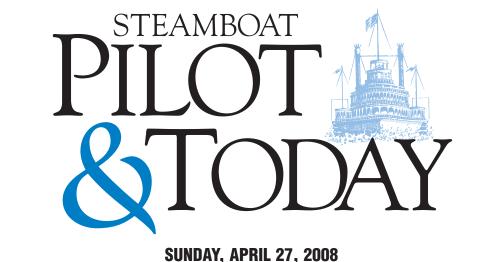
FARM BILL EFFECTS

Congress tinkers with subsidies proposal **BUSINESS 1B**





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Flying less-friendly skies

Passengers in valley could feel effects of airlines' dive

Blythe Terrell PILOT & TODAY STAFF

STEAMBOAT SPRINGS

Planeloads of airline executives are sporting frowns these days, which means passengers will probably wind up grim-faced, too.

Although flight reductions probably won't directly affect Yampa Valley Regional Airport, Manager Dave Ruppel said, other

offset high fuel costs will.

Crude oil was trading near \$120 a barrel on the U.S. commodities market all last week. To cope with massive profit losses, many airlines plan to increase fares. Carriers including United Airlines, Delta Air Lines and Northwest Airlines are adding a \$25 charge for passengers checking a second bag.

The airlines have the sympathy

measures airlines are taking to of Andy Wirth, executive vice president of sales and marketing and chief marketing officer at Intrawest. His company is the par-ent of Steamboat Ski and Resort Corp., which negotiates contracts with airlines at YVRA.

The rapid increase in oil prices is striking, Wirth said.

"I remember sitting this time last year in the offices of these folks, and they were all very See Airlines, page 14A



Steamboat Springs resident Jean Manifesto checks in with United Express Customer Service Supervisor Wendy Roach on Saturday at Yampa Valley Regional Airport. Manifesto was traveling to the Grand Canyon for a six-day hiking trip.

Annexation anxiety

Towns avoid costly residential development

Danning Services Manager John Eastman knows officials in other communities might raise an eyebrow when he says Steamboat Springs is "encouraging SUNDAY residential develop-FOCUS ment.'



Road to D.C. favors Dems

GOP plays defense in Washington

> Liz Sidoti THE ASSOCIATED PRESS

WASHINGTON

\$1.00

The electoral road to the White House favors Democrats this fall — either Barack Obama or Hillary Rodham Clinton — and has Republican John McCain playing defense

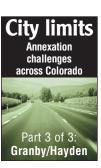
to thwart a pres-For more idential power How the 2004 shift. battle was won See page 12A

A downtrodden economy, the war in Iraq

and a public call for change have created an Electoral College outlook and a political environment filled with extraordinary opportunity for the Democrats and enormous challenge for the GOP nominee-in-waiting.

Both parties count on victory in dozens of states that long have voted their way. The competition to reach the 270 electoral votes needed to win is expected to play out primarily in 14 states. All but

STORY BY BRANDON GEE



because of Colorado's tax structure, which Tim Katers said prevents the state's salestax-based municipalities from generating revenue

Video

with this story

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"It was a recognition that if

we want to continue to remain

provide at least some opportu-

said. "We've got a goal of being

As Steamboat city officials

a real community, we have to

nity for the people who work

here to live here," Eastman

address the challenges and

opportunities presented by

the potential annexation of

Steamboat 700, municipalities

across Colorado are tackling

very similar issues. Minturn

residents will vote May 20 on

a proposed, 5,300-acre project

on Battle Mountain. And in

Durango, a project nearly iden-

Hayden has drawn the line

when it comes to the annexa-

tion of anything but commer-

cial and industrial properties,

tical to Steamboat 700 in size

and uses is beginning to take

shape.

a real community.

The state-

ment sounds

a little crazy

from residential development. Katers is a planning consultant who works for Hayden and other small Colorado communities.

Steamboat officials agree with Katers. A report being prepared for the city's Planning Commission, which is considering urban growth boundary amendments, states that "multiple studies ... clearly show that single-family residential development costs the city of Steamboat Springs more to serve than revenues received through sales tax.'

"Based on the financing mechanisms that the city has in place, residential has shown to be a money-loser for the city," Eastman said. "If each new resident could at least bring a tourist along, we'd be OK'

Nonetheless, Eastman said the city's great need for affordable housing means it is willing to consider the annexation of Steamboat 700, a 700-acre development that proposes about 2,000 homes on a parcel just west of city limits.

MATT STENSLAND/STAFF

Former Granby mayor Ted Wang discusses the Granby Ranch, which at 5,200 acres is the largest piece of property the town has annexed. The land area of Granby has guadrupled in recent years because of annexations, Wang said.

> while Granby has staved off collapse and quadrupled its size in less than a decade with the annexation of about 7,000 acres of resort development such as the SolVista Basin ski area.

Grow or die

"We knew that we had to grow or we were going to die, literally," said Ted Wang, former mayor of Granby.

"Our sales tax was completely flat," Wang said. "Inflation alone was eating us alive. We knew we absolutely had to do something to increase our economic engine.'

As a result, developments such as Granby Ranch, which includes SolVista Basin, Grand Elk Ranch & Club and Orvis Shorefox, were brought into town limits. Although these projects are geared toward second-home owners, Wang said the town required a strong commercial component be a part of each project. Grand Elk, for example, includes 350,000 square feet for commercial use along with

See City limits, page 13A



MATT STENSLAND/STAFF Special tax districts have been established to fund required infrastructure improvements in Granby developments.

See **Election**, page 12A

Eleven arrested on drug charges

Police crack down on meth trafficking

THE ASSOCIATED PRESS

DENVER

Nearly a dozen people are facing charges after authorities in several Colorado cities worked to break up drug trafficking operations.

Police officers with multiagency drug task forces made the arrests after investigations that took months to complete. In addition to seizing methamphetamine, they confiscated cash and weapons, including assault rifles.

In northern Colorado, police believe suspects were involved in a ring that imported methamphetamine from California and Denver for sale in Larimer and Weld counties.

See Drugs, page 14A

PAGE DESIGNED BY NICOLE MILLER **INSIDE** Classifieds Crossword..... 5E 18"00009 Education. 6A 66371800009 Happenings 2A Horoscope..... 5E

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OUTSIDE

VIEWPOINTS

LAST WEEK: Should the proposed Steamboat 700 annexation be put to a vote? Results/5A

THIS WEEK: Are you changing spring or summer vacation plans because of rising gas prices?

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