

Way We Were

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Change in Ownership, Change in the Community?

Between the early 1950s and the early 1980s, United Park City Mines (UPCM) played a central role in the historic mining industry and the budding ski resort industry. However, in 1985, UPCM experienced a change in ownership and launched a legal dispute that threatened the status quo in the community.

In 1953, UPCM was formed from the consolidation of the Silver King Coalitions Mine Company and the Park Utah Consolidated Mines Company. While its main line of business was the mining of various metals, in 1963, UPCM established the Treasure Mountains Resort, which became the Park City Ski Area. UPCM partnered with Royal Street Development Company in 1971 in an effort to turn the ski area into a destination resort. As a result of financial challenges with the ski area, UPCM sold its ownership interest to Alpine Meadows of Tahoe and extended the ski leases in a 1975 agreement that would become controversial later. These leases, executed in the 1971 partnership agreement, included the lease of ski acreage for a rental fee based on a percentage of ski-lift revenues as well as the sale of ski and development property and water rights.

From its days as a mining company, UPCM owned over 13,000 acres (and more than 800 miles of tunnels) in Summit, Wasatch and Salt Lake counties. Of these holdings, over 5200 acres of ski terrain were leased to Park City Ski Area and Deer Valley Resort. By the early 1980s, mining operations had ceased but the land ownership and development were still active. In August 1985, Loeb Investors of New York and Bamberger Investment and Exploration partnered to establish a joint total stake of 40% in UPCM. They stated to the Securities and Exchange Commission that their goal was to increase UPCM's share price by "realizing the potential values of the company's real properties." Management anticipated extensive development of ski-in/ski-out houses, condos and hotels, as well as commercial property and parking. Their expectation was that this would "(enhance) the community as an international destination resort and (increase) the permanent population."

Immediately following the purchase, the new UPCM management fully assessed operations and strategy. One significant effort was the reevaluation of existing, long-term lease agreements for the land used by both Park City Ski Area and Deer Valley Resort. In November 1985, UPCM sent default notices to both, claiming that each had violated one or more lease requirements; as a result, UPCM asserted that the lease agreements had been invalidated. Both ski resort companies disputed these claims and indicated that UPCM would have to take legal action to resolve the situation. UPCM brought formal lawsuits against the ski resorts and former and current owners.

The proceedings lasted for the next seven years, during which time it was uncertain how Park City's ski and real estate industries would be impacted. Watch for next week's concluding article.

The Park City Historical Society & Museum is celebrating 30 years of preserving, protecting, and promoting Park City's history and heritage.



PARK CITY, UTAH. Park City Ski Area nestled in the Wasatch Mountain Range is only a 40 minute drive from Salt Lake City's International Airport via 6-lane Interstate 80.

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Credit: Park City Historical Society & Museum

Caption: Aerial view of the Park City area showing some of the UPCM-owned property that was the subject of the lease agreement disputes and lawsuits.