103,692	112,403	123,403	123,403	138,733	154,907	154,907	154,907	154,907
Parking Facility	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	\$344	\$86,522	\$115,761	\$146,267	\$148,797	\$199,207	\$245,937	\$281,763	\$287,772	\$326,545	\$355,622	\$385,498	\$423,223	\$423,223	\$475,800	\$531,271	\$531,271	\$531,271	\$531,271
Economic Development																			
Public Transit	160	44,210	59,150	74,738	76,031	101,789	125,667	143,972	147,043	168,505	181,712	195,978	210,254	216,254	243,119	271,463	271,463	271,463	271,463
Community Assistance	0	3,763	5,198	6,527	6,652	8,931	11,096	12,741	13,038	14,787	16,130	17,535	19,299	19,299	21,720	24,249	24,249	24,249	24,249
Subtotal	\$160	\$47,973	\$64,348	\$81,265	\$82,682	\$110,720	\$136,763	\$156,713	\$160,081	\$183,292	\$197,842	\$213,513	\$229,553	\$235,553	\$264,839	\$295,713	\$295,713	\$295,713	\$295,713
Total Expenditures	\$574	\$176,011	\$209,542	\$263,224	\$258,003	\$380,891	\$440,956	\$499,548	\$500,519	\$577,941	\$625,312	\$677,485	\$745,335	\$733,077	\$840,962	\$937,804	\$929,445	\$929,445	\$929,445
Total Revenues	\$22,527	\$1,769,758	\$642,145	\$559,913	\$479,496	\$1,636,817	\$1,673,649	\$1,583,750	\$1,135,834	\$1,720,876	\$1,689,962	\$1,798,519	\$2,007,119	\$1,323,051	\$2,324,673	\$2,413,255	\$1,538,109	\$1,564,364	\$1,864,364
Net Fiscal Benefit (Deficiency)	\$21,953	\$1,593,747	\$632,303	\$696,689	\$220,993	\$1,276,926	\$1,232,694	\$1,084,202	\$635,315	\$1,151,934	\$1,064,650	\$1,121,034	\$1,261,784	\$309,974	\$1,483,712	\$1,475,451	\$608,664	\$634,919	\$634,919

† Impacts per peak person served estimated as follows: Design Day/Passengers Divided by Peak Person Served. (1,937 / 17,592 = 0.109)

Source: Economic & Planning Systems

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