

Park City resort must pay \$17.5 mil. to stay open

By Lindsay Whitehurst, AP

SALT LAKE CITY – Park City Mountain Resort will have to pay \$17.5 million to stay open this winter during an ongoing court battle between two ski company titans.

The ruling is much closer to Park City's \$6.6 million request than the \$124 million demand from its opponent, Vail Resorts Inc., raising hopes that the ski season will go on when the snow flies. Attorneys for the Park City institution, however, said their clients would have to decide whether to post the money.

"We're certainly hopeful there will be a ski season," Park City attorney Alan Sullivan said.

Judge Ryan Harris required the resort to post the bond within a week to postpone an eviction he ordered in May. Harris ruled Park City missed a deadline to renew a decades-old bargain lease rate it got from a mining company in the industry's early days.

Attorneys for the other side said they wouldn't appeal the bond, even though it's below their request. An attorney for Talisker, the company that owns the land, said in a statement that any suggestion the resort can't pay is "foolishness."

"PCMR generated over tens of millions in profits over the past three years using Talisker's land without a right to do so," wrote John Lund.

Vail Resorts is guiding Talisker's legal strategy because it wants to run a resort on the land once Park City is evicted.

Park City residents and business owners who attended the

hearing said the town would feel the absence if the historic resort shuttered for the season. Lost sales have been estimated at \$185 million.

“I’m hopeful, yes, I think they’re community players and they know the damage a closure would create,” resident Myles Rademan said.

Without the resort that bears its name, “Park City is going to be in a world of hurt,” said Mike Sweeney, owner of the Town Lift Plaza. Even though there are two other resorts nearby, tourists come to the area to experience all three, he said.

The Utah resort, one of the state’s largest, has been a fixture in the state’s ski culture for 50 years and served as the training ground for Olympians like Ted Ligety. The country’s largest ski resort operator, Vail Resorts, wants to take it over as well as the neighboring Canyons it started operating last year.

But even if the current owners, Powdr Corp, are evicted, Vail can’t simply move in because Powdr owns the land at the bottom of the hill.

“One of them owns a beach, and the other owns the beachfront hotel,” Lund said.

The stakes are high. Both companies are trying to acquire as many resorts as they can in an effort to strengthen their hands in the lucrative ski industry, said Ralf Garrison, a Denver-based ski industry consultant with the Advisory Group.

Park City is owned by the wealthy Cumming family and is part of Powdr Corp., which is also one of the country’s largest ski companies. Consolidation offers protection from variables like weather and offers savvy skiers lift passes with privileges around the country, Garrison said.

“Vail and the Cumming family ... are both really competing for

those other independent resorts that might become available,” Garrison said.

Vail’s 10 resorts also include properties in the Midwest and the Lake Tahoe area. Powdr owns seven major U.S. ski areas, from Vermont’s Killington to Oregon’s Mt. Bachelor to Boreal in California.

Though there are two other resorts in the area, Park City Mountain Resort has deep historical roots and is physically connected to the ski town through a lift on its Main Street. The resort also employs about 2,000 people, and it’s responsible for at least a third of the 1.84 million skiers who come every year to Park City.

“We’re in the moment of highest anxiety,” Park City Mayor Jack Thomas said. “I don’t think I’ve seen an issue more important than this in the 50 years I’ve been skiing up here.”

“It’s now getting to the point where people are getting pretty nervous about what’s going to happen this winter,” said Hans Fuegi, owner of the Grub Steak.

Lifts began running at what was then called Treasure Mountain in 1963, starting off the modern-day ski industry in the town about 30 miles east of Salt Lake City that hosted many 2002 Winter Olympic events.

It’s where many locals taught their children to ski, said Thomas, and also served as a training ground for Olympians.

“Where’s next Ted Ligety coming from if (Park City resort) shuts down?” Thomas said.

Park City plans to appeal the eviction.