

Debra Woods

From: Shannon Vassen
Sent: Friday, April 1, 2022 9:21 AM
To: Debra Woods
Subject: FW: Short Term Rentals Impact on Fruita's Economy

Follow Up Flag: Follow up
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First public comment on Ordinance 2023-13 is below.

From: Kristy Driver <kristy@visitfruita.com>
Sent: Friday, April 1, 2022 9:13 AM
To: Communications <communications@fruita.org>
Subject: Fwd: Short Term Rentals Impact on Fruita's Economy

Good Morning,
We would like to include this in the City Council packet for the upcoming meeting on April 5th. If you have any questions or problems with this information, please let us know.

Thank you,
Mike and Kristy Driver, founders
VisitFruita.com
970-639-0101
970-639-0367 direct

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Hello Kristy,

On April 5th you will be voting on Short Term Rental (STR) Permitting and caps.

STR's or by other names, AirBNB's, VRBO's have a significant positive impact on Fruita's Community.

STR's are comprised of strong community minded owners that are advocates for "Being a Good Neighbor"

We would like you to have all of the facts before making a decision This includes the economic impact you will be deciding on.

Vacation Rentals Benefit Communities

Vacation rentals are contributing to their communities in many ways, from supporting the local economy, to providing extra income for residents, to expanding the tourism industry in Mesa County. Learn about the specific ways Visit Fruita Properties are helping our community grow and thrive.



Driving Economic and Tax Benefits

Vacation rentals provide millions in tax revenue supporting the Fruita & Mesa County's economy. These are collected through sales and lodging taxes.



Creating and Supporting Good Jobs

Vacation rental homeowners hire cleaning services, landscapers, contractors, and many other to help maintain their homes. These jobs rely on a steady stream of travelers to support their employment opportunities.



Helping Homeowners Earn Extra Income

Vacation rentals provide opportunities for people to support themselves and their families with extra income. This is critical for those working part-time, on fixed incomes, or saving for retirement.



Increasing Traffic for Small Business

Vacation rentals owners take pride in being able to refer their guests to nearby shops and restaurants. We create welcome books with a list of favorite local stops. Local businesses rely on this foot traffic for a steady stream of new customers throughout the day.



Spreading the Benefits of Tourism

Vacation rentals often fall outside of concentrated tourist areas, which helps travelers discover new local shops and restaurants they otherwise may not have found. This benefits less-frequented neighborhoods the most.

"Visit Fruita is committed to being a good neighbor and contributing positively to our community."

**VISIT FRUITA PROPERTY
MANAGEMENT
218 E ASPEN AVE, FRUITA
970 - 639 - 0101**

Myths & Facts

MYTH

Vacation Rentals create unaffordable housing problems and take long term rentals away from the local workforce

FACT

Home affordability and availability are based on the entire Real Estate Market and Wages. This is a much larger conversation than simply Vacation Rentals. Oxford Economics completed a study in 2500 U.S. Communities looking for the contribution that Vacation Rentals had on both Rents and Sales. Conclusions: Vacation Rentals have a minimal impact on both rental rates and sales. Vacation rentals account for .2% increased rental prices, and 1% increase in home prices.

MYTH

Vacation rentals are party houses used that create nuisance problems for neighbors due to noise, parking, and excessive trash.

FACT

The average Visit Fruita traveler is a approximately 50 year old female traveling with a family of four. They want quiet just as much as the neighbors do! We rent to responsible guests who appreciate the property as they do their own.

MYTH

Vacation rentals threaten the character of a community and decrease property values.

FACT

Vacation rentals spread tourism dollars to communities and local businesses outside of traditional hotels. Vacation rentals can actually raise property values because owners make improvements and upgrades to their homes so they're more attractive to renters.

MYTH

Vacation rental owners don't pay taxes—an unfair advantage over hotels.

FACT

Vacation rentals collect and submit sales and lodging taxes, which provide millions in tax revenue to Fruita and Mesa County each year.

Short Term Rentals Contributed nearly \$10 million dollars to Fruita (2021)

- **Jobs:** Lodging Revenue (4 million) is responsible for 25 Full Time Jobs in Fruita.
- **Diversity:** The Travel and Tourism Revenue stream is flowing into Fruita's economy from outside dollars.
- **Inclusive:** Travelers spent 5.8 million dollars at local Fruita businesses in Food, Alcohol, and Entertainment.
- **Total Tax Potential: \$535,000**

- **Lodging (6%)** \$244,000
- **Sales and Use (3%):** \$291,000

Fruita Travel & Hospitality Revenue - from Short Term Rentals

ITEM	2021
Lodging	\$4,064,150 (1)
Food / Alcohol:	\$4,353,210 (2)
Entertainment:	\$1,451,070 (2)
Total Annual Fruita Economic Contribution:	\$9,868,430

Sources

(1) Airdna

(2) Lending Tree Financial

Fruita currently has 108 active rentals or 2% of all housing units.

City Comparison - Active Rentals vs Total Housing						
YEAR	COUNTY	City	State	(5) Total Housing Units	(6) Active Rentals	Active Rentals %
2021-2022	Mesa	Fruita	CO	5,519	108	1.96%
2021-2022	Summit	Breckenridge	CO	7,374	4267	57.87%
2021-2022	Mesa	Grand Junction	CO	29,649	330	1.11%
2021-2022	Grand	Moab	UT	2,622	1050	40.05%
2021-2022	Mesa	Palisade	CO	1,255	73	5.82%
2021-2022	Eagle	Vail	CO	7,303	2265	31.01%

Sources

5 [U.S Census Bureau](#) and / or [Colorado State Demography Office](#)

6 [AirDNA](#)

We respectfully make the following recommendations.

1. **Eliminate the caps entirely.** The number of STR's will naturally reach a saturation point at which the number of available homes outpaces guest demand.
2. **Keep permitting and tax collection easy** to encourage compliance and revenue collection for the City.

3. **Continue to study the cost-benefits of Short Term Rentals.**
4. **Create a "Fruita Good Neighbor Alliance" comprised of STR Owners and stakeholders that can create and participate in programs benefitting the community like affordable housing.**

Kristy and Mike Driver

970-639-0101

About Us:

Kristy and Mike are the owners of Visit Fruita Vacation Properties. Our office is located in Downtown Fruita. We have been managing luxury vacation rental homes for the past 25 years. In addition to managing vacation rentals, Kristy is the current Chairperson for Fruita Tourism Advisory Council. Mike has been a Realtor in Colorado for the past 30 years.

[Study: 2019 Housing Affordability](#)

Our mailing address is:

218 E. Aspen Ave., Fruita, CO, 81521 USA

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