

Board of Directors Meeting

Date: August 29, 2023

Aspen Meadows Resort

Present: Cristal Logan, Jeff Bay, Cari Kuhlman, Donnie Lee, Dan Bartholomew, Debbie Braun, Matt Cook, Nina Eisenstat, Andrew Ernemann, Alan Fletcher, Justin Nyberg, Steve Skadron, Maria Ticsay, Justin Todd, Bill Tomcich, Torre, Kathleen Wanatowicz, and Pete Yang.

Absent: John Rigney, Rose Abello, David Baugh, Patti Clapper, Michael Goldberg, Heather Kemp, Lisa LeMay, Henning Rahm, Dave Ressler, and Heather Steenge-Hart.

Staff: Jennifer Albright Carney, Alycin Bektesh, Bridget Crosby, John Clay Davies, Savannah Grant, Nichole Hellinger, Jessica Hite, Sarah Reynolds Lasser, Eliza Voss, and Liz Watson.

Call to order: Cristal Logan called the meeting to order at 8:36 AM

Approval of the July 25th Minutes: Approved

Disclosure of Conflict of Interest: None

Destination Marketing Summer Update: Eliza Voss provides an update on the Destination Marketing team's recent work to further the Destination Management Plan. She reports on the team's extensive stakeholder feedback collection as part of the 360-degree feedback over the summer through three surveys: a business-focused stakeholder survey, a resident sentiment survey conducted in two waves for summer and winter tourism, and a visitor profile study. The resident sentiment survey, which amassed 2,750 responses, offers insights into Aspen residents' views on tourism. Interestingly, there exists a discrepancy between perceived and actual tourism capacity in Aspen. Eliza highlights the team's collaboration with the Colorado Tourism Office and their involvement in marketing the Michelin Guide. Notably, the Bib Gourmand has recognized several establishments in Denver and Boulder, and the full list of state-wide awardees is set to be announced on September 12. In addition to working on the Michelin guide in collaboration with the CTO, the team has access to the Roaring Fork Valley Economic Impact report. And finally, the team is set to launch the Aspen Learning Lab with the CTO. The learning lab will serve as an onboarding tool for all member businesses as well as a tool for ACRA's visitor services program. The team has also launched Trip Tuner, a customizable trip planning tool on their website, and introduced the Aspen season of the "Travel Beyond" podcast, available on platforms like Spotify and Apple Podcasts. This podcast aims to resonate mostly with industry professionals but also underscores Aspen's ongoing commitment to tackling community challenges. Discussing sustainability, Eliza mentions their effort to achieve another global sustainable tourism certificate, reminding everyone of their recognition as a top 100 Green destination the previous year. In line with these efforts, they maintain close collaboration with the City of Aspen and the Aspen Skiing Company. The return of a wedding FAM to ACRA's Group Sales has also been highlighted, with planners from various states attending a three-day program. Attendees' testimonials stress Aspen's blend of luxury and community.

Chair's Comments: Cristal welcomes new board member, Pete Yang, from Alpine Bank and expresses her gratitude for him joining the board. Pete is recognized as a long-standing member of the community and business sector. She extends her sympathies towards Tommy Clapper, who is currently unwell, and sends thoughts to him, Patti, and their entire family. Cristal praises the podcast, emphasizing its substance and depth rather than just being a superficial marketing piece. She notes that the podcast showcases the commitment of the community, city, and town and appreciates the professional resources available in the community that speak for its values. She expresses gratitude to Susan Bantis for her significant contributions to ACRA and wishes her the best as she steps down. Cristal also hints at an upcoming public event from the Aspen Institute to be announced soon, which is scheduled for September. She briefly discusses the successes of the summer, noting that the nonprofits had a positive season. Even though attendance at some events might have been slightly lower, the overall energy and participation in arts and culture events were commendable. Finally, she mentions how impressed she is with SkiCo's Tenants for Turns program, with which you can earn a \$1,500 gift card or a premier ski pass for renting housing to SkiCo employees. For more information go to <https://www.aspensnowmass.com/employment/tenants-for-turns>.



ACRA DEFY ORDINARY
ASPEN CHAMBER RESORT ASSOCIATION
DESTINATION MANAGEMENT | MEMBER SERVICES | SPECIAL EVENTS | VISITOR SERVICES

President's Comments: Debbie expresses appreciation for the chamber's marketing and membership departments for their commendable work. She shares that they hosted the Secretary of State, Jenna Griswold, who provided an update on elections businesses. Debbie reflects on the success of the midsummer night event at the Red Brick and lauds the team for their efforts. Emphasizing the ongoing process of redeeming ski pass vouchers, she thanks Sarah and Savannah for their commitment, noting over 120 redemptions from their 800 members. The chamber continues to enhance digital accessibility, allowing for online vouchers, dues payments, and pass purchases. They are also preparing for the "Afternoon Blend" on September 12th, an event offering insights into Aspen Skiing Company's winter plans. ACRA's lease has been extended at its current location, with plans to move to the armory in the spring. Additionally, there's an initiative to introduce an Airstream as a new visitor center, replacing the pavilion across from Paradise Bakery, with further customizations planned. Debbie also mentions her upcoming road trip to explore visitor centers in various cities. On the operational front, she highlights the ongoing membership survey, which seeks feedback on ACRA's performance. As an incentive, participants stand a chance to win a FOOD&WINE pass. Debbie also talks about team bonding initiatives like "anchor day" and "campfire day" that promote camaraderie among staff. An upcoming event includes a pickleball tournament for the team. Finally, she mentions the finance committee meeting this Thursday, focusing on reviewing the Q2 financials and discussing unbudgeted items and capital projects. There's also a potential partnership with Queenstown, which has expressed interest in sustainability initiatives. Debbie suggests that those interested in joining a delegation to Queenstown should coordinate with her.

Directors' Remarks:

Steve Skadron is currently attending a CMC Board of Trustees meeting and shares an anecdote about being remembered by a representative from a Queenstown vineyard. He brings attention to recent coverage in the Aspen Times regarding CMC's soft goods manufacturing program. The program, emphasizing community values like sustainability and outdoor recreation, aims to transition from a linear to a circular economy by giving ski wear a second life. Brands like Patagonia have shown interest in this initiative. Steve also updates on significant progress made on CMC's community kitchen, designed as a teaching space for aspiring culinary students. This kitchen aims to support local restaurants and the tourism sector. Additionally, it will host noncredit programs, offering courses like Thai cooking, with the hope of reintroducing communal gathering spaces lost over the years in the town. Steve concludes by expressing gratitude for the opportunity to share these updates.

Matt Cook mentions that he had difficulty finding the option to pay dues online, suggesting that the information was buried in several paragraphs. He didn't notice any indication on the invoice itself about online payment, even though he typically prefers paying online. Matt suggests making the online payment option more noticeable, perhaps in bold print, to reduce the number of phone calls the organization receives. Matt also notes that there was a noticeable softening during the summer in terms of bookings. Interestingly, he observed that the highest bookings on a single day were on a Friday at the beginning of August, not the Fourth of July, which is unusual compared to typical trends. Though his data includes Vail, Glenwood, and Aspen, Aspen usually dominates in bookings. He's unsure about the implications of this observation but wanted to share it. He concludes by expressing anticipation for the winter season.

Bill Tomcich starts by mentioning the traffic issues he encountered enroute and compliments the technology setup in the room, praising its effectiveness for hybrid meetings. He discusses the Aspen airport's record-setting month in July, highlighting its contrast with other airports. A key driver behind this record was increased capacity, especially with American Airlines expanding their Austin nonstop service and additional flights from DFW. Bill believes that this increase in passengers may have come from individuals who would have typically flown out of other airports, such as Denver. He comments on the pricing strategy of United, noting how prices were initially high to retain inventory for last-minute bookings. This strategy resulted in robust passenger numbers for the Aspen airport. The flight schedules remain strong, with numerous nonstop flights extending through September and October. Winter schedules look consistent with the previous year, but there's a slight capacity increase, with the most notable change coming from Delta. Delta plans to use a different configuration of their CRJ700's, with shells that were formerly flown for American into ASE, effectively increasing Delta's selling capacity by 20% this winter. Bill mentions the imminent introduction of the Embraer E175 but doesn't delve into specifics. Lastly, he discusses the airport improvements and the wealth of information available online on ACRA's website about it. Bill emphasizes the need for the runway to be replaced and references a presentation recently given by Dan to the Board of County Commissioners regarding this topic.

Dan Bartholomew emphasizes the current state of the airport's runway, which is not in immediate danger of failing, but needs attention. He highlights the discrepancies between engineering terminologies and general perceptions. Despite its deterioration, plans for replacing the runway are being discussed but face challenges in securing funding. The Federal Aviation Administration (FAA) is withholding significant amounts of funding due to the airport's current layout, restricting them to roughly \$2.4 million in grants per year. This minimal amount is challenging when, for instance, simple taxiway repairs cost \$6.5 million the previous year. Dan also mentions the likely need for a two-week closure of the runway in the spring for maintenance. On the planning front, the airport is currently behind schedule and over budget on the airport layout plan, delaying many future improvements. Bartholomew underscores the impacts of these delays, noting they postpone the airport's goals of using cleaner and quieter aircraft, meeting environmental standards, and other initiatives. However, they are making efforts to increase community engagement and transparency, launching monthly newsletters and frequently asked questions to educate the public on various airport-related topics. They're also partnering with local businesses to help travelers who face delays or cancellations.

Nina Eisenstat acknowledges Pete for his past contributions, noting his service on the Aspen Valley Hospital Community Advisory Committee since 2006 alongside Debbie, Cristal, and Dave Ressler. She appreciates his experience and welcomes him, highlighting his potential contributions to the current group. She praises the team-building efforts of ACRA. Commenting on recent trends, Nina observes a busy summer, with slight declines during the weekdays but consistent weekend activity. The wedding industry, she notes, appears to be booming, evidenced by various themed groups she's observed around town. Nina concludes by expressing her sadness over Susan Bantis' departure, recognizing Susan and Charlie's significant contributions.

Alan Fletcher expresses gratitude for the summer they've experienced at AMFS. While the audience size was down, mirroring the trends in lodging and hospitality during the season, they had anticipated this. Despite the reduced audience, they successfully met their budget and are extremely pleased with the artistic outcomes of the summer.

Jeff Bay speaks to the challenges of forecasting business in Aspen and other resort towns, citing closer booking patterns in recent times. He references a shift in trends where businesses can't forecast too far out due to changing market dynamics. However, there's optimism with the upcoming launch of their new property, the Molly. Exterior works on the Molly are nearly complete, with interiors still in progress. They plan to release some inventory of the property come early January, post the holiday season. This release will depend on their confidence in the product, and as construction dates get finalized, they will adjust their offerings. Jeff anticipates a boost in short-term bookings for the winter season when the Molly starts operations. On a personal note, Jeff and his family embarked on local experiences they haven't tried in the past, attending events like Snowmass concerts and visiting local sites. He emphasizes that while these experiences were rewarding and showcased the beauty of the region, they were never too crowded or overwhelming, suggesting a well-balanced visitor experience. Jeff felt that the business levels were just right, providing an ideal setting both for locals and visitors. When asked about the features of the Molly, Jeff confirms that it will be very "food and beverage forward," partnering with renowned companies and boasting features like a rooftop deck, third-floor bar, and extensive meal services, further enhancing its appeal to potential visitors.

Torre mentions that the city has made progress on the Lumberyard and anticipates further discussions in September. He expresses admiration for the music festival this summer, noting that it generated significant buzz and community conversation. Finally, he shares his thoughts and concerns for Patti and Tommy.

Cari Kuhlman welcomes Pete to the board and expresses her enthusiasm about having someone else from the banking industry on the board. She mentions the upcoming finance committee meeting and supports the idea of a trip to Queenstown. Cari discusses the significant increase in salaries in the community, pointing out that many industries, including banks, have had to increase pay over recent years. She feels there's a need to adjust income categories, especially when considering new housing units for employees. Highlighting a recent hospital fundraiser, she points out the challenges the hospital faces with rising costs due to higher salaries and housing issues. Cari emphasizes the importance of sustainable building, urging various organizations and industries, from schools to commercial real estate, to consider green initiatives for their construction projects. Lastly, she brings up concerns voiced to her about potential changes to parking passes for business owners.

Kathleen Wanatowicz comments on the increasing pressure caused by the rise in professional wages and the challenges of maintaining a living wage in the area. She notes that this is not just related to housing costs but to other economic factors as well. Kathleen updates on the Brush Creek to Aspen airport business center trail, a \$25 million infrastructure project. Recent surveys and community feedback have shown strong support for the trail connection. The current focus is on analyzing the cost benefits of this investment, examining the pros and cons, and taking a closer look at the feasibility report from November. She mentions an article about the city's plans and highlights two RFPs – one for a transportation regional plan and another for parking. She emphasizes the importance of procedures in these endeavors.

Pete Yang introduces himself to the group. He's lived in the Valley for 20 years and has worked with Alpine Bank for 16 years. He, along with his wife and two high school-aged kids, reside in the north 40. His children are both skiers and participate in the Freeride scene. Pete is also actively involved with AVSC and is excited to be a part of this group and contribute.

Justin Todd appreciates everyone for supporting a new festival in town hosted by the Latinx house and thanks the mayor for his warm welcome presentation. He mentions the festival's contribution to bringing diverse cultural values to the community. On the lodging front, he doesn't have much to add but expects a busy end to the season, especially with upcoming Labor Day concerts. Additionally, he highlights the "Aspen Cup", a croquet tournament organized by the Hotel Jerome, Aspen Meadows, and the Aspen Institute, scheduled for the 24th of September. This event aims to raise funds for local nonprofits, with the winning team's chosen nonprofit receiving additional funds. The event will feature food, music, and more, encouraging everyone to purchase tickets and support the cause.

Andrew Ernemann discusses updates on the Aspen real estate market. Sales numbers and dollar volume are both trending down by about 30% year over year. Notably, for the first time, the average price per square foot in Aspen has exceeded \$3,000 for all property types. He provides a perspective on this by equating a 10x10 addition to a house as an added value of \$300,000. The current market trend is more of a normalization, harking back to levels seen in 2018 and 2019. Andrew contrasts the mindset of long-term property buyers with short-term visitors. Highlighting the importance of taking a long-term perspective on community sustainability, he mentions a presentation by Gail Schwartz about Habitat's efforts to manufacture modular housing for affordable housing needs. Emphasizing the broader housing shortage in the valley, Andrew suggests that the chamber should focus on the "long-view Aspen" as opposed to a short-term destination perspective, noting the relevance of this approach across various sectors.

Justin Nyberg echoes previous sentiments and welcomes Pete. He commends the chamber's initiative to produce educational content, especially in the format of podcasts and interactive components, which he believes will enhance visitors' experiences in Aspen. Justin appreciates the meet and greet with Secretary Griswold, highlighting the sophistication and security of Colorado's voting systems. He also praises the local music festival, emphasizing the community enrichment it brings. The student musicians performing in various city venues, including restaurants, the farmers market, and church services, particularly stand out to him. He commends Alan for a successful season and underscores the AMFS' significant contribution to the summer experience for both locals and visitors.

Adjournment: Cristal Logan adjourned the meeting at 10:11 AM