

# Learning from Aspen

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## Background

A Queenstown Chamber of Commerce delegation travelled to Aspen for a sister city fact finding mission in early April. Delegates were Ann Lockhart (Chamber CEO), Steve Wilde (Downtown QT), Richard Thomas (Chamber Chair) Graham Budd (Destination Queenstown CEO) and Alexa Forbes (Queenstown Lakes District Council member).

The purpose of the delegation was to revitalise the sister city relationship and look at how Aspen responds to issues – many of which are very similar to ours.

## Executive Summary

*“Take from those who can pay and give it to those who can’t, this is the real Aspen way. Transit is funded by parking, Electricity is funded by Renewable Energy Mitigation Program, Affordable housing is funded by real estate tax...”*

**Dan Blankenship CEO Roaring Fork Transport Agency**

Aspen is similar geographically to Queenstown (but has no lake) – it sits at the head of a watershed that feeds many downstream communities. Its population is much smaller (6000 permanent population, daily average 20,000). It has a mining history (silver) and has endured boom and bust cycles since establishment in the late 1800’s. Modern Aspen is experiencing skyrocketing property values and the proliferation of second/third home ownership which is increasingly shutting low, middle, and even high income workers out of the town. It has the largest billionaire count of any valley in the world. This shutting out (by price) of a huge demographic has created a large pool of commuters from nearby bedroom communities and associated land use, transport and social issues. This high value/low occupancy model is recognised as challenging the fabric of the community as the town centre has decreasing relevance to local people. Aspen and Queenstown have had different paths of planning and development in modern times, but both have arrived at a point where the cumulative issues are remarkably similar – affordable housing, worker accommodation (and workforce supply), congestion and transportation issues, environmental concerns, town planning issues, changing demographics and exclusivity. The people we met with were genuinely and increasingly concerned about the future of their town. They generally feel that their efforts are not making enough impact and so the divide between the extremely wealthy and those who serve them continues to grow. There is a palpable tension between the control exercised by the extremely wealthy, who spend only weeks per year in the resort, versus the lack of control offered to those who live in the area permanently. This is result of the fact that few permanent local people are able to afford to live within the Aspen voting district – most live down valley, outside of the Aspen voting area. This means that elected representatives represent those who can afford to live within the town boundaries rather than the many who are affected by the decisions made. The number of permanent residents in the town is increasing through affordable housing programmes, but is still too low to impact the voting regime. People are also concerned about the vulnerability of their environment and the already visible impacts of climate change.

Our delegation met with the following people and organisations, and the report below encapsulates, often verbatim, the views of those people. The report is divided into the general areas of issues as expressed across the various meetings. The last three sections offer views from specific people representing specific organisations.

- Aspen Community Plan planners (this plan articulates the ‘Aspen Idea’ and provides an overarching view that the regulatory plans sit underneath)

- Aspen Institute (the Institute is an educational and policy studies organisation with international influence and reach)
- Aspen Chamber Resort Association (business promotion and advocacy responsibilities including Destination Marketing)
- Aspen Housing Authority
- Environmental Protection/Sustainability/Waste minimisation
- Transportation Authority
- Ski Area Management (Aspen Ski Company owns all four ski areas in the Aspen area)
- Mayor, councillors and city managers

## Town/community planning

*“What’s Aspen gonna look like in 20 years? Like this.”* **Mayor Steve Skadron**

Like Queenstown, Aspen has competing agenda and a diversity of values and thinking. The development community is often at odds with Council planning. The people who own property and so have a vote in Aspen City are mostly second or third home owners who are keen to preserve the town and its **current** village atmosphere by limiting or even preventing further growth. People who work in Aspen, many working to maintain the multi-million dollar properties of absentee owners, live up to two hours one way commute down the valley and don’t get to vote within the town – they live in different voting districts – their views are only caught through the Aspen Community Plan. There are owners who have bought whole city blocks so they can use the penthouse apartment while keeping the street level and intervening level space empty. This is ‘gutting’ of the town centre means there are many empty shops and whole neighbourhoods of apartments that are empty for much of the year. This has also entrenched the seasonal aspect of the town because there are few locals to use local services throughout the year.

Aspen has ‘home rule’ within the State Constitution and Federal Law. It is governed by a regulatory code (land use) and a regulatory Civic masterplan both of which take strategic direction from the non-regulatory Aspen Area Community Plan. The city has several funding streams through various taxes – sales taxes fund all sorts of projects, there is also a tax on all real estate transactions to fund affordable (attainable) housing. Aspen sees itself as well funded with opportunity to use the tax regime to fund projects of many kinds. This means Aspen is far more autonomous than Queenstown is.

In 1959 Aspen developed its first Aspen Community Plan. This plan was designed to sustain the Aspen idea: **Mind Body Spirit** – a founding principle from the modern founding father of Aspen; Walter Paepcke. The plan outlines a vision for a community that supports young and old. It has been updated and changed many times over the past 50 years. The modern version was created in 2000 and updated in a process that started in 2008 but wasn’t finished (adopted) until 2012. The plan used to be regulatory but this latest version isn’t. Regulatory status was lost when a development (art gallery) broke the development rules of the plan and got planning permission through the appeal court – this rendered the plan useless in terms of regulation so the document is now aspirational and guiding. The enduring result of this isn’t yet known.

The plan has always reflected community feeling of the time.

- 1970s focused on managing growth,
- 1980s focused on housing,

- 1990s – had grown into too many plans so all plans amalgamated into one Aspen Area community plan – adopted in 1993. This plan recognised uniqueness and wanted 60% of the people who worked in Aspen to live within the town (to deal with ‘gutting’, affordable accom/worker accom).
- 2000 plan was fully updated and focused on the resort.
  - o increased density through infill and greater heights
- 2012 next update (started in 2008)
  - o Moved away from infill – town voters didn’t like the results.
  - o Recognised tourism economy as the life blood and realised measures needed to be taken to protect the golden goose (the environment).
  - o Thought the update would be one year project – took 4 years. Public outreach strategy (cost \$US250k) included existing conditions (baseline analysis – report done through community meetings and community groups) – speaker series, jeopardy game (did a jeopardy style quiz show – invited local gadflies, newspaper editors, come test your knowledge of Aspen – questions based on existing conditions report )– focus groups. Then large group meetings with clicker tech voting. These meetings asked 100 questions, included feeding everyone, activities, and a statistically valid survey. Then drafted the plan.
  - o Planning commission didn’t like the approach, (Pitkin county/city elected people appointed) didn’t like that they didn’t control it and held it hostage for two years. They then decided to rewrite it. This meant the consultant was lost and the work had to be done by staff. Ultimately ended up with something very similar to the original – finally wore down the planning commission and got it through. Council finally adopted it in 2012. Following adoption, council changed how they adopt plans so next time planning commission will only be consulted, not able to hold it up.
  - o 1000 people out of 6000 residents took part. Broad techniques of engagement – online surveys for out of towners, shoulder season stuff so local businesses had time to take part, high season to catch visitors (statistically valid surveys were residents only).
  - o Ended up with guiding document, not regulatory. Developers don’t have to abide by it.
  - o Done at time of plenty – funded jointly by city and county governments – 2/3rds city, 1/3<sup>rd</sup> county.
  - o Aligns with and informs land use and codes.

### **Other notes around town planning and Aspen Community Plan**

- Aspen is currently in month 3 of a year-long moratorium on any new development in commercial zones so council can better align the landuse code with community plan. This was passed as emergency moratorium to stop people flooding council with applications before moratorium – this is what would normally happen. Advertised one day, passed the next - very controversial.
- Ski company really engaged – They have specific person to break down community resentments about company domination. Particularly engaged on sustainability and energy efficiency.
- Tourism lodging continues to be lost to people retiring here and pulling out of tourism market. Small lodge preservation programme – targets 12 lodges (50 rooms or less). Want to preserve because the buildings are of a scale reflecting Aspen history. Market has become very high end. Preservation is part of protecting moderately priced tourism accommodation. Lots of room stock has disappeared from this middle market and the city is keen to be accessible to all sectors.

- Free market residential has been allowed in town, the unexpected consequence is wealthy people buying whole buildings and keeping ground floor empty. End up with empty shops in brand new buildings.
- Currently looking at incubating commercial space, specifying what businesses can go where, limiting number of ice-cream shops for example – commercial mix, banning chain stores and big box retail, banning free market apartments in town (new apartments would only be available in the restricted (attainable) market. Looking at ways to tackle this while moratorium in place. Radical idea is – do we create affordable retail like affordable housing space? Affordable housing working so well. Do we require certain percentage of restaurants in particular streets?
- Affordable housing is allowed in town, but not free market (this is an attempt to have people living year round in the town). So you can **only** build affordable housing in the town centre. Residential areas near town are mostly empty except in summer, million dollar homes in the trailer park. Council employees own/rent houses in affordable housing. Really hard to get into this restricted market. Once people do, if they leave town they must sell the property back to the city. City housing is sold through lottery and these projects have created great neighbourhoods reflecting what the inner city residential neighbourhoods used to be like.
- Would like to get inner residential areas back to this. Some broad financial policies need to be addressed (really hard to get finance for residential unit in commercial building for example). Housing should be in the fabric of the community. Residential above shops.
- To help downtown integrity, only restaurants are allowed sandwich board signage – restrictions on content. Blade signs allowed. Size restrictions. Supreme Court ruling means the policy is out of step with federal policy so can't enforce now. Working through. Not allowed tvs in windows
- Vote of the people is required to change height limits or floor areas
- Power of the document is in keeping engaged with council and council staff. It is like the bible in Aspen. If you want to submit, you argue from the objectives in the community plan.
- Aspen Next Generation commission – limited to pax 40 years and under – engages younger people in the process.

#### What success have they had?

- Around 50% of workers are now housed in affordable housing – some within the town
- The community plan is well known, understood and accepted
- The plan, despite its non-regulatory status, holds sway over town development.

#### What unintended consequences have played out?

- The restricted housing market doesn't act as a stepping stone as hoped. People in this market will never buy on the free market and will not be able to capitalise their homes to make money out of property
- The plan continues to be challenged by developers
- People who spend most of their time in the valley and are engaged in the plan, often can't contribute to its continued success because they can't vote in the city. So their voices may not be adequately represented.

#### Affordable (attainable) Housing

***"This is an economic development programme – it's not a social benefit programme" – Mike Kosdrosky – Executive Director Aspen Housing Authority***

Aspen has the most expensive real estate in the US and the average price soared from 200k in 1978 to 4.5m in 2008. They've since dropped back to 3.5m in 2013. Real Estate and Construction are now the major drivers of the economy and average house price is probably back over the \$4m mark. The

down-valley housing is also soaring in price and many workers now being driven out of those areas – this is a problem, because demand for workers is still going up, and wages have been driven up as a result.

APCHA – Aspen Pitkin County Housing Authority – was set up to address housing issues and measures include 8 categories of affordable housing. The Authority works towards goals that are outlined in the Aspen Community Plan Housing Chapter.

APCHA has a complicated governance structure with local council, county council and board of directors to answer to. It is financed through a revenue stream that goes specifically for affordable housing, mostly development, maintenance and subsidies for existing affordable housing. It manages 1500 rentals and 1500 deed restricted properties – these are restricted in perpetuity. People can sell, and must sell if they leave the district, but they don't make much because it's capped (CPI). Ownership in this market is not a stepping stone, these owners will never get into free market, and the gap between the free market and the restricted market is constantly increasing. The restricted market has created a market of its own as has the affordable housing credit programme. There are some properties in the trailer park worth more than \$1m. The goal is for 60% of workforce to be housed in affordable homes within Aspen (not everyone wants to live in Aspen – many prefer down valley for rural character)

- Currently house about 40-50% of the workforce.
- Real estate transfer tax 1% - all transactions (set up in 1990, wouldn't get through now because would be against state constitution). First 100K of a transaction is exempt. All of the affordable housing transactions are exempt. So part of the constituency is paying into funds to benefit the others. Have to be very careful and look after both sides.
- Developers asked to bring financing opportunities to the table. Can look at the cost of using their financing or using the APCHA financing.
- Lots of outreach to the community
- Guided by Community Plan housing section. Annually look at goals in community plan and try to apply to community outreach. Always find out what people want – this year it's more about creating more affordable rental housing than ownership opportunities.
- **APCHA looks at development proposals before they go to council**
- Purchased land about 8 years ago to try and get ahead of the demand curve. Was at height of market. Was controversial at the time. By the time we develop it, it will be valuable and work out as a good idea. Always controversy with neighbours who never want affordable developments next door.
- Price point for rentals is based on income – subsidies range from 25 – 70%
- When building on infill blocks have to be sensitive to neighbourhood connections, view shafts, surrounding architecture
- APCHA puts tenders out to developers – works ok, depends on the market conditions at the time.
- Timeframe – RFP through to built property is about 2 years. RFP often includes long term rentals – maximum rent is set by the APCHA – they want to be hands off if they can. But willing to step in to manage if they need to. Homeowners self manage through their own associations. Several different systems – has become very complex.
- Developers have to mitigate for employees generated as part of their development. They need to ensure housing is provided on or off site for those employees. Traditionally this covers only about 60% of employees so city has to fill the gap. There is also a fee in-lieu programme where developers can pay in lieu of building affordable housing onsite or offsite.

Another market has been created in Certificate of Affordable Housing Credits. These are offered to developers who, on their own initiative, go out and build deed restricted affordable housing. They can then sell those credits to someone building something else and not wanting to do that building. This is supported because it allows APCHA to be hands off – they just oversee the regulation. Credits are sold on a free market – price not controlled.

- Has partnered with the Music School to build 200 dorm units – each sleeping up to 6 people. The music school uses these rooms over summer, they house ski area staff in the winter.
- Many many complex deeds and APCHA needs now to invest in technology to keep track.
- Important to create political will and employers are key. If they don't see long term benefit will be hard to make the case to the public.
- Issues in retaining young people in Aspen. If you're not born into family property here, it's too hard for young people to stay.
- Issues around Airbnb – can rent houses for 3 weeks to get the same money as year round rental.

#### How Aspen has attempted to deal with affordable housing issues?

- Created a second, attainable market to provide local and worker accommodation
- Many different schemes depending on market and political conditions
- Established a funding stream through real estate tax
- Taxes on Airbnb – this is simple to establish – Airbnb will administer and collect

#### What success have they had?

*"We are losing ground every year, as we lose more and more homes to second home owners."* **Chris Everson – Affordable Housing Project Manager APCHA**

- Well funded
- 50% of employees now housed through the schemes
- Created thriving neighbourhoods down valley that would be good to emulate in the town

#### What unintended consequences have played out?

- Creation of new market forces
- Creation of market for credits
- No chance of 'stepping' people into free market which was original goal
- Gap continues to widen and housing needs continue to increase
- Cap on appreciation means no incentive to improve homes
- As people in the restricted market get older, they experience the 'golden handcuffs' - Retired, can't leave the house they're in because won't be able to afford free market house and there is no affordable housing for retirees. So these houses aren't freed up and people are essentially forced to stay in them.

#### What they might do differently if they had their time over again?

- Create simpler systems – not so many schemes

#### Advice to Queenstown

- Try to create foundation with support from multiple areas, council code, housing authority, citizens – all at once. Pace is important – it's slow because you need everyone to come along.
- If we were designing this now, we would try to make it simpler. We have had to create different schemes as market conditions and needs have changed over the years.

## Transport

*“We find it astounding that you allow people to park for free yet make them pay to take the shuttle”*  
– **Debbie Braun – Aspen Chamber**

An exodus of workers from the central town neighborhoods began when commissioners downzoned outer zones of Aspen County in response to voters who wanted to preserve the area by containing growth. They wanted to preserve the atmosphere – no housing or big shops or gas stations. Big money came in pushing the constrained market upwards, displacing workers who served the tourism industry. These people but built monster homes that needed lots of workers to keep them going (there’s a year round presence of people working to maintain these homes). This created a commuter culture which has led to a huge congestion problem on the town’s single access road. A transport strategy introduced in 1993 was controversial, but has meant there has been no growth in vehicle movements for 20 years! Free buses (around Aspen and as far down valley as snowmass – then charges by zone) and strong transport networks including bikes and trails have been built. Bus lanes and priority turning mean the bus can cross the last six miles into town a full 20 minutes more quickly than the cars in a peak time. There is a very cool bike sharing service – you buy a season pass then help yourself. Also car-sharing schemes supported by the council. The city transport team has 5 staff. The city contracts Roaring Fork Transport Authority to deliver bus transport. The council buys the buses and RFTA operates them. Many partnerships support biking and trail initiatives. Although traffic counts have not increased over the past 20 years, they are now beginning to as the city recovers from the GFC. This worries the department and it’s working on steps to ensure these numbers don’t grow, including looking into a mass transport system that is the right scale for Aspen that would bridge the ‘last 6 miles’ (similar to our Frankton road corridor). A future with fewer cars, a more pedestrianised town centre and no new roads is envisaged. The bus system is a huge success, everyone seems proud of it – the 2<sup>nd</sup> largest public transit system in Colorado and the largest rural in US, it operates up and down a 70 mile corridor. RFTA formed by intergovernmental agreement between City of Aspen and Pitken County in 1983 and services were merged to achieve economy of scale - 7 local govts came together – in 2000. Sales taxes fund the projects along with money from parking, permits and fines and federal and state governments. Transit system funded by general tax plus EOCT (regional transit organisation) then Roaring Fork Transit Authority provides services for a fee.

- Bus and HOV – high occupancy vehicles – 2 or more – have lanes where there is room and priority at signalised intersections. HOV not well enforced, but there is the opportunity to move to 2 – 3 or 4 as definition of HOV
- Bikes on buses – put them on the front – four per bus outside (sometimes 10 allowed inside) bit limited in summer when many people want to bring bikes.
- It took from 2003 to 2013 to get the system in place. Stage 1 was corridor investment study – compared rail vs BRT (bus rapid transit).
- Ride numbers are 18000 (low day) 23600 average and peak day 30,000. 8 routes around town
- Challenge is to keep people riding it
- Two of council’s 10 Community Plan goals are related to transport
- Employers pay for the bus passes for people who live further away than Snowmass. All four mountains and Aspen covered by free services. Supplemented by ski area transport in winter – also free.
- System is Fast, Fun and Frequent. Real time signage, free wifi, covered bike parking at stops, enclosed seating areas, ticket vending at stations.



- Frequent – Operates nearly 24/7. 2.15 last bus from Aspen - Vomit Comet - coincides with closing of the bars. Huge biz community support.
- Free (no fare) around City of Aspen. Zone fares down valley – stored value cards offer 26% discount. Monthly passes go to about 35% discount. Seasonal passes – up to 45% discount depending on how far you ride. Businesses buy these for employees through the grant system. Single fare might be \$7.
- Developed maps to show people how long it might take to walk or cycle to the nearest bus stop.
- Hard and expensive to build parking. Surface parking around \$20,000 per space. Our next option is to start building up, we don't want to cover more surface. Very expensive to build up, \$50k per park. So we encourage people to walk and ride to us and not to use cars. Only a 5min bike ride or 15 minute walk to almost any bus.
- A circulator picks everyone up from around town and car parking buildings and gets them to the BRT station. Doesn't always match up perfectly – a lot of variables. Incorporating a bit of a walk into the commute is accepted.
- “Many people just wanna build more lanes and straight line into town, others want light rail, we want community to talk about what they want the future to look like. We've had buses for 40 years – is that what we want? Congestion might start to tarnish the Aspen brand – we call it **messy vitality** but might be getting too messy now. Maybe carve out auto free zone downtown – get people into town. There are advantages and disadvantages to all ideas.”
- Sustainability is a big thing. Maintenance facilities and heating systems at platforms run on solar. Goal is to make this pay for itself, in savings – will see how it works out. Also have geothermal system which is highly efficient and saves us money.

### How Aspen has attempted to deal with transport issues?

*“It's gotta be convenient otherwise only those with no choice will use it.”* **John Krueger – Director of Transportation, Aspen City – john.krueger@cityofaspen.com**

- Started working on a transit system (bus) in the 1970s designed to remove cars from the road. This is now maxed out at 800 buses a day
- WEbike – bike sharing system. 120 share bikes in the system. No one thought system would work – but it's set up and is working. Usage is 60% locals, 40% visitors. Bike share stations help get people from home to bus stop, tourists from hotel to restaurant. Some issues – bike station balancing (making sure bikes are in the right places) – getting an electric bike and trailer to haul 6 bikes between stations.
- Commuter and recreation trails
- Car sharing – people sign up and pay an application fee, the city does insurance checks, cars stationed around town for use by members. Restricted distance, this is not a rental car. Currently 8 cars, 1 truck and 200 active members. GPS keeps everyone honest. Are now getting to point where more cars are needed. Online booking system. Funding comes from state government as part of a reducing cars funding scheme.
- Grants to employers – this is to get workers out of their cars. Can be used for bus passes, bike stands, bikes.
- Transport Hub, just recently finished reconstruction at a cost of 9.5m – huge improvement. Took 3 years from initial planning to opening. 27,000 sq feet, includes buildings of 3000sq feet Replaced a 30 year old run down facility. City only had to fund 900,000 – lots of funding partners. Grants from Federal and State governments, RFTA put in 500,000 and ran the project. Lots of money spent on outreach – very controversial – was it big enough? Was it in the right location? Should hotel buses, vans, school buses go through there? We decided no, just bus. The initiative was for local buses only so stuck to that core goal. All public parking was taken out. Taxis taken out (very controversial).

- Introduced parking charges – pay to park, but shuttle for free to all mountains and within the town boundaries.

#### What success have they had?

- Traffic counts largely unchanged in 20 years – beginning to grow now
- People used to including a walk or cycle in their daily commute and like it
- Bus system is used by all types of people and is highly valued
- Winter X Games at Buttermilk has no parking at all – the only way to get there is by bus – 50,000 rides on that day.
- Made incremental progress and caught waves along the way. Learned that when you start talking planning, people want to improve it when you put it out there. So things die cos they get too big – we learned to keep it simple. Worked with others – can we use the shoulders so buses can get through? Big battle but ended up with bus lanes that cost nothing. Can use turning lanes as queue jumpers. We've managed to get our transit widely utilised – that's not easy in this country. In other places the services are never convenient enough to get people to use them.

#### What unintended consequences have played out?

- Bus numbers now getting too high, people living on main roads complaining about noise of buses.
- Some people commuting 3 - 4 hours a day. Long commutes on roads that can be hazardous, paychecks spent down valley, social consequences (latch-key kids, lack of volunteerism) also, schools, police and other services have moved down valley. This has become an upper valley problem as people leave that community after work so only visitors in the downtown at night.
- Transport in the busier summertime is difficult because the ski areas aren't providing transport. Means Snowmass pays to move the extra people.

#### How they plan to address these issues into the future?

- Introduce mass transport system that will fix the last part of the network for the foreseeable future
- House more people in the upper valley.

#### Advice for Queenstown

- Take the steps you can – just do it. Don't try and listen to everyone. The project will get bigger than possible to complete if you allow community to keep adding stuff. Need to do things incrementally as opportunity presents itself.
- Preserve transport corridors you may need in the future. While light rail may seem way to expensive now, it might become feasible in the future.
- Expect a long implementation process. Took us a long time.
- Work with others. Get everyone on board so you keep control over plans and budgets. Make sure other jurisdictions are in place with what you're hoping for. You need to budget and be prepared to help out – like put in extra pavement while you're at it.

#### Environmental sustainability and waste minimisation.

*"People come in and get packs of bottled water from Fiji when Aspen has the best tap water of anywhere."* – **Ashley Perl – Climate Action Manager, City of Aspen**

Three of the 10 community goals in the Aspen Community plan relate to environmental sustainability. Sustainability and Climate Change mitigation are high priority for the entire community. There is a sense that they are custodians of this area. The town has experienced air pollution and unacceptably poor air quality. In the 1970s and into the 1980s there was a cloud of pollution caused by woodburning fires, vehicle emissions, unclean electricity generation and gravel on road. Solutions included no new woodburners, parking fees to reduce cars, creation of renewable energy sources and careful street sweeping. The Council is conscious of being at the head waters of the roaring fork watershed but because there is so much water, water conservation efforts are a hard sell. The view is that the watershed is also the waste-shed so waste needs to be heavily minimised. The Environmental department has 5 staff committed to energy efficiency, water conservation and climate change mitigation. Waste is not well coordinated, there is no waste minimisation plan and the landfill is not lined. However, composting efforts are well underway and there is sorting of recycling and reuse of as much trash as possible. The city has no waste pick up service. People hire one of seven companies to do so. This has all sorts of issues such as trash collections every day all over the city. The current tip has only 15 years left so minimisation of waste is a big issue. A new part of the tip is soon to open – it will be lined – and will extend the life by another 10 years. A big concern is getting organics out of the waste stream. Paper, food, green waste is all composted through aerobic process (windrow turner). Has been errors, for example, bio-waste (not human) used to be composted but putting treated timber in it meant plants died when resulting compost was used on gardens – bio waste is now separately composted and there is greater care taken with toxins. Climate change taken very seriously with lots of mitigation and planning going on. Relatively new phenomenon is dust on snow – coats entire ski area at times. Comes from poor land use and development in the desert to the west and is part of climate change. Means people can wake up to a brown mountain – covered in dust. Affects snow pack as well as looking terrible.

- Energy used in the town is now from 100% renewable sources – huge effort! Goal was set in 1990 and achieved in 2015.
- Human bio-waste composted further down valley (separate windrow system), but they don't have a market or use for the dry end product. Currently sitting in piles until a use is found.
- Recycling added in 1990s
- Town is signed up to Kyoto protocols and has climate change targets to meet.
- Waste study found 60% of rubbish was compostable (organics and paper). A further 25 percent was recyclable but hadn't been recycled. Results of education programs have been disappointing next move is to push for legislation to force people to do what they need to do. Diversion rate from landfill in 2012 was 29% - disappointing in 2015 back to 9%. Largely due to increase in waste as economy has increased. 2012 was in the mid of the recession. Visitor communications is poor so they don't recycle and there are many more visitors than local people in Aspen so the numbers go down.
- Construction waste was being used as landfill cap, but they don't have the equipment to continue doing this (Pitken County runs the landfill and won't pay.) Aspen may buy the equipment (about \$1m). Equipment is used to grind down construction waste to sawdust grade. Need a specific construction depot to deal with this waste.
- There is heaps more that could be done to get stuff out of the landfill and we need to do it.
- Second home people are the hardest to get to comply.
- Haven't got traction with the chamber to market sustainability. Would like to inform people time of booking that they don't need a car, tap water is divine, we separate waste, we don't allow single use bags...

- Easy, clean indoor composting bins are provided for offices, restaurants, homes. Includes bear-proof outdoor containers. (these are subsidised by state - \$200K to provide bear proof bins – they cost from 700 – 2000 each). This program diverts only 2% from waste stream – long way to go.
- Rubbish in alleyways is a big problem – new law means trash now has to be in building footprint but lawyers are fighting on behalf of developers who don't want to comply.
- Seasonal issues -in winter - snow and ice, in summer – bears.
- Have to get initiatives mandated by going to council and saying the voluntary programs aren't enough in getting people to do what they need to do. It needs to be mandated.
- John Denver stormwater garden, created as mitigation towards climate change and bigger rainfall events. It's beautiful and highly effective stormwater management.
- Diversion rate from landfill in 2012 was 29% - disappointing in 2015 back to 9%. Largely due to increase in waste as economy has increased. 2012 was in the mid of the recession. Visitor communications is poor so they don't recycle and there are many more visitors than local people in Aspen so the numbers go down.

## Events and Destination marketing/management

In Aspen and Snowmass, destination marketing, management and events services are all supplied by the Chamber of Commerce. Aspen and Snowmass have separate Chamber organisations (they're in separate voting areas) with different funding models.

Aspen/Snowmass have about 15,000 beds between the two (compares to Queenstown's 13,000) Aspen has 2100 units (some may be many bedrooms still counted as 1) while Snowmass has 1700.

Aspen is busier in the summer than the winter – both July and January have occupancy of over 80% while Snowmass struggles with a summer occupancy of less than 50% (around 80% in the winter). Summer yields in Snowmass are significantly lower than winter and lower than in Aspen.

## SNOWMASS

- Snowmass has tourism budget of 6.4m which comes from a marketing tax, sales tax and lodging tax. Lodging tax is used for supporting group sales.
- Marketing is unsophisticated – 8 people in the marketing organisation act basically as sales people distributing leads to the community.
- Snowmass conference centre was built in 1980 and subsidised by government as a loss leader – 30000 sq feet of conference space. This was sold to Westin Hotel which has been unfortunate because the Westin now controls all bookings and won't allow it to be used without deals for use of their rooms. Condo's have individual owners so can't offer like-rooms which makes marketing conferences difficult.
- Snowmass is trying to build more adventure based group tourism.
- Snowmass has 1.3m budget for special events that run mostly in the summer. This is driving great occupancy at that time of year – 103% up. But in between seasons “we fall off a cliff.” Snowmass used to try and produce our own events. Have generally moved away from this (apart from keeping legacy ones – balloon festival, labourday music festival) Now steals events from others by buying them in. Then try to build databases for cross selling into winter. Pot events may be something we look at in the winter around Marijuana laws, but currently there's a moratorium on cannabis retailers in Snowmass. Won't take tobacco events either. It's difficult to get people to pay for good music events because so much is provided for free.

- Event scorecard - is it increasing occupancy? is it well aligned? is it good vibe?
- Have to contribute money or expertise to many events. Meetings are all public and it's important people don't know which events cost money and which don't get financial contribution. This is commercially sensitive.

## ASPEN

Aspen has a richer cultural offering (than Snowmass) that has been built over many years. It has a 2.4m tourism marketing budget and 2 sales people. Aspen doesn't market winter at all, winter marketing is fully handled by the ski company which has a huge budget to do so. The Aspen event calendar is full the dedicated events department can pick and choose the events that best align and offer the highest returns. Event organisers need to get in line to put on events and there are control mechanisms to disallow events that aren't sanctioned. Events have to align with Aspen values to be allowed and there are control mechanisms to turn events down.

Local Mayor is pushing uphill skiing as a profitable – he's keen on providing for an aging population looking for less impact and exercise.

Aspen Institute is the driver behind much summer tourism and many events.

### Notes from Aspen Institute

Modern Aspen was founded in the 1940s when Walter Peapcke arrived after the war. He dreamed of transforming Aspen into a cultural town in the Rockies – like Salsburg. His dream was to get people to come and nourish mind body and spirit, and to bring them together around the idea of humanism. In 1949 he brought 2000 people from every state to celebrate humanism and the poet Goethe. It was a huge success and the next year he established the Aspen Institute of Humanistic Studies. The Executive Seminar was base programme. It brought people together for values and leadership dialogue in partnership with Chicago University. Music was part of the Seminar and this grew to become the Aspen Music Festival. The success of these events gave rise to many other orgs in town like the international design conference. The Seminar used Socratic methodology to discuss common issues, working to get people to make decisions based on what's right, not what was profitable. Aspen Institute now has 400 employees, mostly in Washington D.C with 30 employees in Aspen.

- Hotel on site, attendees pay about \$US 8000 all-inclusive for week long seminar. Used be two weeks, now just one because it was becoming hard to get people to carve out that much time and hard to get people to see the value. Very competitive market. Hard to get corporates to see the value of getting people to read Aristotle and ancient texts and think about what's right, not what's profit. Despite this, the Seminar still attracts amazing leaders from over the world.
- Biggest event is Aspen Ideas festival 9 days, 400 speakers. Cost is \$US3500 for 3 days. Always sold out. First 3 days are health talks, next 6 are all ideas. Lots of plenary sessions. 800 people for each set of 3 days. Constricted by the size of our campus and accom. Plus hundreds of events with individual tickets – comedy night is the most popular.
- Young leadership – looks for young people doing great work. They're sponsored and are taken through the executive seminar together so they have all the perspectives. We're looking for thought leading to action and hope to maintain contact with them throughout their careers. Big undertaking to get this underway.

- New arm to the four lines of business – youth engagement commission – everything we do, how do, we bring a younger voice into it. Create programming for them, focused on underprivileged inner city areas – going out to those areas.
- Appointed board – 60 trustees. Most of the work gets done in committees. 3 board meetings a year. Chaired by Bob Steel (Goldman Sachs)
- Started on very low budget. As they grew, got corporate support, as policy programmes grew, secured government grants which are now a big part of the budget. Also financed by individual donations and some fee based income.
- Politically non-partisan. All about the sharing of ideas.
- Not many partnerships - Atlantic monthly magazine is national marketing partner for ideas festival. Work with foundations like Rookings in DC.
- Host lots of big public lectures outside of ideas festivals as people turn up in town. Film series, very keen to share everything with community.
- Relationship with the town – 70s and 80s not so good. Trad people – who are you to tell us how to do things. Then in 80s – your elitist, behind closed doors, special handshakes. 2 trustees had idea to start community programmes. Need to create programmes that bring the community in. School programmes, public lectures, as people come through. That community programme has changed the story now cherished and loved for contributing, raising property prices, setting us apart from other ski resorts.
- Telluride Institute, Sante Fe institute – emulate some of the Aspen Institute’s work. No crossing agenda with Rocky Mountain Institute which is environmentally focussed and extremely successful.
- Ensure SMART growth that aligns with mission. Every programme has to stand on its own. If a programme can’t raise the money and get the support, it will die without bringing anything else down. Percentage from every programme goes to mothership. Non profit – so all goes back. Lots of evaluation to ensure constant improvement. During recession could have been in big trouble. But this model protected the organisation.
- Community level – come pay small fee and discuss foreign policy issues. Not a lecture. Come and talk to neighbours in moderated situation. Not a contentious meeting. Just a place to discuss. Have a moderator or two. We want people to be open minded – just act of listening and respecting others point of view. Format – come to the evening having read an article, watch a video that dives in deeper, then discuss. People know it will be a civil, safe place to talk.
- Video tape lectures – post them, also publish on Aspen public radio.
- Keen to engage with Wakatipu High School exchange -could maybe do a one day or half day programme for them.

#### Advice to Queenstown trying to set up a similar institute

- Develop a good vision then hone in on the mission of what you want to accomplish so you don’t denude resources
- Anchor with respected people from the area as trustees or advisors
- Be open and accessible to the community so you’re not starting on road without them. Need grass roots buy in
- Are there problems to solve? Can you bring together the other organisations?
- Nice to be totally independent – no built in agenda. People value a neutral place where they can come and share ideas.

## Notes from Aspen Ski Company

*“These challenges haven’t been figured out by anybody. How do you sustain growth in a community without building a city? You could build infinite housing because there is infinite demand to live in this region.”* **Auden Schendler – Aspen Ski Company Sustainability**

Aspen ski company is entirely privately owned (Crowne family based in Chicago). It has 45 lifts, 20 restaurants. \$US20m capital investment every year. The Crowne family is committed to the ski areas and operate on a 10 year timescale which is very unusual but allows long term payback on investment (most companies require 3). Sometimes payback is as long as 15 years. Aspen ski company is successful economically – technically the town’s biggest employer but it’s miniscule compared to government and to real estate. Skiing during winter is less than 50% of the economic value.

Christian Knapp (head of marketing), Rich Berkley (mountain opps) John Rennie (partnership, events, global sales), Auden Schendler (sustainability – reduce impact of our business, and to reduce the threats of environmental changes including climate change)

- Pure destination resort – don’t get the weekend warriors – too far from Denver (4.5 hours drive). 20,000 skiers over 4 mountains is peak.
- No queues or crowding – limited by town infrastructure.
- Lots of initiatives to grow the market. But no sustained pitch for organic growth.
- 30% international visits. Australia is number 1 international market. Brazil is number 2.
- Buttermilk has hosted X-Games for 15 years. X-Games is SBN property – so owned by broadcasters. Aspen ski company handles on-ground elements. Busiest weekend for lodging in the entire year. Gave birth to events programme of lifestyle and action events. Brought new demographic to Aspen. Demographic that wouldn’t normally come to this area. We give up the whole base parking lot for a month. Huge logistics.
- Lift assisted mountainbiking at Snowmass – 20K, 30K per year mountainbiking visits, 100k sightseeing visits. Whistler does 200k mountainbiking each year.
- Ski company owns 700 beds for employee accommodation. It uses the same rental criteria as Housing Authority does. Looking to build more. No family housing.
- Employee benefits – how do you maintain stable workforce? We pay better than anyone else (other ski areas say we’re killing them cos we pay so much). Expensive resort so we have to pay well. We are working to get entry level wage at \$15per hour. Federal wage is 7.50 per hour and we are currently at 11.50. Employees and their dependents (including spouses) get ski passes, health care and financial and life benefits. Plus we make it fun. Powder day opportunities. We promote from within and have a big training component.
- Winter workforce 3600, 20% year round employees.
- All waste sorted on the mountain then taken to landfill for its various systems.
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## Relationship with City Council and wealthy Aspen voters

*“The Aspen community has destroyed chances to effect the issues – the issues affect everyone in the valley, but only the small Aspen community gets to vote on them.”* **Auden Schendler – Aspen Ski Company Sustainability**

- Varying degrees of frustration. Aspen Ski Co likes to 'lead with our chequebook. We'll foot the tab, here's the support we need.'
- Expense, housing, transport, congestion – citizens get upset. It's easy for elected officials to say we want to maintain small town character and oppose rampant growth – old school environmentalist platforms – these people win elections based on keeping Aspen Aspen. We want more lodging, but the community says no because it's ugly, increases traffic etc... They want to keep it like it was forever. But it's now full of traffic anyhow. It can take 45 mins to get into town. Is that Aspen?
- We want density, put infrastructure where that is. Infil was a great idea, and not a failure, but people hate it. Airport needs to be expanded – but paranoia that we're going to bring in huge planes and ruin the town. If we don't expand airport we will lose commercial traffic in Aspen. You'd lose your economy, if those people won.
- Affordable housing – 500 beds down on what we need. Huge effort to build but now at crisis, we can't hire people. Employee housing programme started 35 years ago. Well ahead of rest of country on transport and affordable housing. Every resort finds this.
- Even the good stuff has a bad side. Biggest transport operation in Colorado and biggest rural in the country, most people don't get a car. Downside is 600 buses a day going past certain points. That's not keeping Aspen Aspen. We are going to fight this battle for a long time. Environmentalists come at you if you propose a gondola. Others if you propose rail.
- We suspect that a vocal group of people in Aspen are preventing us solving issues and that there's a silent majority who really want to do stuff. We haven't done basic community organising – we need people to say stuff but people are scared of getting their heads chopped off.
- Climate change presents the same problem. Corporations all care about climate change but zero CEOs talk about it. They don't want to be political.
- The demographic of the electorate is an issue – people who need and want the change live down valley so they can't vote in Aspen. People who have property in Aspen aren't engaged with day to day Aspen life.
- These challenges haven't been figured out by anybody. How do you sustain growth in a community without building a city? You could build infinite housing because there is infinite demand to live in this region. If you build or renovate a new commercial building you have to accommodate 30% of the new jobs you're creating – smart policy. But we've seen pro-formers where you can't do it cos of the cost of building the housing. You need to go up a storey to make this work, to get the housing in, but you're not allowed. So it doesn't stack up – so developers won't develop. Nasty thorny problem.
- Aspen looks like place where very rich people come to spray champagne, but town's origins were about getting away from life and get exposed to new ideas to take back to your life and change the world. You can't create emotional attachment if you don't stand for anything.
- Standing for something is a competitive advantage. People work for us because of this – because we do stand for environmentalism. Our guiding principles are environmental. We allow our employees to hold us to account.
- More billionaires in this valley than any other in the world. We try to make this place more real, more attainable.



## Perspective of the Mayor and City Council

*"The challenge is finding a balance between small town character and economic development"* **Steve Skadron Mayor, Aspen**

- Aspen is a well-financed, low debt town. Taxes can be raised if voters agree.
- 2000/2001 council brought in a lax development code. Today we're dealing with that – our distinct character is to retain character against the enormous pressure to develop. But the community wants to stay small.
- Currently eight projects been approved and yet to be built. After that very little.
- Affordable housing should've been much stronger downtown.
- Issue is people are willing to pay for residential downtown – this deadens the town because people buy the residential, but they don't live there.
- 1500 affordable units within 2 min bike ride of downtown.
- We don't control mix between retail and hospitality, but are considering it as part of the moratorium.
- No residential on ground floor, no real estate offices on ground floor.
- Home rule, so we control our own destiny. Not all states have this. The power comes from the voters and city – not county or state. We control our own sales tax. And were able to put on our own real estate tax.
- More than 50% of population lives in affordable housing.

## Big issues next steps

- Development – need to increase the rules that will help us get to our vision
- Natural environment – we need help of our neighbours to work on environmental protection
- Transportation – aggressive tools introduced to see if we can change our movement paradigm. Introducing next generational mobility technology. Use our brand to attract some of the best people in the world to figure out what that looks like.
- Place like this has to stand for something. What we do here we can replicate and scale and pass on to other places.
- Biggest industry in Aspen is real estate and development
- We are ending up with fewer and fewer local people and quieter – every year lowest tier of restaurants and shops close. We had to negotiate to keep movie theatre – everything's moving out of town. The market doesn't keep these services so we have to work on it.
- There'll be challenge keeping power 100% renewable cos lots of it has been negotiated. It's practical, profitable and good for quality of life.
- Community costs a lot of money. Requires lots of people living in town. People that spend big bucks to be here are buying into the Aspen community, the Aspen green, forward thinking, progressive town. They still get value.

## Liquor and Marijuana by-laws

- Against the law to have open container of alcohol on the street.
- 2am closing
- Police around – not allowed to continue the party
- Strong noise limit controls in town – strictly enforced. Drops down after 11pm.
- Liquor laws are strictly enforced – people aren't allowed in bars if intoxicated. We enforce. We will fine people. Compliance checks (done by the state). Preloading not an issue cos people can't come in if they're drunk. They don't want disruptive people inside.
- Renewal license cost is \$US2K

- Just under 100 licenses
- Noone leaves bar with alcohol.
- Outdoor dining – controlled – has to be confined space. Can only be width of restaurant, outdoor areas must be staffed and can only go until 10pm at night.
- Last call starts about 1.30 and they try to get people out so not mass exodus.
- Licensing staff foster good relationship with license holders – many we have to handhold, but we want them to keep their licenses. We want them to be successful. So if they're not doing things just how it should be, we will call and try and help.
- Lots of people want to incorporate pot. But they can't do it yet. We are getting them to communicate with us. We are open to new ideas which helps the communication.
- 6 liquor stores, 9 marijuana stores
- Marijuana introduction has gone very smoothly. It has been legal for 2 years. You can buy but not consume publically. Can't smoke in pot clubs for example. Likely to be a loosening of the rules. Denver has private clubs doing it – but not sure how they're doing that legally. We work with event sponsors to put on private pot parties.
- Marijuana retail sales have no issues. No social issues.
- Biggest issue is edibles are confusing to children.
- Majority of the customers are tourists.
- Has brought a ton of tax revenue. Market will dictate the number of stores – store number nine is located right above store number 1.
- More wide ranging in product range than alcohol – hoodies with vapourisers in hoodie strings
- Better than alcohol – they don't beat up girlfriends, don't get mean or belligerent, stoned drivers aren't a problem like drunk drivers. They just need a place to consume responsibly. That's our issue cos hotel rooms are non-smoking – we need to work out where tourists can enjoy pot legally.

### Sister City opportunities

- Aspen Institute is keen to connect with the Wakatipu High School exchange. Could potentially organise a half day programme for them – let's consider what Catalyst or Shaping Our Future or similar could organise for the return group
- Aspen Rigger Fest happens in September – it's a huge event and it would be awesome to include a team from Queenstown
- Continue discussions – everyone we talked to was keen to stay engaged and continue discussions. Can we organise to host their people maybe next year?

### Interesting links:

[www.aspencommunityvision.com](http://www.aspencommunityvision.com)

[www.aspenzgreen.com](http://www.aspenzgreen.com)

Transport <http://www.aspenpitkin.com/Departments/Transportation/>

Bike sharing <https://www.we-cycle.org/about/about/>

## Housing

[www.apcha.org](http://www.apcha.org)

<http://aspenjournalism.org/2014/05/27/build-and-let-live-40-years-of-affordable-housing-in-aspen/>

<http://ski.curbed.com/archives/2014/08/why-the-death-of-the-ski-bum-will-ruin-ski-towns-everywhere.php>