

Town of Alta Community Development and Conservation Plan

Introduction

Less than two decades after settlers moved into the Salt Lake Valley, the first verified silver claim was staked in what is now the Town of Alta. As early as 1872, there were several thousand seasonal (summer) residents living and working in the canyon, requiring over 150 buildings. One year later, however, the population began to decline and in the final decades of the 19th century, natural disasters such as avalanche and forest fires decimated the settlements.

In the early twentieth century, mining activity was revitalized. The renewed activity, however, dwindled as the Great Depression ravaged the national economy, and by 1927, the work in the mines dwindled. While Alta as a mining town followed the boom-busts cycle associated with natural resource extraction, the creation of a ski area in 1937 provided the town with an economic centerpiece that, while seasonal, has proven lucrative.

While the ski area was established in the 1930s using 1,800 acres of surface rights that were deeded to the forest service, the town of Alta was not incorporated until 1970. Since then, the town has remained small, never quite returning to the population levels of the early mining days. According to the 2010 census, Alta had a population of 383 residents.

The anchor industry and other supplemental employers house some employees, but more generally rely on employees commuting on S.R. 210 and driving up Little Cottonwood Canyon daily to serve the needs of the residents who call the top of the canyon home and the visitors who come to recreate. While this is not necessarily problematic, it does inhibit the ability of locals to live, work, and play in the same area. Furthermore, the lack of services found up the canyon requires residents to commute to other municipalities in order to meet all of their needs. The highway to Alta is subject to frequent closure by snowfall and avalanches.

Because Alta's economy relies heavily on the ski industry (86% of jobs in Alta are in the accommodation and food services industry), much of its labor force is transient and its operation is seasonal, which leads to low-wage temporary jobs comprising the bulk of the jobs in the area (75% of Alta's jobs pay less than \$1,250 per month or \$15,000 per year). Furthermore, unlike its neighbor immediately down canyon, Alta has not, so far, taken advantage of the summer draw to the town. Since 2009, summer traffic to Alta has doubled every five years, with many heading toward Albion Basin. In 2017, the free summer shuttle carried a record 25,000 visitors, prompting the shuttle to charge fare in the coming years. These summer visitors enjoy the natural beauty of Alta but have had limited opportunities to buy any goods or services.

With so many people travelling to Alta during the summer months, more can be done to capture sales tax and other revenue streams. Economic development efforts, however, need to be sensitive to the local character of the place, which is dependent upon the natural beauty, the tranquility, and the opportunities for outdoor recreation. Balancing economic development with protecting the natural resources, including watershed and viewshed quality and natural soundscapes, is essential for any successful plans moving ahead.

Development of the Commercial Core

On the Town of Alta's website, there is a defined commercial core that begins with the Peruvian Lodge and extends up the canyon to around the mouth of the Albion Basin Road. This area, which includes five lodges with restaurants (Alta Peruvian, Goldminer's Daughter, Alta, Alta's

Rustler, and Snowpine), several ski shops, and two other restaurants (Shallow Shaft and Albion Grill), is a compact area along the main artery, Little Cottonwood Canyon Road (SR-210). Beyond this commercial core, the majority of Alta is comprised of large swaths of US Forest Service land (which includes Alf's, a third restaurant not housed in a lodge), and small residential areas of mostly condos down canyon from the commercial core and houses above it in the Grizzly Gulch neighborhood and Albion Basin.¹

It would be wise and consistent with Alta's 2005 *General Plan*² to focus economic development efforts to the designated commercial core (Figure 1). Doing so would serve multiple purposes. First, the commercial core rests along the major and only public road of the town. Concentrating development along this road will help preserve the pristine natural beauty of the town, which is an essential asset, protect the watershed, be convenient to visitors, and provide a major revenue source. Second, focusing economic development along the main road will create a "Main Street", which can contribute to the ambiance while also anchoring economic development activity. This approximately 1-mile stretch of road could function as a town center.

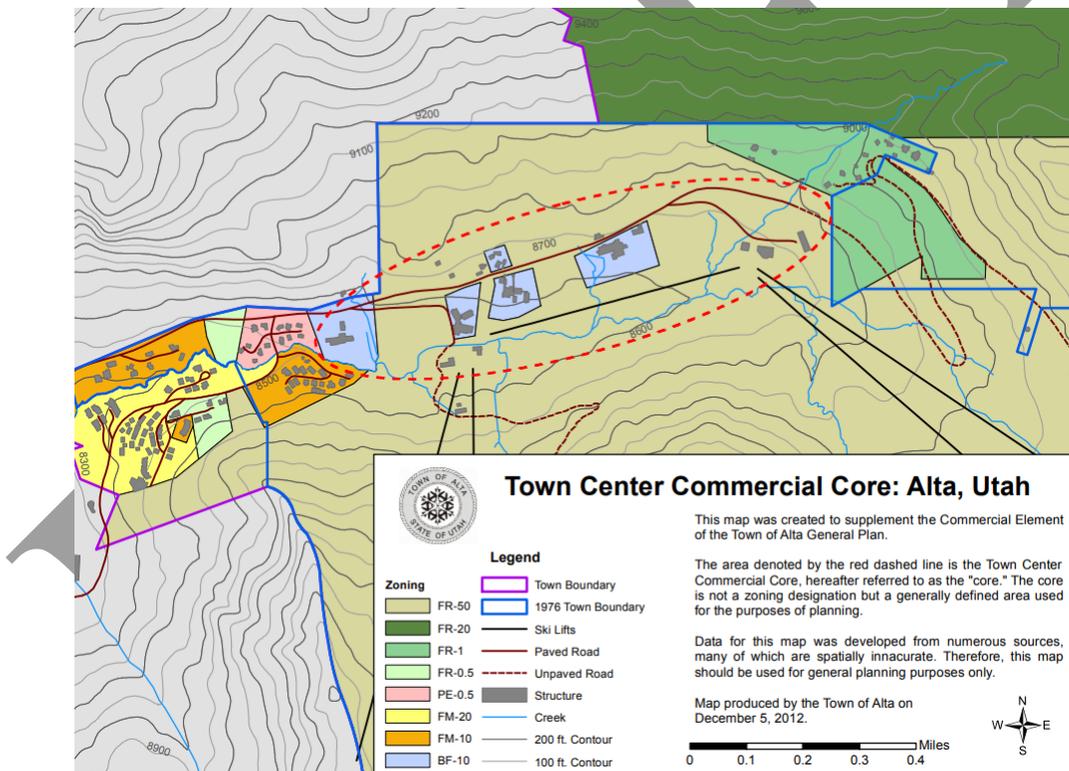


Figure 1. Alta Commercial Core (designated by red dashed line).

Such a concept is a primary element in the 2016 *Town of Alta Commercial Core Plan*,³ an elaboration of the General Plan. According to the 2016 plan, the preferred concept for the commercial core focuses development in a single area around a 15,000 to 20,000 square foot community center along Little Cottonwood Canyon Road (Figure 2), which would include

¹ Note that there are utility service differences between Albion Basin and Grizzly Gulch. While Grizzly Gulch has both sewer and water services, Albion Basin is not serviced by sewer or water utilities.

² <http://townofalta.com/town-government/general-plan>

³ https://townofalta.com/wp-content/uploads/2016/01/CommCorePlan_08Dec2016.pdf

affordable housing units for essential services personnel such as teachers, avalanche forecasters, and UDOT personnel and could also include rooms that could be rented nightly or weekly for law enforcement personnel, if desired. Having an anchoring center mixed with a few housing units would be beneficial as it would keep commercial activity centralized and allow for organic growth in the future.

Focusing on mixed-use buildings and zoning is also important as it allows for flexibility. Important, however, is that the community center be an anchor for any further commercial development. Because the Town of Alta already owns property on the north side of the road, it makes sense to begin development here. Because the property on the north would require crossing the road from existing amenities, steps must be taken to increase pedestrian access to the community center that would allow for safe and convenient pedestrian crossings, some of which is already underway.⁴ With an anchoring community center and strategies to slow traffic, the south side of the road⁵ would then be a more attractive location for new development, which would further increase the “main street” feel.

PREFERRED COMMERCIAL CORE CONCEPT

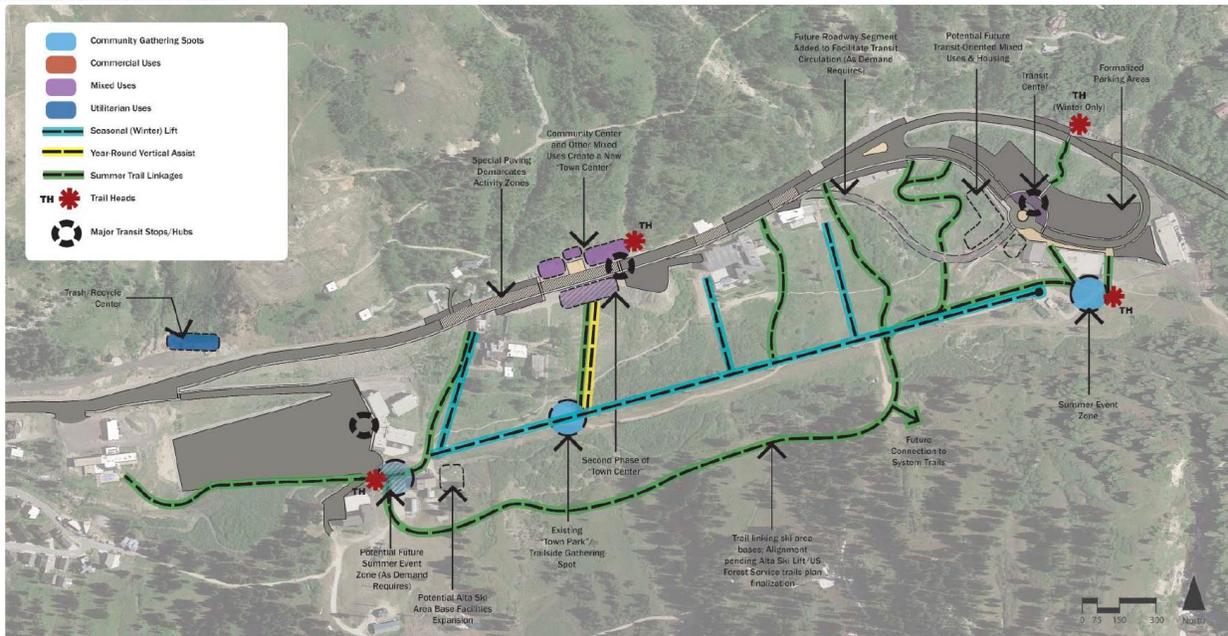


Figure 2. Preferred Commercial Core Concept, *Town of Alta Commercial Core Plan. 2016.*

Directing development toward a centralized commercial core can provide valuable revenue streams, help Alta provide a viable alternative to neighboring resorts, and provide enhanced services and amenities for residents and visitors. The addition of a community center will help concentrate development to the already utilized areas of the town, allowing for greater access to the amenities for temporary visitors and residents alike.

The current thoughts on locating a community center at the core align with enhancing the community feel of Alta, which, due to its nature as a resort town, suffers from the effects of transience. However, as the 2016 plan states, more needs to be done to engage the residents and

⁴ An intersection with safety lights is being installed and a traffic calming device is already in place on SR-210.

⁵ This land is currently owned by the US Forest Service. Any development of this land would likely include a land swap with Alta Ski Area.

generate revenue. The 2016 plan notes that one challenge is that the lodges are, for the most part, currently closed during the summer.⁶ Opening new restaurants or retail space embraces the opportunity to attract enough demand during the summers to make such operations profitable.

This is a real concern, which will require working together with the ski area and the lodges to transition to a year-round schedule as well as careful planning into the types of commercial establishments that make the most sense for the area. In these considerations, it will be critical to ensure that environmental impacts are minimized. Pairing compact development with convenient access points to mass transit options are critical to limiting environmental impacts. Additionally, as called out in the *Commercial Core Plan*, a centralized waste and recycling collection facility just down canyon from the commercial core would help maintain the area's cleanliness and make waste collection easier and more efficient, further helping preserve the natural environment, which is Alta's greatest asset. To meet these goals, financing options will need to be available to ensure that new development is feasible.

Financing Development

One of the best ways to finance any development in the commercial core would be through the creation of a Community Reinvestment Area (CRA) and take advantage of tax increment financing (TIF). CRAs are a tool that allows redevelopment agencies to designate certain areas as project areas for development. For a project area to be designated, at least 50 percent of property owners within the project area must agree to the project area's creation. Because of this requirement, it is best to keep project areas to the smallest possible acreage that will meet the needs of the project. Amendments to the project areas can always be made in the future if new opportunities for development arise.

One of the most impactful reasons for designating land as a CRA is that it enables the redevelopment agency to take advantage of TIF. TIF is a public financing tool that local municipalities can use to encourage private investment and development in project areas within their jurisdiction. Once a project area is created, the redevelopment agency that created the area is entitled to receive all or a portion of the tax increment dollars generated from the project area for a specified time period (usually 15 to 20 years). Tax increment dollars are property tax dollars received above and beyond an established baseline level of property taxes – typically, the level of property taxes generated from the project area prior to the creation of the area. The redevelopment agency can then use the tax increment dollars it collects from the project area to underwrite development within the project area, which typically increases property values, and, in turn, the total amount of property tax revenues generated from the project area.

In Alta, a remodeled, expanded Snowpine, and potentially a new hotel within the designated CRA would be a nice means of generating increment, which could be used to fund the community center as well as avalanche mitigation to parcels within the project area. Mountain Accord endorsed Alta Ski Lifts Company's construction of a 100-room hotel and eight commercial shops in support of a transit station.⁷ Leveraging this planned construction as a means of financing the commercial core would be beneficial to Alta. Because Mountain Accord points to the construction of this hotel, it is likely that Alta Ski Lifts Company will build it at

⁶ The lodges currently have limited summer service offerings, including event space, lodging, a spa, and restaurants for guests.

⁷ <http://mountainaccord.com/wp-content/uploads/2016/09/FINAL-Accord-July-13-2015-w-Sigs-and-Attach.pdf>

some point. Including it within the CRA would be wise in order to take advantage of the increases in tax revenue that such a project would generate.

Salt Lake County Policy 1155 guides county involvement in project areas. Because the County is interested in economic development, it prioritizes projects that include transit-oriented development (TOD), a significant amount of capital investment or capital density within a small geographic footprint, and which would likely not occur but for the creation of the project area. Additionally, the County prioritizes projects that have a minimal environmental impact, in which power-consuming, water-consuming, or other resource-consuming personal property will be mitigated by renewable energy, water conservation, or other resource conservation projects. Because Alta is accessible by one road and is geographically concentrated, Alta itself can be seen as a TOD,⁸ which would be viewed favorably in the creation of a CRA. Additionally, designating the commercial core as a project area would dramatically accelerate the development of a community center. Alta also has a strong commitment to and vested interest in maintaining the environmental assets that exist in the canyons, so mitigating resource use would be a common-sense aspect of any development within a CRA. Ensuring that new buildings within the commercial core are LEED certified would be a tangible step toward meeting that priority.

These emphases help mitigate environmental costs associated with development and ensure that projects have significant economic impacts on the local area. According to Alta's 2016 *Town of Alta Commercial Core Plan*, some of these emphases are already being addressed. Keeping the project area compact will be beneficial for reasons beyond gaining favorable marks from the county: it will focus efforts to specific areas, requiring specific plans rather than vague generalizations. Furthermore, mitigating development and resource impacts through renewable energy, water conservation, and other resource conservation efforts will resonate with outdoor recreationists and the outdoor recreation industry, which are key players in both winter and summer economies. Such efforts will also help maintain the natural character and viability of Alta for the long term.

Economic Development that Makes Sense

Economic development should follow a regional approach, which means that communities should strive to weave economic activity into the region seamlessly, tying economic activity to regional economic conditions and assets, with consideration of environmental impacts. Such an approach leads to sustainable development that engenders increased economic dynamism and employment. A regional approach acknowledges four distinct yet interconnected elements: 1) Business retention, expansion, and outreach; 2) Workforce development; 3) Global engagement; and 4) Infrastructure (Figure 3).

Business retention, expansion, and outreach is critical to any economy. In a recreation and tourism-based economy, like Alta's, this element has unique challenges. Because the primary industry isn't going anywhere, focusing on improvement of extant amenities, expansion of business opportunities and cultural amenities in the commercial core, and outreach to attract the most appropriate new businesses is critical. Certain questions need to be raised: is there a possibility for lodge expansion? What types of businesses and industries should be recruited to help turn Alta's economy into a sustainable year-round economy?

⁸ UDOT recently completed an Environmental Impact Study in Alta, which further bolsters the case for project area designation.

While potential expansions will need to be worked out with the current businesses, recruiting is different, and the question above leads to further questions, such as what assets are unique to Alta? What needs do we currently have? What challenges do we currently face? Where would we like to be in five years, ten years, or fifty years?

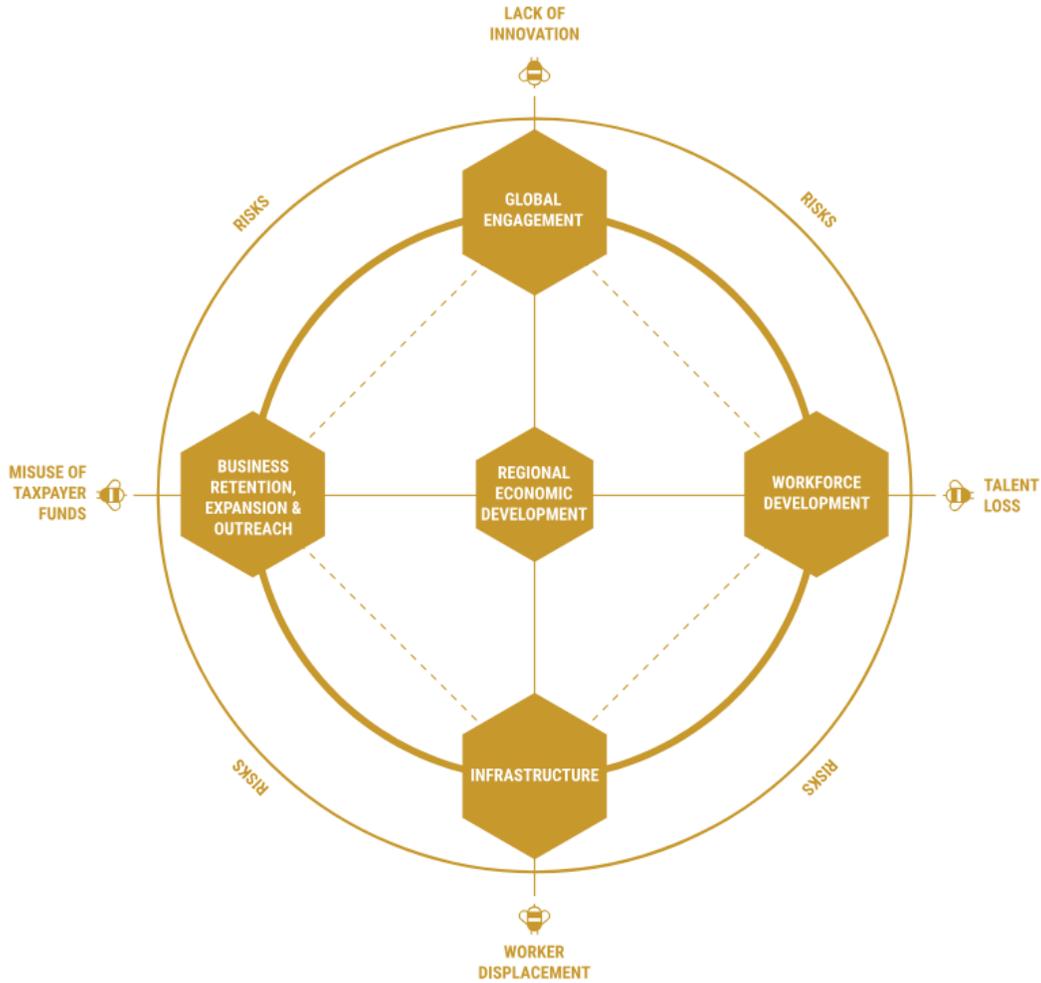


Figure 3. A Framework for Regional Economic Development

It goes without saying that Alta has a unique set of assets that most municipalities dream of: world-class outdoor recreation opportunities, beautiful and natural scenery, clean air, a robust tourism industry, convenient access to a major airport that is currently being expanded, and a clear and distinct “Main Street.” These assets will be the basis for developing shortlists of businesses to attract. Working with existing assets to draft economic development strategies can be both enjoyable and rewarding. The first goal is to maintain the assets in the face of development which means that compromising community assets in any way should be avoided. In addition, new assets should be cultivated. New commercial sectors could be explored, for example. Or new cultural opportunities for residents and visitors could be nurtured.

Alongside these assets are challenges specific to Alta: a small population, a seasonal economy, limited developable land, access from a major population center, connectivity to other economies, competing resorts nearby, etc. The small population causes Alta’s economy to rely

on an outside workforce. While this is unlikely to change in the short-term, long-term strategies could be created to foster a more diverse population that could meet the larger economic needs. Limited developable land is a challenge, but it may make certain decisions easier by focusing efforts and funding to a compact area, which has the possibility of leading to a “town center.” Distance and connectivity are not easily overcome, but they also provide certain opportunities: a market could allow local residents to shop for needed grocery items while also providing opportunities for visitors to shop for snacks and other foods; new restaurants and cafes could keep visitors up the canyon longer, helping mitigate congestion while also capturing increased revenue; and retail and rental shops could provide gear and equipment for people visiting from out of town or who forgot some essential item.

Focusing on needs and visions is something for community members to consider. One need of any municipal jurisdiction, however, is the need to generate revenue so that services can be provided to residents. Furthermore, residents need something to do, especially in the evenings and during the summer. They need food to eat and activities to fill their time. Indoor recreation opportunities such as yoga, aerobics, and Pilates, art gallery space, and performing arts space should all be considered part of any conversation around economic development.

Alta will likely continue to rely on an outside labor force to meet its employment needs. Because Alta’s current (and likely future) employment needs will be based in the accommodation and food services sector, a young and low-skill workforce will be required, and Alta will never have a large enough resident population to supply that workforce. That said, fostering opportunities for residents of Alta to work in Alta in some capacity should be seen as desirable and some efforts toward this end are already underway. Additionally, the transient nature of the workforce should be used to the town’s advantage by capturing revenue from the sale of goods to these individuals. Small convenience stores,⁹ boutique retail spaces carrying local arts, crafts, and other goods, and a small bookstore café¹⁰ could all work to meet the needs of year-round residents as well as itinerant laborers.

This capture of sales tax is critical to Alta’s economic development.¹¹ This is especially true because, as a world-class ski resort, many visitors come from abroad. In this way, Alta is already globally engaged. With that in mind, however, more could be done to ensure that Alta captures visitors’ dollars. Restaurants, retail shops, cafés, and equipment rentals are all opportunities to provide goods and services and collect new revenue. Furthermore, developing the workforce and attracting businesses can be a tool for increased global engagement as the town can become even more accommodating to visitors.

In any discussion of economic development, infrastructure must be a consideration. The *2016 Town of Alta Commercial Core Plan* discusses increases in mass transit infrastructure, including improving the quality and increasing the number of transit stops. Such infrastructure will be focused on preparing for the future, not attracting more people to the town, but better managing the people who will come. This will be critical to any successful development. Furthermore, active participation in County and Cottonwood Canyon transit planning can enhance both public transportation options up and down Little Cottonwood Canyon and

⁹ According to a 2003 Economic Analysis of Alta, there is an estimated \$3 million of lost sales in convenience retail.

¹⁰ Thirty-two percent of Alta households purchased more than three books in the past year, and the average Alta household spent \$87.63 on books during that same period. According to a market analysis, households in Alta spent 2.3 times the national average on books over the last year.

¹¹ Alta collects an additional 1.5% on sales tax over Salt Lake County tax rates due to the Resort Community Tax. The combined sales tax rate in Alta is 8.6% (Utah Sales Tax & Use Rates, tax.utah.gov).

connecting options with various municipalities. In addition to these efforts, maintaining the summer shuttles will help control traffic and maintain the natural environment.

In addition to mass transit, active transit infrastructure should be considered. Any new development should be accessible by foot or bike as well as by vehicle. This may require new parking structures, but it will also require sidewalks, bike lanes, and crosswalk infrastructure. The main street area that is designated in the 2016 plan and the residential neighborhoods should have safe active transit paths to and within the commercial core. Other infrastructure will need to be considered as well: upgraded water and sewer, electrical, and internet, along with emergency and other services. All these features work together to create a safe, clean, and enjoyable town center while increasing convenience.

Outlined in the paragraphs above are ideas that can help make the commercial core a vibrant and viable hub for activity that can help Alta overcome some of its present challenges. The concepts outlined allow for flexibility while also providing structure. An example of how these principles can be applied is in the creation of a community center, which is identified in the 2016 plan. A community center could help extend the economic season to an annual, rather than a seasonal, timeline. As an anchor tenant, such a center could function as an educational facility, housing classes and trainings for residents and visitors alike. It could house art exhibits and galleries that could give local artists an opportunity to sell their work but also serve to attract visitors. Film screenings could be shown here. Community meetings could be housed here. Furthermore, a community events center could be rented out for corporate work events, weddings, family gatherings, and more.

The community center could also house a café or a bistro and a small library or bookstore. Yoga, exercise, or meditation classes could be held in such a space and would work simultaneously as a source of town revenue and as a cultural center for residents. Such a space could be shared by offices for local officials, teachers, and emergency responders. Office space could also be rented out, allowing residents to work closer to home. Including conference space could help generate revenue and create a bridge into increased summer activity. Such a community center would anchor development in the commercial core and begin creating a “main street.” It would help shift the economy from seasonal to annual, and it would provide cultural and other amenities to residents as well as to visitors. Creating an activity center would make the area more attractive to other businesses, which would like to capitalize on the vibrancy it offers.

Thinking of the community center as a revenue-generating amenity would go a long way toward setting the stage for future development. By allowing for mixed uses, the community center could function much as the Salt Lake City Downtown Library does: as a gathering place for the community, where residents and guests can buy a cup of coffee, shop local wares, and attend both public and private events. In creating a mixed-use and multipurpose facility, Alta would be better suited to meet its residents’ employment needs, lay the groundwork for future infrastructure development, and extend its recreational and cultural opportunities year-round.

Approaching economic development with this regional lens is a comprehensive strategy for ensuring sustainable growth without diminishing the character of a place. By working proactively to address business growth, workforce development, global engagement, and infrastructure, Alta can intentionally move into the future with confidence.

Conclusion

Alta has potential to become more than just a premiere skiing destination. With strategic development within the commercial core, Alta can attract vibrant businesses, grow its permanent workforce, increase global engagement, and develop its existing infrastructure to meet future needs. Approaching development from a regional approach, along with taking advantage of tax increment financing and community reinvestment area opportunities, can generate new revenue streams, offer new services and amenities to residents, and accommodate more year-round visitors. As individuals wend their way up Little Cottonwood Canyon in the years to come, they will be greeted by a thriving community and a vibrant town center right at the top.

There are distinct challenges that Alta faces, but by taking advantage of existing assets and working to develop new assets, Alta can move beyond the boom-bust cycle of a seasonal tourism-based economy and become a hub of culture, nature, and its world-class outdoor recreation.

DRAFT