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David Holland calls it quits

by Andrew Kirk, of The Record staff
The Park Record

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David Holland Zatz, founder and CEO of Crossways Corporation and its David Holland Resort Lodging, announced via email Thursday that Crossways was terminating business operations.

The announcement follows the company's eviction from The Lodges at Mountain Village last weekend, and the cancellation of a planned purchase of tens of thousands of dollars worth of equipment by All Seasons Resort Lodging last Wednesday.

Nick Caravaglia, president of Crossways, confirmed the email was accurate from home on Thursday and said the corporation quit paying employees on a previous date which he didn't specify.

DHRL staff has continued to work to aid a smooth transition of nightly rental management to All Seasons Resort Lodging, the company The Lodge's homeowner association elected to replace DHRL. They worked without a promise of being paid in the hopes of increasing their chances of being hired by All Seasons, he said.

Caravaglia is also without a job and said he's working on his next move.

Over the past months a few condominium owners have told The Park Record that they see Caravaglia as a victim of the circumstances. But Caravaglia said he doesn't see himself that way because he chose to go down with the ship.

"I've never been a quitter. I'm not somebody to run away from a challenge. When things started going south, I thought what was best for the company and the unit owners to see if it would work," he said. "I could have landed another job months ago."

He declined to comment on where the missing money went that started the crisis in late March.

"That's a question that would have to go to the owner of the company," he said.

The email from Zatz was terse, and ended with: "I have worked and lived in Park City for nearly 30 years and have enjoyed the many relationships we've shared over those years. It is with great disappointment that I must make this decision."

One reason for the decision is that PRG Resort Management, the company started by Phoenix Realty Group in an effort to absorb and bail out Crossways, failed to secure enough three-year agreements from condo owners to make good on its promise to repay all clients the missing money over the three years.

Crossways sold PRG its nightly-rental management business but retained its property-management division. However, this summer three major clients chose to replace DHRL: Park Station Condominiums chose Park City Lodging, The Copperbottom Inn chose Blooming Property Management and The Lodge chose All Seasons.

The last straw came in the form of an eviction from the The Lodge, which took away access to facilities DHRL needed to run its housekeeping and reservation services.

When it was clear the eviction would go through, PRG offered to sell All Seasons equipment such as towels, sheets and computers at bargain prices.

Tom Mccausland, president of the The Lodges homeowners' association, announced earlier this week that the association would cancel its deal with All Seasons if the sale went through unless Crossways dropped its litigation against the association.

He said he objected to Crossways and All Seasons both benefiting from the sale when the association was still out tens of thousands from Crossways and had to continue to pay legal fees in defense of itself. Crossways and PRG are continuing action against the association over details of the eviction.

Jonathan G. Brinton, attorney for the association, said the equipment is still being stored at The Lodge and access to it will be granted to anyone with Crossways or PRG if proof of identity and ownership can be shown.

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