



Memorandum

To: Mayor and Town Council
From: Economic Development Department
Date: May 19, 2020
Subject: Vail Economic Recovery Efforts in response to the Public Health Crisis

I. PURPOSE

The purpose of this memo is to summarize the efforts recommended to support Vail's economic recovery in response to the Public Health Crisis.

II. BACKGROUND

Town Council has identified economic recovery as a top priority in response to the COVID 19 pandemic. The newly formed Vail Economic Recovery Team, a task force of the Vail Economic Advisory Council, includes representatives from retail, restaurants, lodging, health, and nonprofit organizations as well Vail Valley Partnership and Vail Chamber and Business Association, has met twice and formulated recommendations to support the Vail business community. The team is building on the work of Eagle County's economic recovery efforts and the work of the Vail Valley Foundation's industry task forces. The team has developed tactics to support local businesses including lodging, restaurants and retail to move toward a swift and safe reopening of our economy. The intent is to provide relief and support to our business community while respecting and operating within the public health orders from Eagle County and the state of Colorado. Specific recommendations for council's consideration are outlined in this memo.

The tactics recommended below are intended in the context of the Town manager's emergency order and will be in effect for a temporary period of time. They are not intended to permanently change the way we operate in Vail but rather improve prospects for businesses and positively impact sales tax revenue during the public health crisis in a safe, productive and temporary way.

III. ECONOMIC RECOVERY LEVERS

RESTAURANTS TEMPORARY EXPANSION OF PREMISE

Restaurants can apply for a modification of premise of their liquor licensed outdoor seating area in order to allow for an expansion of their existing licensed

area. This current option under state law will allow a restaurant owner additional space outside to help with social distancing requirements. The new footprint must be adjacent to their premise and may extend into the public right of way. The Town will enter into revocable license agreements with licensed establishments if public right of way is needed. This licensing does require approval from the State Liquor Enforcement Division and the Town Clerk's Office will help in expediting these applications as quickly as possible.

RETAIL TEMPORARY EXPANSION OF PREMISE

Similar to restaurants, retail stores can apply for a modification of premise of their footprint in order to allow for an expansion to create more outdoor space for retail sales. The new option will grant a retailer additional space to help with social distancing requirements. The new footprint must be adjacent to their premise and may extend into the public right of way. The Town will enter into revocable license agreements with retail owners if public right of way is needed. The Town will process these applications.

ALLOWING CONSUMPTION OF ALCOHOLIC BEVERAGES IN DESIGNATED PUBLIC PLACES

The restaurants and bar community seeks ways to provide food and beverage to a greater number of customers than can be accommodated within their interior and exterior licensed premise due to the public health crisis and related social distancing protocols. The community has requested the Town allow for the consumption of alcoholic beverages in designated public places. This would require formal action by the Town council, and, if passed would allow restaurants to do substantially more carry-out business in the villages. This effort would help the restaurant community accommodate more patrons than would be allowed in their establishments. An emergency ordinance has been drafted for Town council consideration which addresses allowing for consumption of alcoholic beverages in designated public places throughout Vail Village and Lionshead during this emergency situation.

PPE, SOCIAL DISTANCING AND HAND WASHING STATIONS

Businesses are struggling to secure the required PPE, including masks and hand sanitizer required by the public health order. The Town is looking into procuring a bulk quantity of these items in order to pass along to businesses so they can meet public health requirements. In addition, it is proposed these supplies would also be provided to guests and residents, as needed, through their businesses. The Town is also researching the costs of hand washing stations as it is proposed these stations could be placed throughout the villages to provide guests and residents with an exceptional and safe experience in Vail with easy access to wash hands frequently while enjoying the outdoors.

RENTAL RELIEF PROGRAM

The business community has requested the Town review offering a rental relief program for commercial business owners. The program would be funded and facilitated by the Town. While the Payroll Protection Program has provided short term relief, businesses are struggling to ensure their continued viability throughout 2020 and beyond. Aspen has created a robust and effective rental relief program that provides grants over a three month period with rental costs being equally shared by landlord, tenant, and the Town. While the details of the program have not been finalized, key components of the proposed model are outlined below:

Rent relief (grants) for small businesses that provide one-third the monthly rent for up to three months, with a yet to be determined maximum grant per business.

Requirements of eligible business applicants for the Aspen program include:

- Business is currently closed or has had business seriously curtailed and cannot operate remotely due to the public health order.
- Business employs 35 or fewer full time equivalent employees.
- Must have a physical location in the Town of Vail and a Vail business license.
- Must have a rent payment for the time period of June 1, 2020- September 1, 2020 due to a landlord to whom the business has no ownership interest.
- Be current on all payments to the Town of Vail.
- Was open for business in Vail on March 1, 2020; and have been in business for the 2019-20 winter season. Startup businesses in recent months will be considered on a case-by-case-basis.
- Be open at least 32 weeks a year.
- Further businesses that are traditionally office in nature, such as accounting, law firms, property management, real estate professionals, etc. do not qualify.
- Documentation including proof of application for Paycheck Protection Program, current lease, Colorado Secretary of State confirmation of certificate of good standing, most recent federal business tax return, and written confirmation from landlord confirming an aggregate rent reduction for a minimum of three months equivalent to a minimum of one-third of the monthly rent, and waiving any future claims of a lease violation.

Staff is researching the Aspen program and will come back to council with specific recommendation once the requirements, process and budget are determined.

SPECIAL EVENTS

Economic Development staff continues to work directly with event producers to reimagine their event plans, striving to create a win-win scenario and with a priority that the Town's mission for special events stay somewhat preserved. Since this has

been a moving target based on the public health orders, once plans are finalized (or at a place where it can be reviewed) updates will be presented to Town council or Commission on Special Events for a final funding decision. The following two events are planned for late June and early July; event promoters are working diligently with the Town on modifying their programming to remain in compliance with public health orders. Messaging and communication about personal responsibility and public health orders will become a requirement and key component of and integrated into all events.

America Days

Vail on the 4th of July holds a special place in the hearts of residents and guests alike. Our intent is to continue with the tradition of fireworks and parade-style animation in 2020.

Parade: Due to the current public health concerns around COVID-19, the parade has been reimagined by Highline Sports and Entertainment, which has proposed the following modifications to the event (these plans have already been vetted through the Event Review Committee). Instead of a parade of floats moving through guests and residents lining the streets, Highline proposes stationary floats that guests and residents can tour during a set daytime period on July 4th. The floats will be designed as art installations rather than moving displays and will be placed around Town between Golden Peak and Lionshead. Guests will be invited to move throughout Town at their own pace and convenience on the 4th to check out all of the “floats” while practicing safe social distancing. This will allow our community groups who have traditionally built floats to still be engaged in the 4th of July celebration and will allow guests and residents to experience the “parade” in their own family groups.

Fireworks: The plan is to move forward with fireworks barring any fire restrictions. An alternate location for launch as well as shell size and show design are being evaluated to allow people to see the show from more areas around Town. This would allow smaller groups to gather in more areas spread across Town as opposed to centralizing the gathering around Golden Peak. Town would work with lodging to provide and communicate numerous locations for viewing the show. This plan hopes to achieve compliance with social distancing requirements and create a safe venue for a July 4th celebration.

Farmers Market

The Vail Farmers Market is being reimagined pending the announcement by Eagle County of the next phase of the Transition Trail Map. Staff is working with the event producer to explore recommendations from the economic recovery team including having a market that focuses on the sale of produce, and spreading the market out throughout Vail Village and Lionshead, and working with local businesses to enhance the market by integrating them with the market. Vendors will be placed strategically to meet social distancing requirements, handwashing stations and sanitation areas will be added, and fewer vendors overall will be on site.

Ford Park and Social Distanced Events

Several key event producers have expressed an interest in creating a temporary drive-in venue at the east end of the Ford Park parking lot. Staff is working with the Vail Recreation District and other stakeholders to determine the feasibility of creating and using this location as an event venue this summer.