
Report

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Aspen Retail Analysis

Prepared for

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Section I. Introduction

The Aspen Retail Study

This report summarizes a multi-disciplinary investigation of downtown Aspen’s retail environment, supports observations and conclusions regarding Aspen’s “retailing health,” and develops a series of recommendations for improving downtown business conditions and stimulating economic revitalization.

Project Objectives

After two years of declining city sales tax revenue, and a growing sense that the Aspen downtown was slowly losing its economic and social vitality, the Aspen City Council retained a consulting team to examine downtown retail conditions and engage the community in a discussion of alternative courses of action.

Although downtown Aspen has many functions, the focus of this study is on the retail environment and retail performance. The objectives of this effort were three fold:

- Quantify and characterize Aspen’s current retail position and current retail trends;
- Document the community’s goals for downtown;
- Develop strategies for stimulating retail growth that respect the realities of the marketplace and objectives of the Aspen community.

Participants

Project Team

The consultant team consisted of three Colorado consulting firms:

- **BBC Research & Consulting (BBC)** managed this project and had responsibility for documenting economic and market trends influencing Aspen retail;
- **CommArts, Inc.** provided urban design and place-making concepts as well as experience from other retail environments.
- **Kornfeld Koslosky Properties, LLP (KKP)** offered a landlord’s perspective on retail development issues and analyzed landlord/tenant relationships.

Section I. Introduction

Approach

Community Workshops

This project was based on a community process, which focused on three retail workshops each building upon the prior presentation and culminating in the conclusions and recommendations set forth here. The consultant team began the project with data collection and interviews with local merchants, property owners, marketing professionals, city council and interested citizens. Formal input was received from representation of organizations, such as The Aspen Chamber and Resort Association, that have a particular interest in the downtown. We collected and analyzed relevant data and presented our initial findings on market trends, comparative communities and conclusions at our first public meeting. This session ended with participants breaking into small groups to discuss and debate these findings. The results of this workshop are summarized in Appendix A.

The project team completed additional investigations before returning to the community for a second workshop, which focused on retail design, place making and retail support requirements. This presentation was also followed by a small group workshop where participants offered their reactions to many of the ideas put forth and debated alternative solutions.

A final presentation further developed many of the ideas forthcoming from initial workshops and offered refined ideas to participants for comment and critique. Again, small group discussions provided immediate feedback and reactions. Throughout this process, attendance at the workshops averaged about 50 citizens most of whom had direct interest in downtown retailing or property management. The workshop process occurred during the fall of 2003. This final report along with final presentation to the Aspen City Council was presented in January 2004.

This report synthesizes the data and community direction developed through these community meetings and offers a final refinement of the consultants' recommendations.

Prior Studies

This analysis owes a great deal to work done over the past few years by the Aspen community. In 1998, the city completed a *Downtown Enhancement and Pedestrian Plan*, which addressed physical issues in the downtown and led to the 2000 Mill and Hyman Streetscape Pilot Project. In 2000, the community updated its *Aspen Area Community Plan* and shortly thereafter in 2002 the *Economic Sustainability Report*. The later focused on strategies for a more aggressive and proactive public effort to build and

Section I. Introduction

Report Organization

sustain the local economy. Additionally during 2003, a local committee issued the *Infill Study*, which recommended certain changes in the city's development code as a means of stimulating new housing and redevelopment opportunities. All of this work served as a foundation for the retail targeted effort represented by this report.

Assistance

The consultant team would like to express our appreciation to the many Aspen community members who participated in this project and gave freely of their time and expertise. Particular thanks are owed to Andy Model who arranged a series of valuable focus group sessions with community leaders. The city's planning staff, particularly the Community Development Director Julie Ann Woods, provided a great deal of assistance by organizing, promoting and documenting community work sessions and staffing the small group discussions. Finally, we would like to thank the Mayor and Aspen City Council for their time, input and participation throughout this process.

Format

This report has four sections. Section II, which follows this introduction, provides a technical analysis of downtown retail conditions and a discussion of the market trends shaping the Aspen retail environment. Section III offers a summary of CommArts' presentation on the nature of place making and an assessment of Aspen's functional strengths and weaknesses. Section IV synthesizes this information and presents key conclusions, while the final Section V presents a series of recommendations for strengthening the Aspen downtown retail function. Appendices summarize the results of each work session.

Section II. Situational Analysis

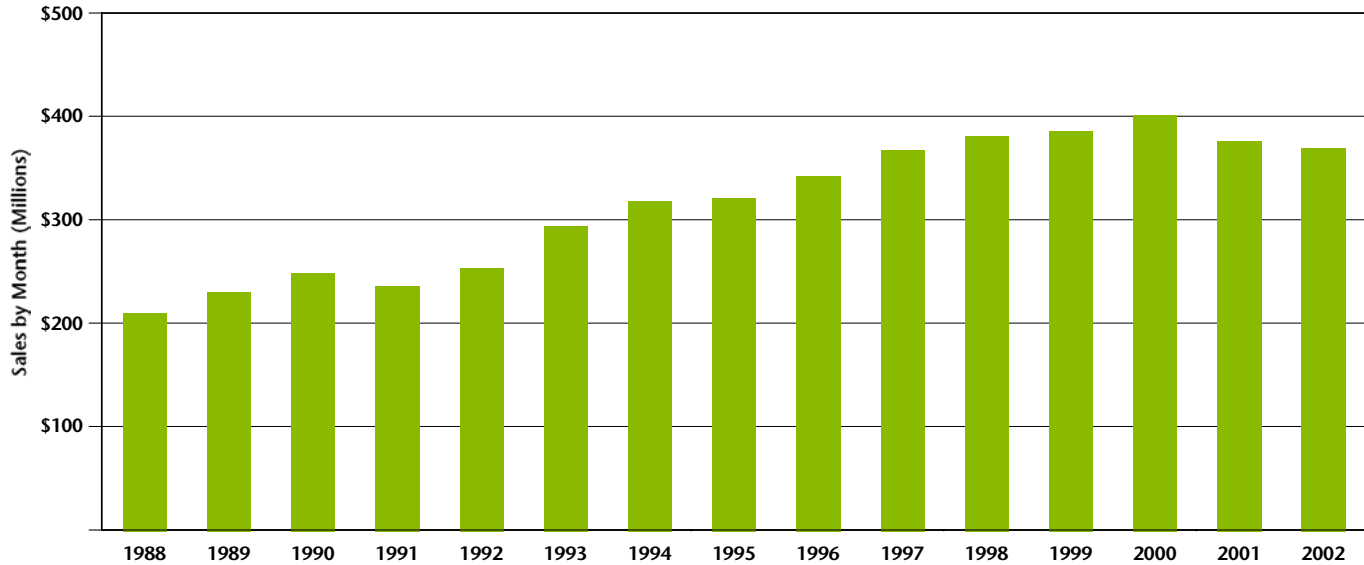
Retail Sales Stagnation

This section describes the performance of Aspen’s downtown retail core, compares Aspen’s experience with that of other resort communities and offers an analysis of the forces shaping Aspen’s economic conditions.

Retail Sales Trends

Although Aspen maintains one of the largest retail economies of any of the western mountain resorts, it has witnessed three years in a row (2001-03) of declining sales activity.¹ As evidenced below, Aspen’s total retail sales peaked in 2000 at nearly \$400 million, but sales declined steadily in the ensuing two years, falling to \$370 million in 2002 and a projected to repeat at the same level in 2003.

Exhibit II-1.
Aspen Total Retail Sales, by Year



Source: City of Aspen.

¹ Data for Nov. and Dec. 2003 are not yet available. It appears that retail sales in 2003 will break even with 2002 performance.

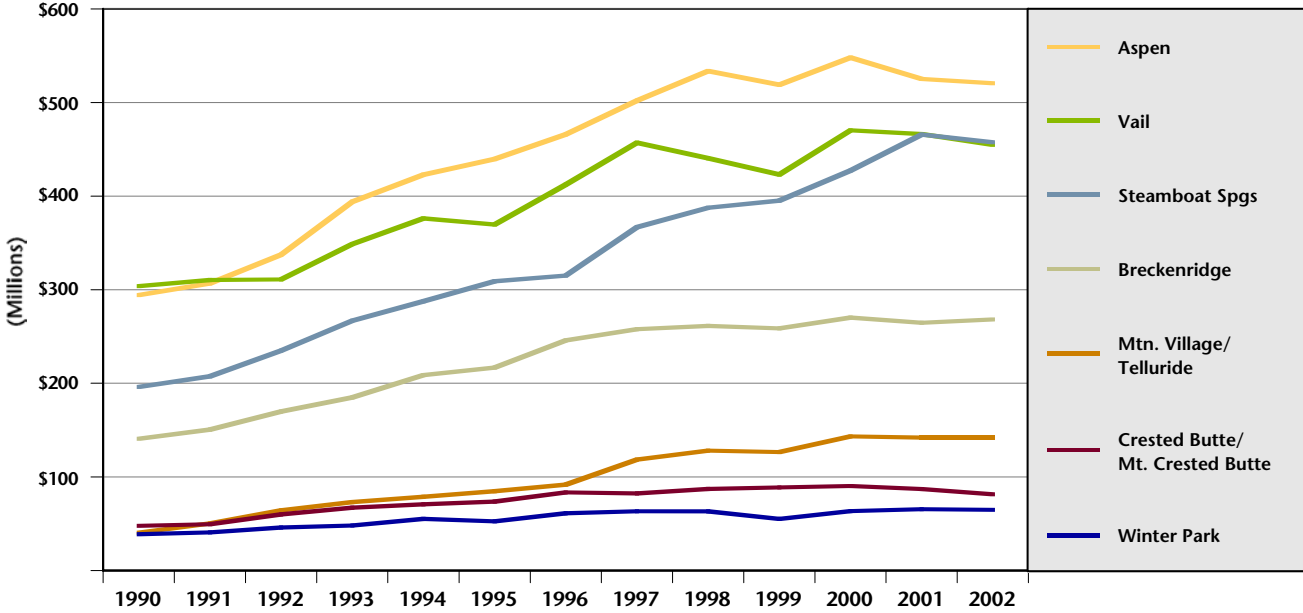
Section II. Situational Analysis

Resort Comparables

Other Resorts Have Similar Trends

Aspen’s recent retail decline is in keeping with the experience of most western resorts. The towns of Vail and Breckenridge, the second and third largest retail resort economies in Colorado, have seen similar trends. Steamboat Springs is the only major resort to witness continued retail growth since 2000, a trend that is best explained by the absence of any significant competitive retail centers in the northwest Colorado and strong non-tourism trade.

Exhibit II-2.
Retail Sales – Colorado Resort Areas



Source: Colorado Department of Revenue, Total Retail Sales.

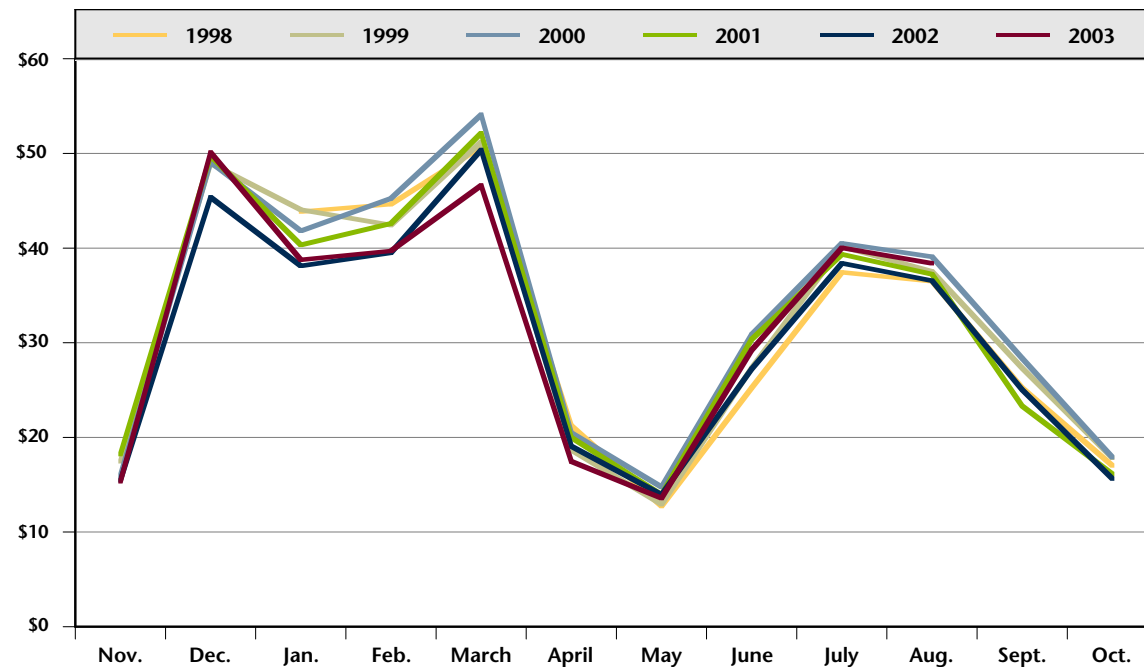
Section II. Situational Analysis

Seasonality

Winter Sales are Weak

A closer examination of Aspen’s monthly retail sales data provides greater insight into recent performance. While summer and off-season sales have remained stable, winter sales have declined markedly.

Exhibit II-3.
Aspen Retail Sales by Month and Year



Source: City of Aspen (Actual \$).

Softness in winter destination skier activity is also evidenced by similar declines in hotel occupancy rates and lodging tax receipts.

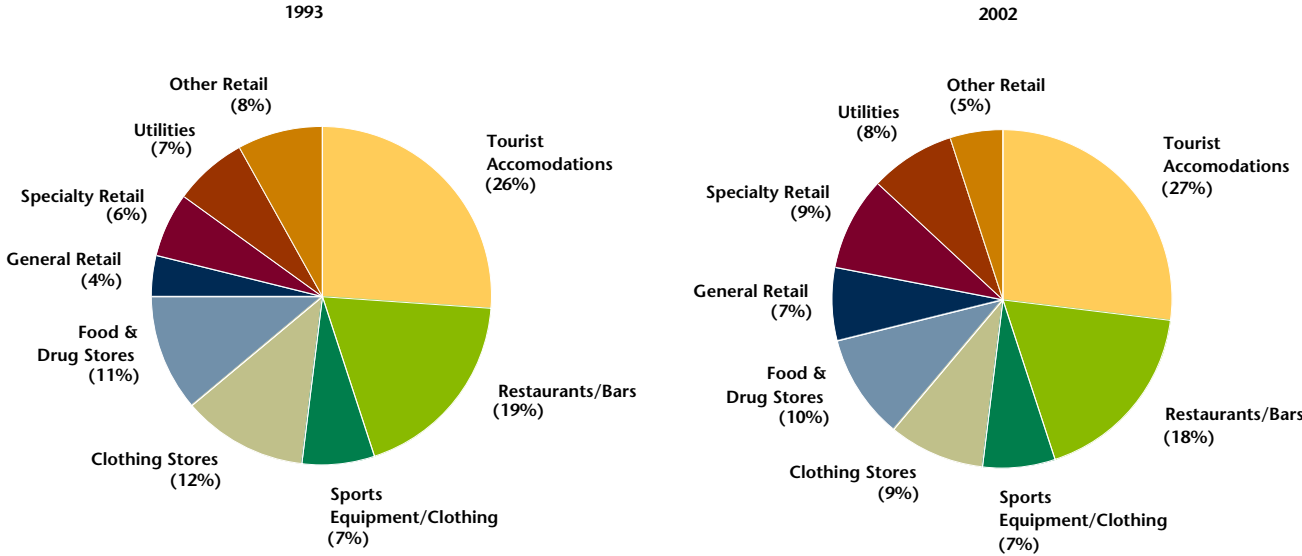
Section II. Situational Analysis

Retail Trade Trends

Little Change in Retail Sales by Category

Perhaps surprisingly, there has been very little change in the distribution of sales by category over the past decade. Tourist accommodations, restaurant and sports equipment all contribute roughly the same proportion of overall business activity.

Exhibit II-4.
Composition of Aspen Retail Sales



Source: City of Aspen, 2003.

Section II. Situational Analysis

Qualitative Indicators

“Aspen is Losing its Soul”

For most observers the “decline of the downtown,” is less about numerical decline and more about qualitative measures. Most often, Aspen downtown observers say that the downtown has lost its vitality and vibrancy. Other typical comments are highlighted below.

Exhibit II-5. Qualitative Expressions of Lost Vitality

- Lack of downtown vibrancy.
- Eroded store mix – loss of unique stores.
- Narrow market niche – too many high-end stores.
- Lack of entertainment, loss of nightlife.
- No incubator space, difficult for start-ups.
- High vacancy, high rent, too many real estate offices.



Section II. Situational Analysis

Causes of Downtown Decline

Retail Activity Reflects Other Factors

Retail is a reactive business, it responds to economic and demographic changes. Retail does not cause these changes; it reflects them.

There is broad agreement regarding the nature (symptoms) of Aspen's downtown problems. There is less agreement over why the community and market has changed and what has caused downtown retail erosion after many successful years. By our analysis, there are three categories of factors that have influenced Aspen's downtown in recent years:

- **National trends** – socioeconomic influences from outside the local economy.
- **Regional trends** – changes in the local (Roaring Fork Valley) economy and retail marketplace.
- **Local or resort factors** – trends in Aspen resort market conditions.

These influences are discussed below.

National Trends

National factors are well recognized and are mostly related to fluctuations in national economic conditions and pressures on the national and international travel and tourism market place. These include:

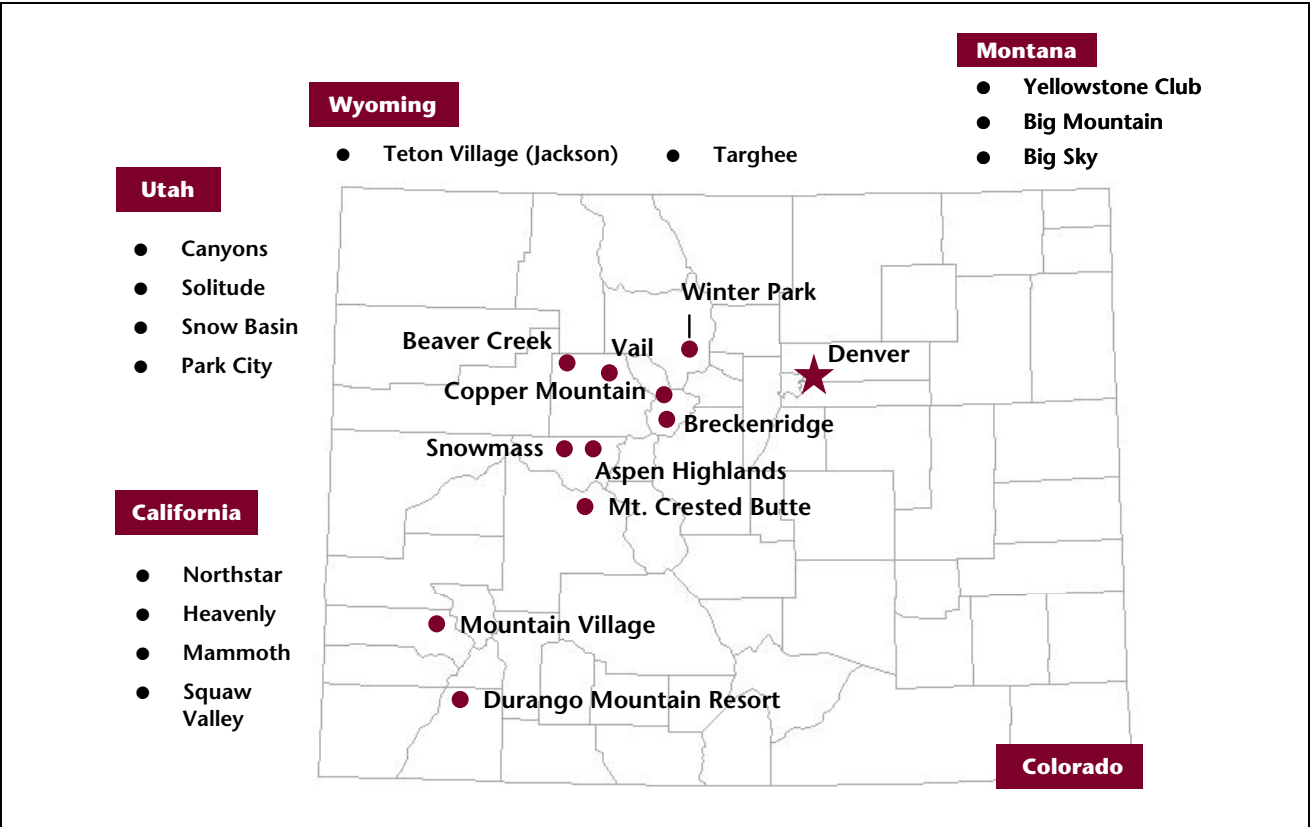
- **Unfavorable economic conditions**
- **Increasing resort competition**
- **An aging skier market**
- **Evolving national retail business trends**

National economic conditions. The recent economic downturn, since early 2000, has been particularly difficult for markets that have traditionally supported Aspen – California and New York. The uniformity of resort experience, in terms of retail loss and the timing of market downturns, supports the view that broader economic trends are a major contributor to the loss of retail sales. Nevertheless, the decline of retail business does not explain the community's large concern that the loss of downtown vitality is in excess of the loss in retail sales.

Section II. Situational Analysis

Resort Competition. Aspen was among the first destination ski resorts and for decades has had to withstand competitive buffeting as newer resorts emerged, often in advantageous locations or with improved services and facilities. Generally, Aspen had withstood these challenges, but more recently many resorts have been far more aggressive in making investments in improving visitor offerings. The following figure shows the western resorts that have major downtown projects underway or approved.

Exhibit II-6.
Resort Village Revitalizations



Section II. Situational Analysis

In addition to redesign of downtowns, many resorts are adding parking, gondola based transit systems or subsidizing marketing and air travel to gain competitive position. Increasing competition has taken a toll on Aspen's winter business.

Aging marketplace. Nationally the average age of skiers has increased by six years to 32 since 1995. The Aspen Skiing Company reports some of the oldest skier populations (as well as wealthiest and most loyal) of any western resort. Local anecdotal evidence supports a perception of the "graying of Aspen." Traditionally, Aspen has been satisfied with its market demographics and has not aggressively pursued further market diversification. This is changing. Although an older market has loyalty and disposable income, it does not require the same functions from the downtown and does not use the downtown in the same fashion as younger guests. The current Aspen visitor tends to be from well-to-do, urban markets that offer a full range of retail goods and services. Visitors tend to stay in well appointed lodging, often second homes, and thus do not use the downtown for the same social reasons that motivated visitors in past decades.

In short, the Aspen Market in 2003 uses a downtown in a very different way than the Aspen market might have in 1980. These market trends have been favorable for certain types of retail (household furnishings, upscale clothiers) but difficult for others, particularly bars and entertainment that tend to rely on a younger crowd.

Retail restructuring. On a national level the retail business continues to change and evolve. This evolution also influences what is offered in Aspen and how it compares to retail experiences in a visitor's home. Key trends include:

- A continued decline of mom and pop stores;
- Over building of specialty stores and national chains;
- Growth in Internet sales;
- Incorporation of entertainment functions into the retail environment.

Primarily these trends serve as a reminder that retail is always changing and reacting to broader market and economic conditions. Even a rarified and isolated market such as Aspen's must respond to these same forces.

Section II. Situational Analysis

A Changing Economy

Regional Trends

In addition to broader national trends, Aspen’s retail community reacts to changes in the regional marketplace.

As with many resorts, Aspen has moved away from its sole reliance on skier and visitor expenditures toward a more diversified economy that relies on real estate activity, construction and a growing retired or semi-retired community to support the local economy.

Exhibit II-8.
Rise of New Resort Economy

Visitor Expenditures	Real Estate	Resident Generators	Other
<ul style="list-style-type: none"> ■ Overnight Guests ■ Day Visitors 	<ul style="list-style-type: none"> ■ Transaction-Based ■ Construction-Based <ul style="list-style-type: none"> ➢ Builders ➢ Planners ■ Maintenance and Support 	<ul style="list-style-type: none"> ■ Outside Investments ■ External Services ■ Modern Workers ■ Retirees 	<ul style="list-style-type: none"> ■ Export Businesses ■ Government ■ Not for Profits

The new resort economy, which developed over the past 10 –15 years is not as retail focused as in past years, and tends to support retail stores that are oriented toward second homeowners and repeat customers. As a rule, the traditional core resort towns, such as Aspen, are not as well positioned to respond to this changing local economy because of their up-valley location and physical constraints to redevelopment.

Section II. Situational Analysis

Resort Suburbanization

In addition to fundamental changes in the resort economy, the physical spread of resort influences have widened, in essence creating a down valley suburbanization with multiple communities sometimes many miles apart participating in the new resort economy. As the resort influences widen, communities begin to specialize:

Exhibit II-9.
Resort Suburbanization

Core Resort Town	Nearby Support Town	Down-Valley Influence Area
<ul style="list-style-type: none"> ■ Brand Name/Image ■ Tourist Accommodations ■ Tourist Retail ■ Largely Built-Out 	<ul style="list-style-type: none"> ■ Professionals/ Longtime Locals ■ Local Retail ■ Golf 	<ul style="list-style-type: none"> ■ Worker Housing ■ Trophy Ranches ■ Industrial/ Commercial Space ■ Golf Communities

In these instances, the retail entities within the communities also begin to specialize with the core resorts retaining their visitor/tourism focus while the down valley communities develop more auto-based, locally oriented shopping.

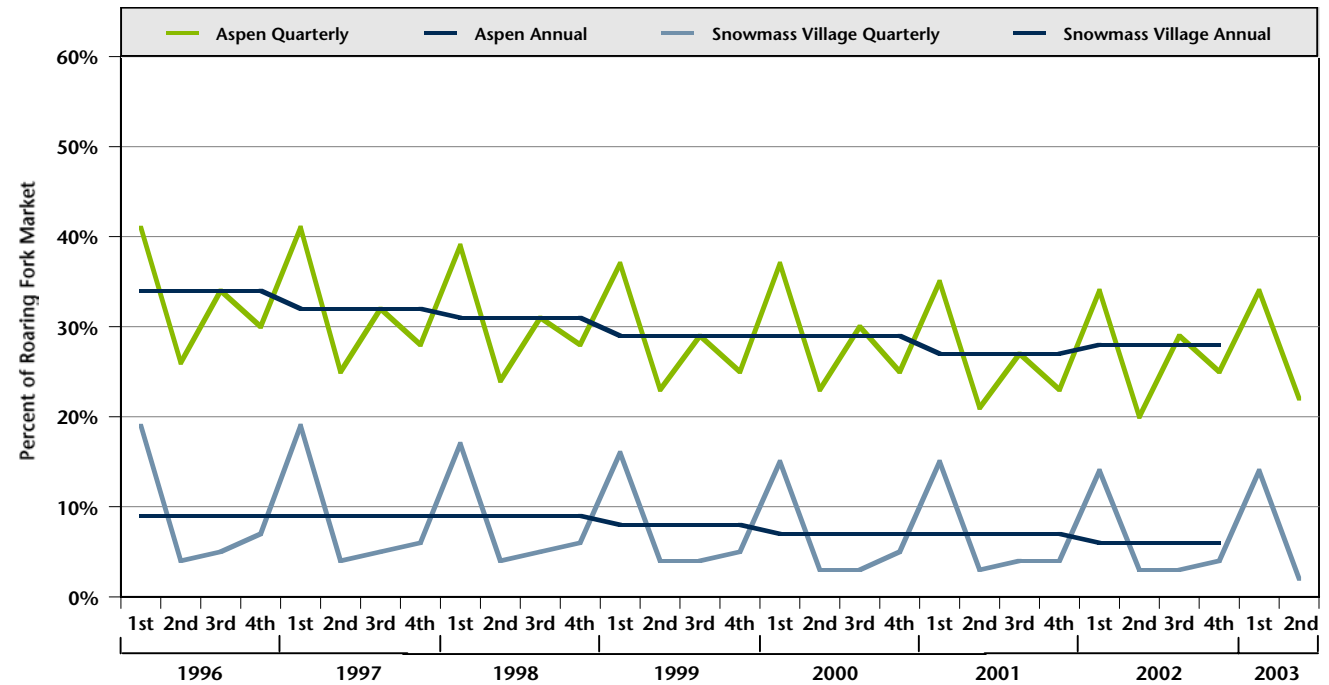
Section II. Situational Analysis

Down Valley Retail Leakage

Aspen Retail Must Compete in a New Marketplace

As a result of these trends, most resorts are seeing significant loss of retail market share to competing local communities. Aspen's share of the Roaring Fork retail marketplace has declined from 32 percent to 29 percent of all sales over a six year period.

Exhibit II-10.
Aspen and Snowmass Sales Tax Collections as a Percent of the Roaring Fork Market



Source: BBC Research & Consulting, Colorado Department of Revenue, Sales Tax Division.

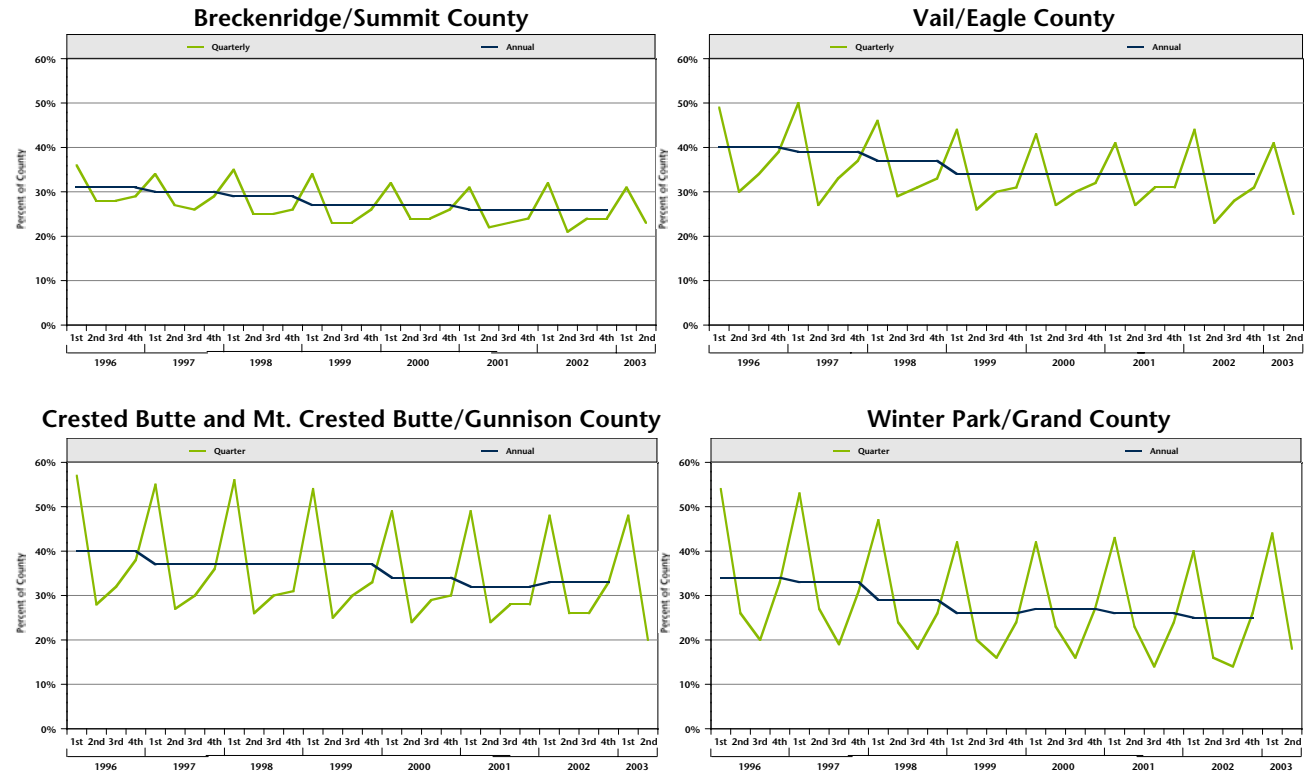
Section II. Situational Analysis

Other Mountain Resorts

Other Colorado Resorts are Also Losing Market Share

This trend is not limited to Aspen but is evidenced through western resorts.

Exhibit II-11.
Major Colorado Resorts as a Share of Their Respective County Market



Source: BBC Research & Consulting, Colorado Department of Revenue.

Section II. Situational Analysis

Internal Factors

Many Local Policies and Market Trends Also Impact the Downtown

A great deal of the workshop session discussion focused on factors internal to Aspen or the downtown that also contributed to the retail sector's recent lethargy. Several of these issues are discussed in greater detail elsewhere in this report.

Exhibit II-13. Internal Factors Influencing Downtown Retail

- **Aspen Area Loss of Hot Beds.**
- **Decline of Aspen Skier and Winter Visitor Market.**
- **High Commercial Rents Combined with Limited Commercial Supply.**
- **Growth in Non-Retail Activity on Street Level.**
- **Regulations Constrain Downtown's Ability to Change and Adapt.**
- **Lack of Downtown Collaboration/Cooperation/Representation.**

Source: BBC Research & Consulting, 2003.

Section III. Place Making, Retail Design and Downtown Functionality

Creating the Attraction

Placemaking

This section briefly summarizes two workshops that focused on the design and functionality of downtown Aspen. It is not possible to capture all the nuances of those presentations or the robust discussions that occurred in the ensuing community workshops, but key points and conclusions are highlighted, along with many of the presentation graphics that illustrated these concepts.

Components of Place

Creating attractive and functional retail environments is particularly important in resort communities because a resort’s public spaces are an intrinsic part of a visitor’s experience. Resort retail is more than a necessary convenience. To operate successfully resort retail requires a subtle blend of sociability, diverse activities, pedestrian linkages and ambiance. Traditionally, Aspen has been among the very best resort retail experiences, effectively creating a unique sense of place that has set Aspen apart from other resorts.

Exhibit III-1.
Components of Placemaking



Source: CommArts, 2003.

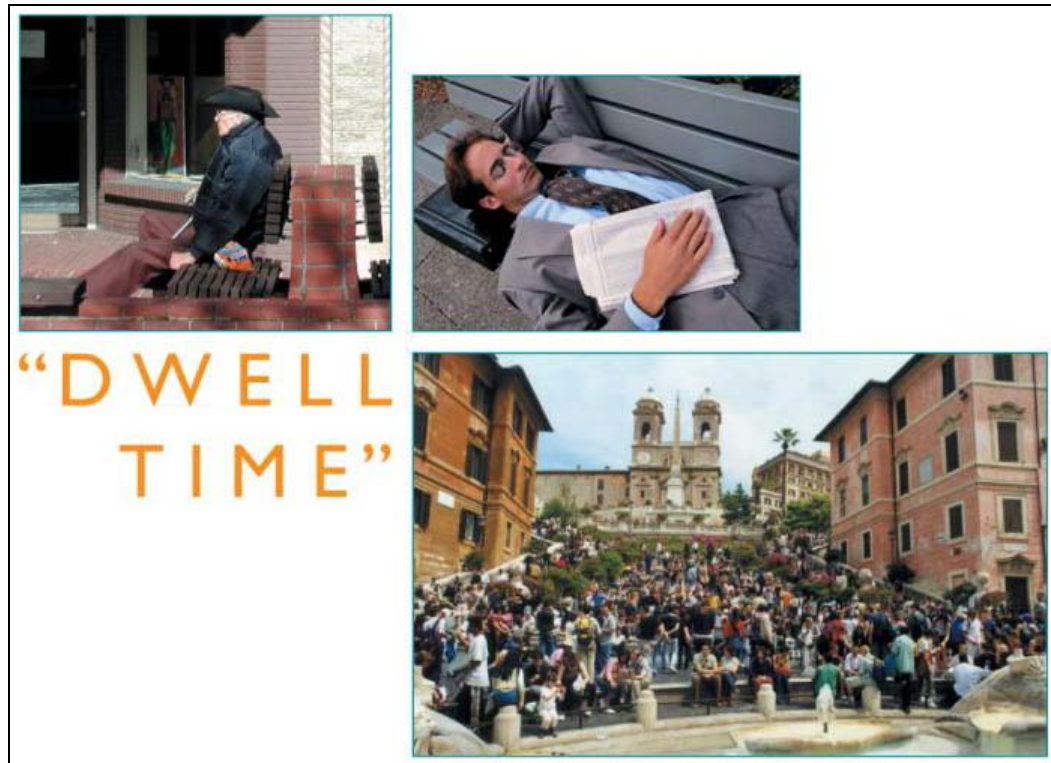
Section III. Place Making, Retail Design and Downtown Functionality

Dwell Time

Keeping People Downtown

Great downtowns and great retail create an ambiance that causes people to remain and participate in a rich active environment. Good retail centers are comfortable, they attract a variety of people, they support multiple civic, retail and social functions and they are intriguing, attractive environments. In short, they are places where guests and residents want to congregate, where they want to stay beyond the mere functional requirements of their visit.

Exhibit III-2. Dwell Time



Source: CommArts, 2003.

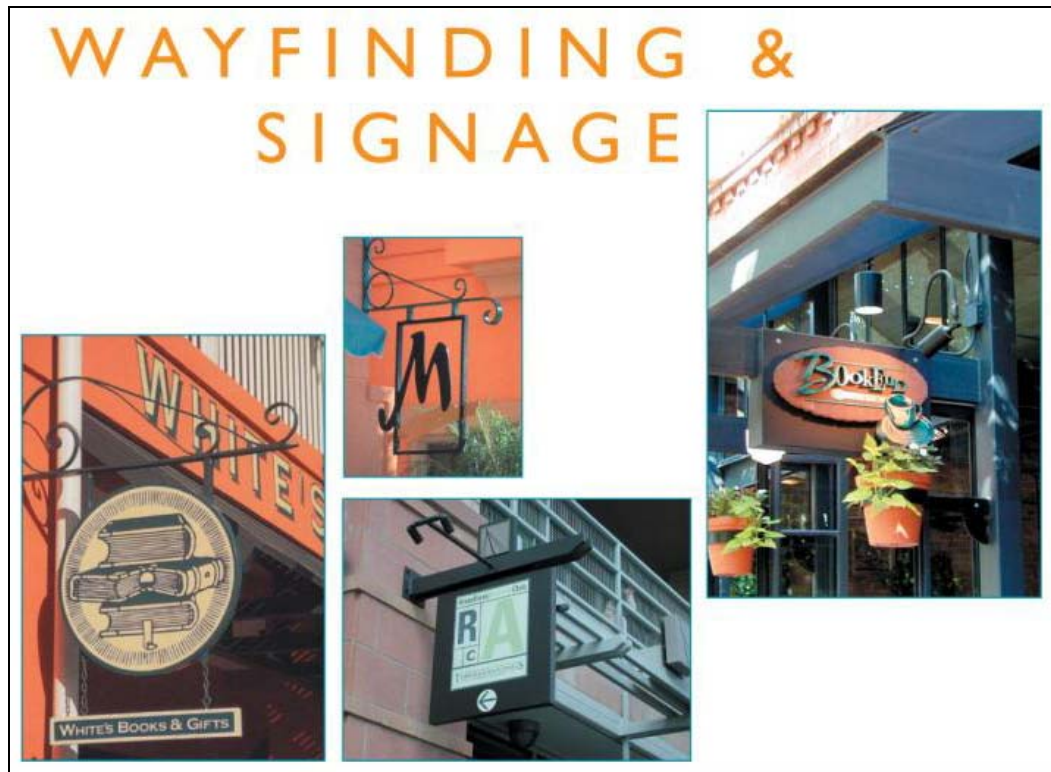
Section III. Place Making, Retail Design and Downtown Functionality

Signage & Wayfinding

Making People Comfortable

Great retail spaces are also simple and intuitive. Signage and wayfinding materials are particularly important in resorts that have a large share of new visitors that are finding their way around for the first time. In the best of situations, signage is clear but subtle and engaging. It is part of the place's story not an institutional appendage. It informs and directs and adds to the area's appeal without the participants' conscious recognition.

Exhibit III-3. Wayfinding



Source: CommArts, 2003.

Section III. Place Making, Retail Design and Downtown Functionality

Memory and Prophecy

A New and Old Place

Exceptional public spaces and exceptional retail experiences combine nostalgia and hope, memory and prophecy. They engage participants with a sense of the place's roots and history, but also in the best spaces, an equal sense that the area is alive organic and evolving. An old warehouse district on the cusp of becoming a fashionable arts or entertainment district is an excellent example of how that tension between memory and prophecy create excitement and interest.

Exhibit III-4.
Memory and Prophecy



Source: CommArts, 2003.

Section III. Place Making, Retail Design and Downtown Functionality

Fire + Water + Ice

Engaging the Audience

Adding basic elements to a retail center, fire water and ice, is another way to create a tension between the built environment and the natural environment in a way that engages and stimulates participants, generates additional dwell time and adds basic attractions to the downtown.

Exhibit III-5. Basic Elements



Source: CommArts, 2003.

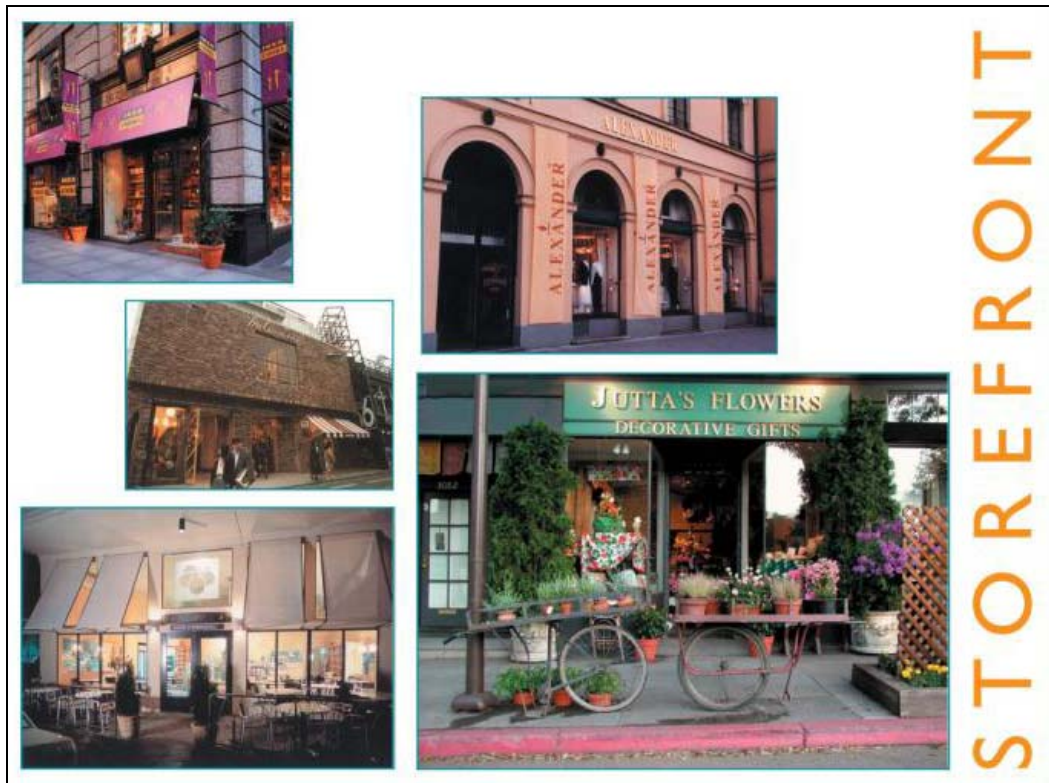
Section III. Place Making, Retail Design and Downtown Functionality

Storefronts

Making Retail Work

Storefronts communicate a great deal about the vitality of an area. They should be “labeled” but not themed, they should be lighted in a manner that draws one’s attention to the merchandise, they should be varied not orchestrated and they should always be part of the show.

Exhibit III-6.
Storefronts



Source: CommArt, 2003.

Section III. Place Making, Retail Design and Downtown Functionality

An Invitation

Come to Town

When a place has character, when its signage works when its storefronts and public spaces are allowed to experiment and change, it communicates that this is a place that people care about, and this is a place that is inviting. Public places are inclusive places that demand people. Aspen needs to make that invitation for others to join in. The ultimate message of Aspen placemaking should be that Aspen has a downtown, which implies multi-functions, housing, government and services, not just retail. A downtown is the community center; it is a great deal more than a shopping district.

Exhibit III-7. Come to Town



Source: CommArt, 2003.

Section III. Place Making, Retail Design and Downtown Functionality

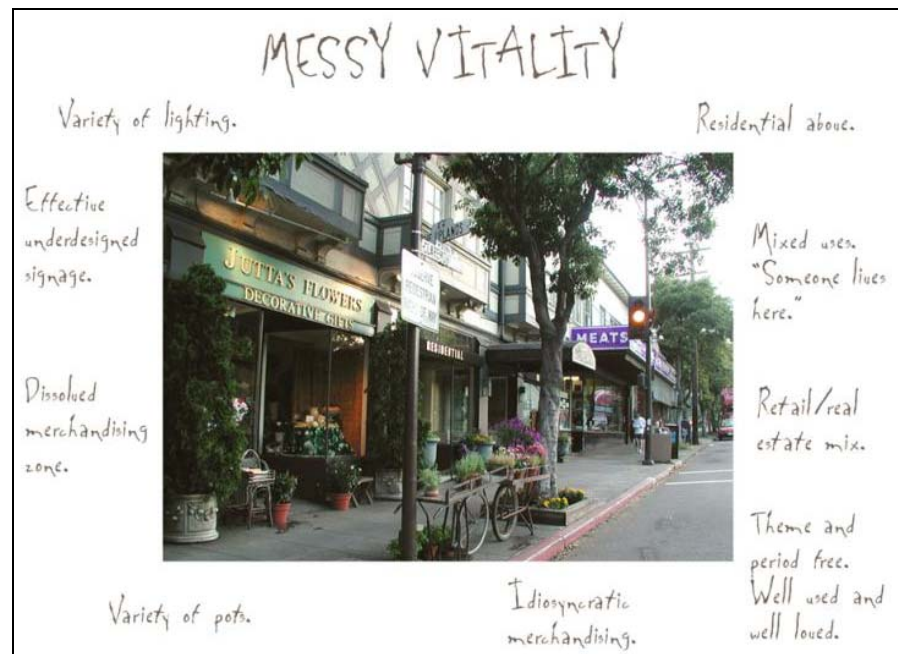
Messy Vitality

Recovering what Made Aspen Great

For years Aspen has embraced a concept of “messy vitality,” but over the years Aspen has lost a lot of what was vital and certainly more of what was messy. The following picture (from Berkeley, California) was used in a lengthy workshop discussion regarding downtown vitality, and ways of finding a balance between preservation of place and accommodation of change.

Aspen has traditionally been a rich and vital experience, but it is drifting toward a thematic reproduction – too much memory and too little prophecy – yet it is still an extraordinary place. The greatest challenge facing the community in strategizing about revitalizing downtown will be in finding the confidence to allow change to occur and accepting the risk that some of what exists will be lost.

Exhibit III-8. Messy Vitality



Source: CommArts, 2003.

Section IV. Conclusions and Observations

Seven Key Conclusions

This section sets forth observations and key conclusions forthcoming from the consultant team’s analysis and the community workshops conducted as part of this project.

Aspen retailing was hurt by the national economic recession and a continuing softness in the destination skiing market. National economic forces that are not easily remedied by local actions and these conditions are undoubtedly the primary reason for the recent decline in Aspen retail sales. Further, the recent business downturn is almost exclusively a winter phenomenon while summer has remained strong.

Nevertheless, the downtown’s lack of vibrancy, excitement and energy is a larger problem than simply diminished retail sales and not fully explained by slowed national economic performance.

National Economic Trends

1. External market and economic factors largely explain recent downtown retail sales performance

- Immediate retail decline is largely driven by external factors.
- Business downturn is largely a winter phenomenon.
- Lack of downtown vibrancy has more complex origins.
- The loss of downtown vibrancy is a more complex issue than the actual loss of retail business.
- There are national market problems that can’t be solved in the downtown.

Section IV. Conclusions and Observations

Demographics

An Aging, Wealthy Market

The consultant team acknowledges that downtown Aspen and the performance of the core area retail community is in large part a reflection of changes in the demography of Aspen visitors and residents. As the resort has evolved, becoming wealthier, older and urban, the use and function of the downtown has also changed. There is less demand for entertainment, nightlife and après ski activity. There is more demand for high-end restaurants, specialty clothing and household furnishing. A more discerning guest, typically with sophisticated retail readily available in their respective hometown, is less likely to linger and shop in the downtown. These problems are exacerbated by the loss of distinctive or unique Aspen shops. It is also noted that a large share of Aspen visitors stay in very comfortable, private accommodations, often away from downtown, thus there is less reason to venture into the core area or stay in the downtown for an extended period.

Retail is a reactive business. Successful retail coevolves with customers, changing over time as markets mature or rejuvenate. Aspen retailing and the Aspen downtown experience cannot return to past eras because markets and demographics are very different. We may be witnessing a fundamental shift in western resort markets and resort retailing, and downtowns, if they are to succeed, must have the flexibility to respond to changing market conditions.

2. The Aspen visitor market continues to evolve and change. One cannot force the downtown to be something the market won't accept.

- Retail is always a reactive market.
- Aging demographics & rising wealth of visitors influences downtown function.
- Downtown as a social gathering place is marginalized in a modern affluent resort.
- We are witnessing a fundamental shift in resort downtown functions — retail core needs flexibility to respond.

Section IV. Conclusions and Observations

Downtown Functions

Downtown Potential

Despite its difficulties, Aspen remains one of the great resort downtowns — even more reason to unleash its potential to the fullest extent possible. The downtown core is well situated in relation to Aspen Mountain, and it retains its traditional grid system and much of the community’s historic mountain architecture. The core area is largely free of traffic and well designed to accommodate pedestrians. Downtown also has many surrounding hotels that are important contributors to the area’s vitality. A notable shortcoming lies in the downtown’s relatively modest densities in the surrounding neighborhoods and the absence of year-round occupied housing.

Again, despite current challenges many merchants are prospering and current lease rates indicate a strong retail performance for those retailers who have found the right mix of product and market. Finally, it should be noted that even in the best of markets retailing is subject to a high business mortality rate. A healthy retail environment is always changing and adjusting to markets. Good retail areas will always have a high mortality rate as business experimentation is encouraged and failure accepted as part of the process.

3. Although imperfect, Aspen remains one of the best downtown patterns of all in the resorts

- **Historic buildings, comfortable grid layout, functional connection to the mountain.**
- **Pedestrian connections to surrounding accommodations & transit.**
- **Some merchants are prospering.**
- **Retail by its nature has a high mortality rate.**

Section IV. Conclusions and Observations

Supply and Demand

An Embalmed Downtown

From the early 1970's and forward, the Aspen community acted aggressively to protect the downtown, preserves its historic character and limit the unbridled excesses of unregulated development. More recently, the community has taken a number of steps through the imposition of impact fees and exactions to mitigate the offsite impacts of commercial development. This commitment to preservation and accountability allowed Aspen to enjoy its notable success and retain the appeal that has made it an internationally renowned resort. For those businesses or properties that were effectively grandfathered, regulation has also created a protected oasis where demand had grown steadily and supply has remained fixed. Not surprisingly, in this supply constrained yet demand expansive environment, property leasing rates have skyrocketed and retail offerings have narrowed.

Over time sustained high lease rates have contributed to the increasingly narrow range of Aspen businesses and the diminished number of smaller local retailers. On the other hand, lease rates appear to have peaked in 2000 and there is ample evidence that leases negotiated in 2003 are set substantially below past levels and property owners are much more accommodating. Aspen retail leases generally run 3-5 years, sometimes longer, thus leases tend to lag the market. This worked to the advantage of merchants who might have signed leases in the late 1980's when the market also witnessed a downturn, but worked to their disadvantage if they signed leases in the late 1990s as the economic boom was in full flourish.

Commercial lease rates are difficult to control, and even if rates were subject to rent controls, it is doubtful that the Aspen community would be comfortable with that level of public intervention. Lease rates are high in Aspen because there remains strong demand, an affluent market and a regulated supply. Lease rates are already moderating because demand has lessened dramatic reductions that will only come with expansion of supply or continued economic softness.

Section IV. Conclusions and Observations

Ground Floor Non-Retail Uses

4. Property owners (high rents, indifferent leasing practices) may be a problem but they are not the principal cause of current retail problems.

- Commercial rents are a product of market conditions. Rents always lag the market.
- Recent leasing terms are more realistic, landlords more accommodating.
- Landlord interests are closely, but imperfectly, aligned with community interests.
- The most effective way to lower rents is to increase supply of retail space.

The Real Estate Debate

In recent years, there has been considerable growth in the use of core ground floor space for non-retail uses. Most of this growth has been in real estate office and fractional ownership sales projects.

Aspen has always had some ground floor non-retail and real estate offices, but the most recent influx has absorbed very prominent locations and replaced some long-standing and well-regarded local businesses. In effect, the intrusion of these uses has reached a critical mass where the synergy of retail activity is disturbed and the more commercial aspects of Aspen's real estate market become very prominent.

There are mechanisms by which the city could intervene in this market and reduce the size and number of non-retail uses. Whether this would be effective or important in revitalizing the downtown has been a matter of considerable debate. The pros and cons of public intervention to reduce non-retail uses are summarized in Exhibit 5 below.

Section IV. Conclusions and Observations

5. Non-retail uses on the ground floor contribute to Aspen's downtown lethargy.

Elimination of Non-Retail at Ground Level | Pros

- Non-retail contributes to downtown lethargy.
- Limitations on non-retail uses would force property owners to pursue retail users.
- Limitations effectively "creates" more retail/restaurant space and contributes to lower lease costs.

Elimination of Non-Retail at Ground Level | Cons

- Practicality: Owners, current users would be grandfathered, thus little near term effect.
- Uncertainty: May produce vacant stores, not new retail.
- Minor Impacts: Real estate offices are only about 5-8% of first floor space.
- Unintended Impacts: Timeshare operations may go away on their own; if not, regulation limiting use harms timeshare success.
- Regulation burdens property owner.
- May be an overreaction to a short term problem.

Section IV. Conclusions and Observations

Development Regulation

The consultant team agrees that reduction of non-retail uses in the core area is a laudable goal and that a small amount of non-retail ground floor is immaterial but at a certain point, non-retail uses particularly sales offices do affect the character and functionality of the downtown. In our view, the imposition of regulations to limit further growth on non-retail ground floor activity is appropriate. The next section of the report provides additional detail on how such a regulation could be imposed.

Finding a Balance: Preservation and Change

Over the years, Aspen's downtown has accumulated layers of regulation mostly aimed at the preservation of the downtown's historic buildings, management of commercial growth and mitigation of on and off site impacts. Generally, these regulations have served the community well. The downtown retains its historic character, it functions well and it has a great deal of appeal to both residents and visitors alike. On the other hand, after 25 years of protection, the downtown is growing stale and ossified in large part because it is over loved and over protected.

Retail is an evolving business that requires a dynamic tension — a continual tug and pull — between property owners, merchants and consumers. In any market in any given year, a share of merchants and restaurateurs go out of business. The nature of the retail mix also changes as national influences emerge and subside and as the local market grows, matures and evolves. Heavy public regulation tends to stifle these forces. In Aspen, regulation has succeeded in protecting an extraordinary asset, but it has also produced layers of unintended consequences.

Lease rates in Aspen are among the highest in the country, which is in part a reflection of the growth management policies that severely restrict commercial growth. Without new supply and new competition, commercial property owners have a protected marketplace and thus the ability to push rents. High rents very much limit the nature and diversity of retailers.

Additionally, the city has a series of restrictions on building expansion and modification that make redevelopment or remodeling costly. One requirement involves the dedication of on-site "open space" with any substantial expansion or remodel, which not only adds to development costs but often forces awkward, expensive or dysfunctional public spaces that are counter productive to the creation of vibrant active retail areas. The city has also embraced a series of view ordinances that stop redevelopment of some smaller buildings and create gaps in the urban infrastructure. Similarly, the city has a variety of impact charges, most notably on affordable housing fee based on employment generation, which places a heavy financial burden on development or substantive remodeling.

Section IV. Conclusions and Observations

This is not to say that all regulation of the downtown is inappropriate, or that policy makers should reject regulations that protect the character and scale of Aspen's downtown core; yet it should also be acknowledged that these regulations and the resultant absence of significant urban redevelopment contributes to the stagnation of downtown.

Many other resorts have found ways to free-up their commercial core so it has greater flexibility to grow and respond to changing market conditions yet can still retain its original qualities. Some areas have used downtown development authorities (Mt. Crested Butte, Colorado) and even urban renewal efforts (South Lake Tahoe, California) to facilitate major private reinvestment. Other areas have allowed entire new villages to be built within town boundaries (Mammoth Lakes, California; Snowmass, Colorado) in an effort to radically alter commercial development patterns. Still others are using development of new transit systems and new gondolas (Breckenridge, Mountain Village, Colorado) to create new pedestrian patterns and thus new commercial opportunities. Finally, a number of resorts are adding new attractions (e.g. ice skating in Beaver Creek, Colorado, or a convention center in Vail, Colorado) in an effort to lure more downtown traffic and activity.

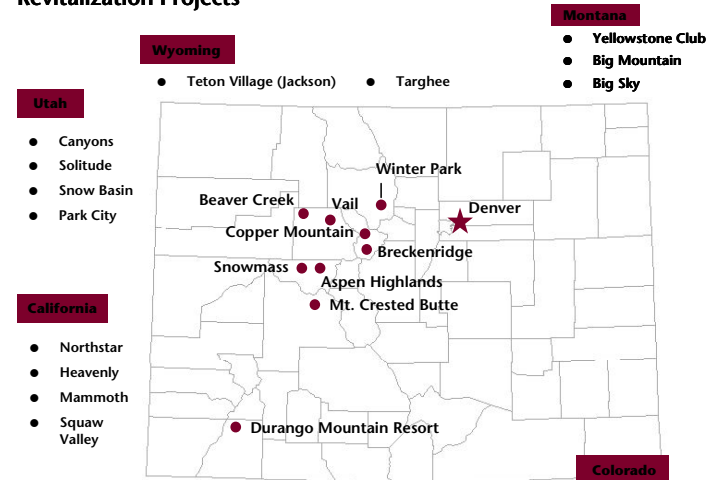
These examples are not to argue for massive public investment or unbridled redevelopment of Aspen, but they are reminders that other communities have re-thought commercial core regulation and policies, and that in a competitive world even successful places need periodic refurbishment and repositioning.

Section IV. Conclusions and Observations

6. Aspen's downtown regulations are aimed at preservation and the prevention of change but are also stifling to retail health.

- Successful retail needs to change and evolve.
- Other resorts are more aggressively responding to change.

Resorts with Significant Downtown Revitalization Projects



In sum, Aspen's greatest challenge, and its most pressing need, is to rebalance the current regulatory programs so that the commercial community can more effectively respond to changes in market requirements. This is not a plea for unbridled free markets and the elimination of all regulation, but the Aspen downtown desperately needs retail, design and development experimentation with the acknowledgment that not all experimentation will be successful. At this point, any change, all of which will ultimately face a self-regulatory market test, will be a breath of fresh air.

Section IV. Conclusions and Observations

Community Redevelopment Options

What Are Our Options?

In transitioning from analysis to action one should acknowledge that there are limited ways in which the public sector can successfully intervene in the commercial marketplace.

One traditional way is to grow the overall market by making public investments to bring more visitors to town. This strategy would typically focus on market size and character and commit greater amounts of marketing dollars, improvements in access or outreach to submarkets, such as conventions and conferences. In most communities, a subset of this strategy is to attract a wealthier market with more disposable income, but that is likely an unrealistic objective in this instance. The downside to this strategy for many is that increasing market size implies increasing congestion, pollution and all of the unappealing attributes that come with growth.

Again on the demand side, a second set of development tactics would fall under a general strategy of attracting more of the existing market to the downtown. This market share strategy would tend to focus on downtown events, festivals and attractions that might draw existing visitors away from other activities or out of their homes to come downtown.

Finally, a third strategy would focus on improvements to the downtown and the associated support systems (e.g. signage, parking) in the hopes that a better functioning or more attractive downtown would draw more visitors and cause them to stay longer.

7. There are three points in the retail system where the public sector can effectively intervene

- 1. Attract more destination visitors.**
- 2. Capture more of existing market.**
- 3. Create a more effective offering.**

Section V. Recommendations and Strategies

Business Improvement District

This section draws upon the retail analyses and conclusions presented in prior sections and sets forth specific strategies for improving Aspen’s downtown and creating a more vibrant and successful retail sector. Eight core initiatives are suggested.

Initiative 1. Get Organized

Aspen’s downtown lacks a voice and an advocate. During our workshops, there was considerable enthusiasm for many of the ideas developed here, but also the notable absence of a suitable organization to carry this planning, advocacy and enthusiasm into action. Despite good intentions, city council cannot easily serve that function. Council must arbitrate between different groups in the community; it may be supportive of the downtown but it cannot be its primary advocate. For many years, the downtown has been very successful and there was little reason for merchants, restaurateurs or commercial property owners to engage the public sector except on specific downtown issues. Many good ideas are raised from within the downtown community, but merchants are too busy to organize and fully engage with Aspen’s time consuming political environment.

In addition to organization and advocacy, Aspen’s downtown interests would also benefit from having an organization able to accept responsibility for downtown improvements and management of promotional events.

Section V. Recommendations and Strategies

1. Get organized

- **Form a Business Improvement District (BID).**
 - **Support with small mill levy or business license fees.**
 - **Incorporate CCLC.**
 - **Reinvigorate mission.**
 - **Elect board.**
- **Support a “downtown catalyst” position.**
 - **Downtown advocate/lobbyist.**
 - **Represents all downtown businesses: merchants, restaurants, and services.**

In our view, the most important step in addressing downtown issues is the formation of a formal downtown organization that can represent, advocate and accept responsibility for downtown reform and reinvestment efforts. Over the years, the city has experimented with various groups and organizations, most recently the Commercial Core Committee, but this organization lacks authority, funding and a clear mission. The downtown needs a stronger institution with permanent funding, autonomy and authority.

Section V. Recommendations and Strategies

Institutional Options. Colorado state statutes offer a variety of institutional entities for community revitalization purposes, most notably urban renewal and downtown development authorities and various special districts. In our view, urban renewal agencies and downtown development authorities are very well suited for specific redevelopment projects, often with infrastructure investments that use public acquisition of land coupled with public-private partnerships and tax increment financing. These organizations have broad powers that are unnecessary for the more subtle interventions appropriate for the Aspen situation.

The city could also create a downtown position within the community planning office, which is not an unprecedented approach, but offers a less effective voice and less direct responsibility to downtown interests. In the community workshops there has been discussion of having the Aspen Chamber Resort Association expand its responsibilities, which is also a possibility, but this would further complicate an already multi-functional organization.

Business Improvement District. The formation of a special district, specifically a business improvement district (BID), is a common solution, and one well suited to Aspen's requirements. A BID is a form of special district under which boundaries are defined and real and personal commercial property is assessed a levy (tax or assessment) to perform certain common functions. The ability of a property owner to pass-on these assessments to their lessee depends on the provisions of the specific lease. In the Aspen circumstance with the downtown's importance to the success of the entire community, we would also recommend that the town offer matching or partial matching funds.

The BID entity is a public non-profit corporation. The district's board can be appointed by council or elected by the affected property owners. Sometimes the initial board is appointed and then later elected. The BID must be ready to assume authority and the local government must be willing to yield some control. The creation of a BID is initiated by petition. The petition must be signed by persons who own real or personal property in the district service area having an assessed value of not less than 50 percent of the district's valuation. Persons signing the petition also must own at least 50 percent of the private acreage in the proposed district.

Section V. Recommendations and Strategies

Formation of a BID would involve the following steps:

- Formation of a BID exploratory committee that would suggest boundaries for the proposed district, identify commercial owners and lessees in the district, and develop a list.
- Estimation of commercial value by business and building within the BID.
- Hold public meetings to discuss BID formation, objectives, boundaries, taxation rates, options.
- Development of a business plan with costs, responsibilities and staffing requirements. This plan should also address service provision and marketing boundaries between the city, ACRA and the new organization.
- Public hearings and authorization by the city.

Nationwide, there are over a 1,000 Business Improvement Districts.

Colorado Business Improvement Districts (BID)

- **A non-profit corporation defined by Colorado statutes.**
 - **Typically provides: marketing maintenance, security, common area management.**
 - **Financed by: assessments on benefited commercial property – typically on a per sq. ft. basis.**
 - **Managed by an elected participant board.**
- **Example: Denver Partnership; over 1,000 BIDs nationwide.**
- **Often supplemented with membership organization or structured with different categories of membership (e.g., hotels, restaurants, retail).**

Source: BBC Research & consulting, 2003.

Section V. Recommendations and Strategies

Civic Uses, Residential, Entertainment Offices

Many BIDs focus on providing supplemental public services such as mall maintenance but in Aspen the focus would be on economic development coordination, evaluation, promotion of downtown projects, and coordination of downtown marketing and events. Prospectively, the BID could take on some of the mall management functions currently performed by the city, and it could own and lease additional improvements. Some organizations, such as the Denver Partnership, append a dues based membership organization to the BID to broaden participation and provide a voice to non-property owners.

A core function of this new organization would be to promote the downtown and support the mission of improving and promoting the downtown. We suggest that this organization hire a “downtown catalyst” — a title that perhaps better describes the desired function, than a manager, marketer or director. Early in his or her tenure, this person should work to build the support of downtown merchants, organize a forum with property owners and work to restore uniform store hours. As time progresses, this person would take on greater responsibility to promote some of the other investments described in this report.

Initiative 2. Commit to Being a Multi-Functional Downtown, Not Just a Retail Center

Evidence was presented earlier in the report that resort downtowns and retail functions are changing, not just in Aspen, but throughout the mountain resorts. As resorts mature and the economy shifts from reliance on destination guests to a second home and real estate oriented market, retailing opportunities will shift in response. We believe the next generation of successful resort downtowns will more closely resemble traditional urban communities where the downtown is a mix of retail, entertainment, offices, civic uses and housing. Aspen needs the multi seasonal “body heat” that this mix of uses can bring. This means finding ways to make redevelopment within the downtown more feasible, pursuing multi-use projects and accepting some of the trade-offs that come with urbanization redevelopment.

This kind of commitment implies more intense development of downtown. We understand the need for careful implementation and respect for the community’s downtown’s character, but we also endorse modifying some of the view ordinances and development limitation and allowing denser development, particularly local housing over retail in the core area. The downtown, like any urban area downtown, benefits from residents on the streets, even second home condominiums are preferable to no additional housing.

Section V. Recommendations and Strategies

2. Commit to being a functioning urban downtown—not a shopping mall.

- **Be Aspen’s Downtown.**
- **Infill: Compression activity, authenticity, density, people.**
- **Insert new civic uses, museums and cultural attractions.**
- **Promote downtown multifamily housing of all kinds.**
- **Allow downtown to change: development, density, and diversity.**
- **Be user friendly.**

The Aspen Infill Study had similar recommendations and received endorsement from the Aspen Planning Commission. We encourage city council to review those recommendations with an eye toward the value of density and redevelopment as an enlivening element of the downtown.

An urban downtown view of Aspen’s core area implies many uses besides traditional guest oriented retail. For example, we endorse the concept of bringing the Aspen Art Museum downtown and hope that this could be done in coordination with the town’s many galleries for the greater benefit of all. Perhaps additional space could be developed near the museum for an Aspen Artisan center. Later in this section, there is a discussion of other cultural concepts that could expand the offerings of downtown. This is another role for the BID director to not only promote new cultural attractions, but also work to see that appropriate synergies between uses are maximized.

Section V. Recommendations and Strategies

Signage, Storefronts, Lighting, Public Access

Initiative 3. Unbind Aspen's Over Regulated Downtown.

Some of the staleness in the current downtown stems from the lack of physical change in signage, building frontage and outdoor merchandising. The downtown would benefit from a deregulation effort that encouraged merchants and property owners to update their facades, lighting and signage. This is not to suggest a removal of all restrictions but current redevelopment regulations often trigger onerous fees and charges, or costly reviews against ambiguous design codes. Merchants and owners report a deep reluctance to engage town government in the process of redesign approvals. One of the first tasks of a BID director would be to organize a merchant/property owner/building department work group to begin unraveling some of these regulations.

3. Unbind Aspen's Over Regulated Downtown

- **Peel back regulations: signage, outside merchandising, Development exactions, view ordinances and storefronts.**
- **Give property owners and retailers ability and incentives to make changes; lessen exaction burden on retail expansion.**
- **Allow use of "open space" for merchandising.**
- **Stimulate or promote new incubator space.**

Section V. Recommendations and Strategies

Retail, Offices, Civic Uses, Entertainment

Examples of how storefronts could be changed, signage codes updated and buildings redeveloped are presented later in this section.

Initiative 4. Reduce Non-Retail Ground Floor Usage.

The prior Section IV describes the problems associated with non-retail use of ground floor space and the debate over the appropriateness of regulating these uses. Although we have suggested that deregulation is a goal in itself, we also believe that the non-retail use of ground floor space, particularly time-share and real estate sales offices, has the potential to become more severe and should be maintained at or below current levels.

Our proposal would grandfather in current uses and would only be enforced in a designated commercial zone area. Permissible uses would include retail, trade, restaurants and other designated attractions, such as a museum or civic uses. Existing businesses would be grandfathered for the term of the lease. Owner occupied businesses would also be protected.

Reduce Non-Retail Ground Floor

- Define core area “retail only” zone.
- Grandfather existing leases, options, owner-occupied spaces.
- Implement restrictions only with other “vitality” infrastructure, enhancements, programs.
- Include review and sunset provisions; perhaps waiver for fee.

The primary purpose of this ordinance is to ensure that the problem does not intensify in the future.

Section V. Recommendations and Strategies

Parking, Visitor's Center, Kiosks

Initiative 5. Improve Retail Support Infrastructure

Parking. Successful retail requires a variety of support infrastructure. Parking, access, signage, lighting, public area maintenance, landscape design and security services all help a retail zone to function effectively. Aspen's downtown is generally well cared for and well supported but would benefit from some further development and investment. Short-term visitor parking is a notable need, but also the most expensive and difficult investment to support. A number of parking proposals have been raised in recent years, including the prospect of a public/private venture under the current ice sheet or under Wagner Park, and a private project on private land. Parking projects are always difficult, but the town needs to find solutions not just the problems associated with prospective solutions.

Visitors center. A well-conceived visitors center that truly welcomed and informed new guests to the town and to the downtown is a pressing need. The current Aspen Visitors Center is difficult to find and too far from the downtown. Later in this section, we have provided a graphic representation of what a new center might look like and a description of how it might function. What is most important is that the center's location, appearance and operations all signal the community's genuine appreciation for guests, and that the center assist visitors in accessing and understanding the downtown.

Kiosks. Similar improvement opportunities exist with the creation of information kiosks and way-finding systems that would make the downtown and parking more identifiable and accessible. Exhibits at the back of this section provide examples of how kiosks and new signage could be employed.

Destination Guests

Initiative 6. Expand Efforts to Generate Additional Destination Guests

This recommendation is self-explanatory, but acknowledges the view of many workshop participants that retail success is simply a function of increasing the number of visitors, particularly winter guests. Traditionally, Aspen has not had the same level of marketing investment as some its peer communities, although in recent years marketing efforts have increased with the city's new lodging tax and ACRA directed ad campaigns.

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In general, the city has three opportunities to increase visitorship:

- Increase national and international marketing and customer awareness;
- Make travel and access easier and less expensive;
- Improve quality or diversity of attractions.

The city and local private interests have taken steps to increase marketing and diversify Aspen's customer base. Programs, such as the Gems of Aspen, communicate that Aspen is not an oppressively expensive experience. The Aspen Skiing Company is promoting more reasonably priced, youth oriented experiences in an attempt to diversify Aspen's marketplace. The city's new recreation center represents an additional opportunity that is just now achieving visitor awareness. A series of efforts, ranging from improved airline service to expansion into Highland Bowl have all been aimed at improving the quality and competitiveness of the Aspen experience.

These kinds of improvements and investments are continually evaluated by city council and they are generally aimed at improving the community and resort experience not just the downtown, although downtown retail is a beneficiary of any successes.

2. Expand Visitor Market Particularly in Winter

- **Utilize current marketing structures.**
- **Support local institutions that drive visitation (cultural groups, Institute, conferences, Ski Company).**
- **Remove barriers to success: e.g., improve Sardy Field/improve connection with Eagle County Airport.**

Section V. Recommendations and Strategies

Events, Festivals and Business Incubation

Aspen’s unique best opportunity may lie in taking advantage of the existing cultural institutions that truly set Aspen apart from other resorts. We are pleased to see that Council responded favorably to a recent request for funds from the Aspen Institute for additional support in promoting Institute functions and conferences. Merchants report that Institute functions, as well as major event attendance (e.g. Food & Wine Festival), are excellent means of attracting the types of visitors who make greater use of the downtown.

One role of a BID would be to offer a more systematic evaluation and feedback as to how various concerts, conferences, events and festivals influence the downtown and how merchants might better approach conferees in informing them about downtown offerings.

Initiative 7. Aggressively Pursue Existing Visitor Market for Downtown Attractions

A second approach to expanding retail demand involves accepting the size of the current visitor market, but taking steps to draw current visitors and residents to the downtown. Most strategies for increasing market share of an existing market revolve around locally oriented events, seasonal markets and festivals and entertainment. Again, the city and various community interests have experimented with a variety of events ranging from farmers’ markets to entertainment and sports festivals. Certain events have proven more successful than others based on the demography of the participants, the time of year, and whether events complement or compete with downtown offerings.

Selective event support. The community’s best strategy involves continued experimentation, with a practice of retaining and supporting those events that show promise, for example the Aspen Jazz Festival, and eliminating or modifying those that fail. The City appears to be informally following this strategy, although the downtown merchants would benefit by providing better-organized feed back as to how different events influence retail activity, and by preparing a more coordinated response (e.g. standardized store hours) to these opportunities.

Resident market. A second element of the “better support existing market” strategy is to promote businesses that address a local resident/second home market, and thereby reduce retail leakage out of the present community. Expansion of Aspen’s grocery market, or an addition of a specialty grocery retailer, is one prospective means of keeping dollars in Aspen, but admittedly a difficult project to locate or initiate because of the scale and impact of this type of business. The concept of a super block, perhaps at the site of the current City Market store, where creation of new commercial space would allow

Section V. Recommendations and Strategies

dedication of a large share of new space to locally owned and oriented businesses, remains an intriguing concept. An advantage of a BID presence would be that these kinds of projects would have some institutional memory and someone who could help match a concept to a site and a developer.

Business Incubation. Aspen’s current retail mix has been widely criticized for its focus on high-end goods, national retailers and absence of “locally owned, unique and interesting shops.” We have resisted suggesting public intervention into the retail market — “an affordable retail program” — as some have recommended. The notable loss of unique shops is not just an Aspen phenomenon, and is the result of many factors beyond the high costs of leasing. Where most communities have transitional, low costs retail areas (Lowdos and Sohos), Aspen does not. Efforts to create or induce incubation of new businesses and support local artisans would be a valuable addition to downtown life. The exhibits presented later in this section offer one idea about how alleyways could be used as incubation space. An artisan center in space that is currently unleased, even a temporary center, could be encouraged if property owners knew that entrepreneurial efforts would be supported by the city.

The City in association with a BID should be proactive in continuing to pursue these kinds of opportunities.

Section V. Recommendations and Strategies

7. Generate More Downtown Visitors From Existing Market

- **Develop attractions: national events, festivals, functions.**
 - **Invest in current success: e.g., Institute, Food & Wine.**
 - **Create downtown events platform.**
- **Support “Incubator” space development.**
- **Reduce retail leakage from existing community.**
 - **Revisit “Superblock” with grocery and local oriented shops.**
 - **Promote festivals/events that attract local (Roaring Fork Valley) visitors, e.g., farmer’s market.**

Initiative 8. Pursue, Stimulate and Promote New Downtown Investments and Improvements

Downtown Aspen needs change; it needs multi-purpose activities that add people, activity and life. And it needs new attractions and interest to balance its abundance of nostalgia, history and legend. Aspen does not need dramatic physical change or radical repositioning, and its attractions should be ones that reinforce the community, culture and arts that sets Aspen apart.

In the course of this study, Communication Arts out of Boulder, Colorado prepared a series of sketches demonstrating how some of the community’s and the project team’s ideas could be implemented, and how public and private investments could change the appearance and function of downtown Aspen. Over a dozen concepts were illustrated addressing five basic downtown objectives:

Section V. Recommendations and Strategies

- **Ways to Welcome Visitors**
- **Redevelopment to Enhance the Retail Presence**
- **Investments to Activate the Downtown**
- **Projects to Support Resident Life in the Downtown**
- **Concepts to Recommit to the Aspen Ideal**

Ways to Welcome Visitors

Visitor's Center (Exhibit E-1). Aspen's present visitors' center is out of sight and out of mind. The city has just initiated an agreement to move the center to Main Street, which is a superior location. Exhibit E-1 represents one alternative for transforming a local gas station and local eyesore into a multi-purpose visitors' center. The new location is just across the street from this station, but the concept illustrated in Exhibit E-1 remains the same: welcome visitors like you mean it, and provide them what they need to explore and enjoy Aspen. Have a map of the downtown and a map of parking. Give them the tools to come downtown and enjoy what Aspen offers.

Directory Exhibit (E-2). Once a guest arrives in downtown, Aspen is still confusing. A series of information Kiosks could help visitors find their way as well as inform them as to what else is going on in town. The Kiosk itself can be a playful, artful attraction. Other way finding tools could play off this Kiosk design to further help visitors find their way around.

Ways to Enhance the Retail Presence

New Storefronts (Exhibit E-3, E-4). Aspen's merchandising and storefront space could be enhanced without changing the street front character or the historic qualities of the building. As illustrated in Exhibits V-9 and V-10, some of Aspen's buildings are poorly designed for effective retail and many of Aspen's downtown regulations force buildings to recede from the street front – the opposite of what successful retail demands. Building signage is also antiquated. The city should be supportive of street front and store window changes and encourage property owners to come forward with new remodel proposals that would not trigger expensive mitigations and added public costs.

Section V. Recommendations and Strategies

Enliven the Merchandise Zone (Exhibit E-5). As illustrated in Exhibit E-5 Aspen’s strict sign code, limitations on street merchandising and requirements for open space on the street level all contribute to a forced urban dullness even in the most attractive buildings. Bringing storefronts forward, improving lighting, letting merchandise leak onto the street front, and modernizing the sign code would result in a more vigorous and enticing merchandise zone and more successful businesses.

Improve Signage and lighting (Exhibit E-5). Virtually all of the attached Exhibits show larger and improved signage and lighting. New signage and lighting could be far more effective and enticing than most current practices without being intrusive or garish.

Ways to Activate Downtown

Animate corners (Exhibit E-6, E-7). Aspen has numerous under performing public spaces, in part because development codes require open space that has very little function. Exhibits E-6 and E-7 offer two examples of how existing corners could be made into more effective retail space adding activity and life to increasingly dull area.

Add attractions (Exhibits E-8 to E-13) New retail space is not the only option. Exhibits E-8 and E-9 show multiple versions of a community fire place, re-conceptualized as a community hearth – a place for gathering and eating and a means of bringing light, fire and warmth into the core of the downtown. Projects such as the community hearth could be owned and leased by the BID; perhaps a sponsor, such as Viking Stove, could be enticed to cover capital costs. A cooking school or guest chiefs could be attracted to do demonstrations or prepare celebratory meals.

A second concept for introducing additional life to the mall area is presented in Exhibits E-10 to E-13. The simple interjection of community tables into public spaces, perhaps served by multiple bars and restaurants along the mall, or by the public fire pit, may offer another way to create a more active mall area. This area could be retrofitted in winter for a small sheet of ice that would offer low key skating for young kids, accompanied by their parents.

Create New Incubator Retail space (Exhibit E-14). As described earlier in this section, one of Aspen’s pressing needs is a means of supporting start-up retail — enterprises that are currently disadvantaged by the downtown’s high leasing costs. Rather than suggest public subsidies or demands for “affordable” retail allocations, this analysis focused on ways to create

Section V. Recommendations and Strategies

The Resort Town as a Learning and Experimental Center

additional retail space that then could be leased at lower cost. Exhibit xxx show one concept of how the city could take advantage of underutilized alleyways as incubator space.

The institution of a BID is critical to all these projects. Most of these will require community negotiations and public/private partnerships to accomplish. Private sponsorships are a possibility for some projects; some will need ongoing management and lease negotiations.

Projects to Create New Residences

An urban downtown has residents who bring a year round presence and demand for services. Precursor studies to this one have identified locations and infill developments that are suitable for redevelopment. We believe that Aspen could accept a significant increase in second and third story development in a manner that greatly increase the quality of the downtown from all perspectives and brings new, year-round vitality. Current regulations are designed to thwart rather than promote that development. Exhibits E-14 and E-15 are concepts of how that new development could be achieved.

Concepts to Recommit to the Aspen ideal in the downtown

Resorts have traditionally been places of retreat, recreation and contemplation. Aspen at its best represents a commitment to more than a retreat, but also a place of education, personal improvement and new experiences. Aspen has many people with a deep commitment to the community and many with financial resources to be supportive of museums, centers, institutes and perhaps entirely new learning environments. The downtown would be a far more interesting place if the city were able to stimulate additional attractions that complement retail by bringing people downtown for educational, interpretive or experiential purposes

- **Aspen Architecture. Home Furniture & Design Center.** Aspen is home to extraordinary architecture and architects. Why not have a center that tells the story of Aspen's architecture and design history? At the same time this would support local design, development, furnishings and architecture businesses – a combination museum, retail and design resource center.

Section V. Recommendations and Strategies

- **The Mountain Environments Center.** Aspen is also a story of mountains, mountain history and mountain environments. Why not a center that is about mountain environments? Something that informs, entertains and educates and encourages and equips visitors to get out and explore the region.

Other ideas include:

- Artisan Center – a single collection of shops and workshops for local artists and artisans.
- Food and Cooking Center – a celebration of food, wine and cooking orientated around outdoor health.
- Technology Center: Bike/Ski/ Communications/Music – an exploration of technology and recreation.
- Real Estate Center – a concentration of real estate offices that reduces the problem of office dispersal on the ground floor and integrates sales with related businesses.
- Health and wellness center – a wellness center that incorporates spa services, alternative medicines and education.

We don't have a business plan for any of these concepts, but we think that few places are as well suited as Aspen as a center for culture, learning and exploration, and that these kinds of projects will generate traffic, activity and consequently retail sales and they support the long standing Aspen Ideal, which is truly the brand of Aspen.