



Memorandum

To: Vail Town Council

From: George Ruther, Housing Director
Matt Mire, Town Attorney

Date: April 2, 2019

Re: Ordinance No. 5, Series of 2019, an ordinance authorizing the sale of certain real property known as Unit 2, Vail Village Inn Plaza, Phase V Condominiums, to STK Capital, LLC for \$1,547,000

I. Purpose

The purpose of this memorandum is to provide a summary of the background leading up to the presentation of proposed Ordinance No. 5, Series of 2019. Ordinance No. 5 authorizes the sale of certain real property owned by the Town of Vail.

II. Background

The Town of Vail acquired the commercial unit pursuant to a development impact mitigation obligation of a major amendment to Special Development District #6, Vail Village Inn. At the time of acquisition, the Town was in need of a space for the Colorado Ski Museum. The commercial space was used as the site of the Colorado Ski Museum until its subsequent relocation to the Vail Village Transportation Center.

The benefits of the commercial space have not been fully realized since the relocation of the Ski Museum. Over the years the space has been used by various non-profit organizations for business offices, and more recently, by the Town of Vail as temporary office space when other town facilities were under major repair or remodel (i.e., Main Vail Fire Station, Vail Public Library, etc.). By in large, however, the commercial space is underutilized and has remained vacant, costing the Town of Vail annual operating and maintenance expenses in excess of \$50,000 per year.

The Vail Town Council has expressed interest in selling its fee simple real estate interest in Commercial Unit #2, Vail Village Inn, Phase V Condominiums. According to the Vail Town Charter, the Vail Town Council may sell town-owned real estate property subject to passage of an approving ordinance.

III. Action Request of the Val Town Council

Approved, approve with modifications, or deny Ordinance No. 5, Series of 2019, on first reading.

IV. Staff Recommendation

In preparing for the intended sale of the Town-owned commercial unit the Vail Town Council identified ten (10) terms for consideration. Each of the ten (10) terms has been addressed through the real property sale listing, negotiation, contract execution and transaction. With that in mind, the Town staff recommends the Vail Town Council approves Ordinance No. 5, Series of 2019, upon first reading.