

*Building the Future:* City of Fruita Economic Development Plan, 2011



## Executive Summary

The Fruita Economic Development Plan outlines goals and strategies to put Fruita's **comprehensive** vision for economic growth into practice. **High quality** economic development ultimately comes down to ensuring that **talent** and **capital** are available, and that the community supports the civic requirements of business. The City of Fruita is committed to work to meet these needs. The City of Fruita also acknowledges that while both are imperative, **job creation** is more critical than simply sales tax generation for true economic development.

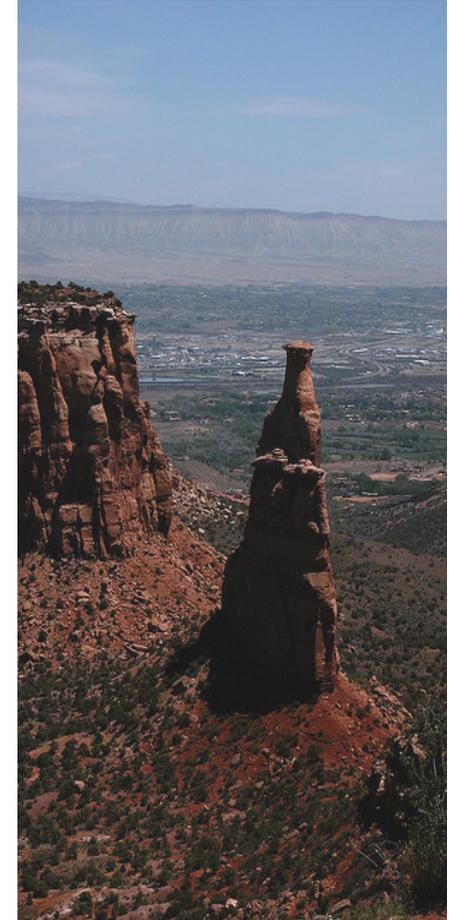
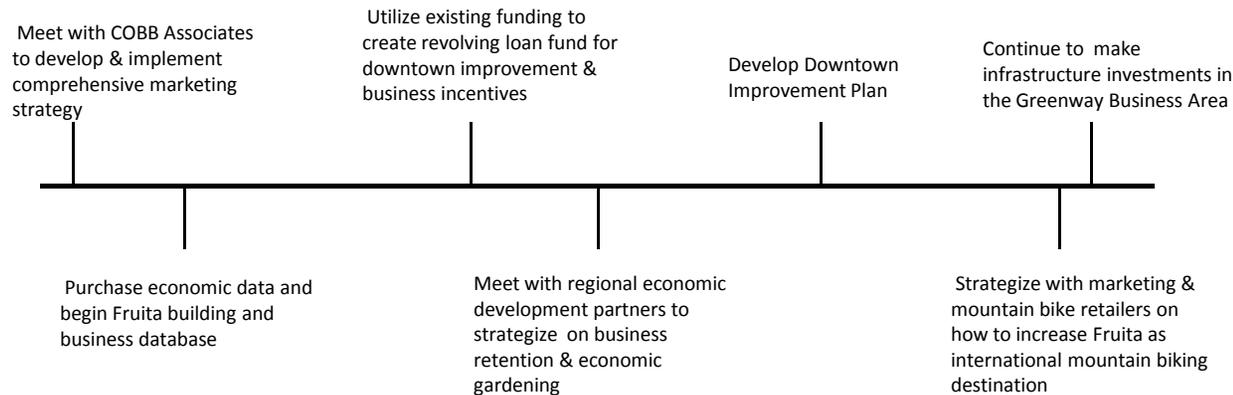
## Goals

1. **Create Jobs & Maintain a Diverse Economic Base**
2. **Increase Tourism**
3. **Develop Unique Places for Residents & Visitors to Spend Time & Money in Fruita**
4. **Create Policies that Support New & Existing Business Development**

## Immediate Priorities & Timeframe

While the Fruita Economic Development Plan combines broad strategy with long-term vision, there are immediate steps that can be taken to begin the process now. The top priorities for the immediate future are:

- **Industry development**
- **Increase Tourism**
- **Downtown Development**



## Purpose

The 2011 Fruita Economic Development Plan (FED) identifies clear economic development goals and sets achievable action steps for the City of Fruita to pursue over the next 5 years. FED plan is designed to complement the 2008 Fruita Community Plan that outlined a framework for economic sustainability. The FED also lays out ways to leverage the City's financial resources, with those of our economic development partners, to assist in creating a viable economic climate for the City of Fruita. It is designed to clarify that the City of Fruita strives to support small business development, entrepreneurship, and technology incubation.

## Economic Development Objectives

The strategy is rooted in research that shows that *quality of life* is the number one reason people do business in the Grand Valley.<sup>1</sup> Given this, maintaining and improving *quality of life* in Fruita will remain the top economic development priority. Additionally, this strategy upholds that supporting existing business and their growth is more efficient than attracting new companies. This includes employers such as energy related businesses & recreational activities. At the same time, the City of Fruita will continue to develop and diversify its industry mix by investing in tools required for new development to occur.

- **Maintain & improve *quality of life***
- **Focus on job creation vs. sales tax generation**
- **Enhance recreational amenities**
- **Improve downtown vitality**
- **Retain existing business**
- **Improve marketing to generate tourism**
- **Recruit targeted business for economic sustainability**
- **Create high quality, primary jobs**

## Current Assets

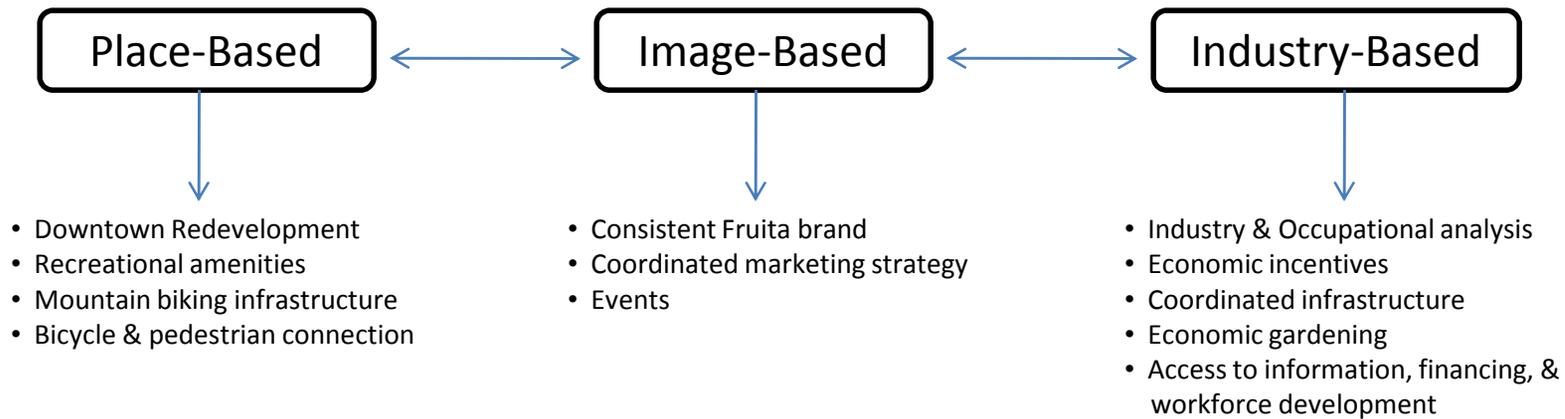
- **High quality of life**
- **International mountain biking destination**
- **Population growth**
- **Diverse employment base**



<sup>1</sup>Grand Junction Economic Partnership Economic Development Survey , March 2011

## Economic Development Framework

The Fruita Economic Development Plan is based on a three-pronged strategy that supports base industries, while enhancing the places that make Fruita unique. The third strategy ensures that the other two are effectively communicated to Fruita’s target audiences – residents, visitors, and current/future employers. Overall, our aim is to protect and enhance existing assets, while creating the infrastructure for new growth .



## Regional Partners

It is critical that all goals are rooted in regional collaboration in order to create efficiencies and reduce redundancies. With an approach founded on partnership, Fruita plans to leverage resources and expertise across Mesa County and beyond.

Fruita Chamber of Commerce  
Grand Junction Economic Partnership  
The Business Incubator Center  
The City of Grand Junction  
Mesa County  
Grand Junction Area Chamber of Commerce  
Visitor and Convention Bureau

Mesa County Workforce Development  
Town of Palisade  
Bureau of Land Management  
Colorado National Monument  
Colorado River State Park  
Rim Rock Rodeo  
Museum of Western Colorado

Fruita Economic Development Plan

Demographic & Economic Data: City of Fruita, City of Grand Junction, & Mesa County

Source: U.S. Census Bureau, 2005-2009 American Community Survey

	Fruita	Grand Junction	Mesa County
<b>Demographics</b>			
Total Population	11,082	54,694	137,879
Total Households	4,161	23,265	54,811
<b>Occupation</b>			
Management, Professional	34.1%	34.0%	31.8%
Service	12.0%	17.3%	16.7%
Sales and office	26.6%	25.1%	25.2%
Farming, fishing, and forestry	0.9%	0.3%	0.7%
Construction, extraction, maintenance, & repair	14.4%	13.2%	14.0%
Production, transportation, and material moving	12.0%	10.2%	11.6%
<b>Industry</b>			
Agriculture, forestry, fishing and hunting, and mining*	8.6%	4.4%	6.2%
Construction	12.8%	9.0%	10.2%
Manufacturing	6.5%	5.5%	5.9%
Wholesale trade	3.6%	3.9%	3.4%
Retail Trade	11.4%	13.2%	12.7%
Transportation and warehousing, and utilities	9.3%	4.3%	5.7%
Information	.7%	1.9%	1.7%
Finance and insurance, and real estate and rental and leasing	5.2%	7.2%	6.6%
Professional, scientific, and management, and administrative and waste services	7.4%	8.1%	8.0%
Educational services, and health care and social assistance	20.5%	22.7%	21.4%
Arts, entertainment, and recreation, and accommodation and food services	6.5%	11.0%	9.3%
Other services, except public administration	4.0%	4.3%	4.9%
Public administration	3.3%	4.4%	4.0%
<b>Class of Worker</b>			
Private	82.0%	78.5%	78.0%
Government	12.8%	14.5%	14.1%
Self-employed	5.2%	7.0%	7.8%
<b>Income</b>			
Median Household Income	\$55,898	\$45,710	\$50,611
Per Capita Income	\$24,316	\$25,868	\$26,053
Percent Below the Poverty Line	9.9%	15.2%	12.2%
<b>Educational Attainment</b>			
Percent high school or higher	87.8%	89.1%	88.7%
Percent bachelor's degree or higher	23.5%	29.2%	24.7%

\*Includes Oil & Gas Extraction & Support Activities

# Fruita Leakage Analysis (5 mile radius), 2010



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## Fruita Economic Development Plan

Industry Summary	Demand (Consumer Expenditures)	Supply (Retail Sales)	Retail Gap
Total Retail Trade and Food & Drink	210,926,509	208,832,733	2,093,776
Industry Group	Demand (Retail Expenditures)	Supply (Retail Sales)	Retail Gap
<u>Motor Vehicle &amp; Parts Dealers</u>	38,867,766	65,531,657	(26,663,891)
Automobile Dealers	31,890,032	60,695,491	(28,805,459)
Auto Parts, Accessories, and Tire Stores	2,985,853	4,459,785	(1,473,932)
<u>Furniture &amp; Home Furnishings Stores</u>	4,434,913	160,482	4,274,431
Furniture Stores	2,366,825	85,865	2,280,960
Home Furnishings Stores	2,068,088	74,618	1,993,470
<u>Electronics &amp; Appliance Stores</u>	4,888,081	0	4,888,081
<u>Bldg Materials, Garden Equip. &amp; Supply Stores</u>	21,259,041	40,150,271	(18,891,230)
Building Material and Supplies Dealers	19,288,933	34,524,107	(15,235,174)
Lawn and Garden Equipment and Supplies Stores	1,970,108	5,626,164	(3,656,056)
<u>Food &amp; Beverage Stores</u>	29,028,603	22,441,332	6,587,271
Grocery Stores	26,282,090	19,600,268	6,681,822
Specialty Food Stores	902,317	37,986	864,331
Beer, Wine, and Liquor Stores	1,844,196	2,803,078	(958,882)
<u>Health &amp; Personal Care Stores</u>	11,251,719	2,032,732	9,218,987
<u>Gasoline Stations</u>	18,388,292	47,679,635	(29,291,343)
<u>Clothing and Clothing Accessories Stores</u>	9,428,040	2,123,201	7,304,839
<u>Sporting Goods, Hobby, Book, and Music Stores</u>	4,221,947	2,198,912	2,023,035
<u>General Merchandise Stores</u>	28,085,760	4,398,157	23,687,603
<u>Miscellaneous Store Retailers</u>	5,595,198	1,878,024	3,717,174
Florists	401,437	459,072	(57,635)
Office Supplies, Stationery, and Gift Stores	2,132,571	417,715	1,714,856
Used Merchandise Stores	450,093	8,679	441,414
<u>Food Services &amp; Drinking Places</u>	21,223,459	9,341,605	11,881,854
Full-Service Restaurants	9,491,209	7,439,172	2,052,037
Limited-Service Eating Places	8,947,798	1,532,578	7,415,220
Special Food Services	1,757,589	47,159	1,710,430
Drinking Places - Alcoholic Beverages	1,026,863	322,696	704,167

**PRIORITY**

**Goal 1: Create Jobs and Maintain a Diverse Economic Base**

*Work to target and recruit specific primary, job-creating industries that would be attracted to Fruita’s core community strengths - specifically related to outdoor recreation and energy production.*

Objectives	Strategies	Partners	Timeframe
Identify existing and new industries with growth potential, high-quality employment capabilities, and connection to community assets	I. Conduct annual market analysis of existing industries and national trends to identify areas for growth - Claritas, ESRI, bls.gov, Colorado Department of Labor & Employment, census.gov II. Create & Maintain Building & Business Inventory on annual basis III. Tailor economic development strategies to match gaps in industry and workforce development	GJEP	Short-term
Provide support services for entrepreneurship & new business start-ups – financing, workforce development, technical assistance	I. Utilize current partnerships to provide technical assistance, workforce development, and financing for new business start ups II. Ensure access to these resources are readily available and up to date on Fruita’s economic development websites – City of Fruita, Fruita Chamber of Commerce, fruitabusdev.com, and gjep.org III. Develop Fruita-based Revolving Loan fund with Incubator Center	- GJEP - Business Incubator Center - Mesa Country Workforce Development	Medium-term
Support research and development of emerging technologies/processes of existing and alternative energy production (Natural Gas, Bio fuels, Geothermal, Solar, Wind, Uranium, Coal, Oil Shale, other minerals)	I. Conduct an analysis of current and recent innovation in the region to understand Fruita’s place in energy production in the Mesa County II. Identify gaps in current infrastructure for existing & alternative energy sector III. Specifically target energy business that prioritize Fruita’s energy production goals in business recruitment and economic incentives IV. Improve access to financing for innovation	- GJEP - Business Incubator Center	Medium-term
With regional partners, develop a Fruita-based economic gardening program (industrial, commercial, and retail)	I. Streamline with Business Retention Program (Goal #4) to assist with barriers to growth and expansion needs II. Create “2 <sup>nd</sup> Phase” business incubator in the old library space. Partner with Business incubator for operations III. Create and endow Fruita Business Revolving Loan Fund operated by the Business Incubator.	- Fruita City Chamber - Revolving Loan Fund - Business Incubator Center - GJEP	Medium-term
Continue to provide infrastructure coordination and assistance to promote business development	I. Continue to coordinate infrastructure projects with local economic development priorities (Greenway Business Park)	- Mesa County	Short & Medium term

## Fruita Economic Development Plan

<b>Goal 2: Increase Tourism</b>			
<i>Increase overall tourism marketing and maintain a strong emphasis on mountain biking.</i>			
Objectives	Strategies	Partners	Timeframe
Develop and implement an integrated marketing and communication plan that creates a consistent Fruita brand	<ol style="list-style-type: none"> <li>I. Continue to refine and develop the Fruita brand through internal and community discussions</li> <li>II. Ensure all online resources – City of Fruita, Chamber of Commerce, gofruita.com, Wikipedia, fruitamountainbike.com, etc – promote each other with a consistent image and message</li> <li>III. Manage and analyze Google searches</li> <li>IV. Increase national media attention</li> <li>V. Utilize social media to enhance Fruita’s image and reach new audiences</li> <li>VI. Coordinate marketing efforts with regional partners to ensure Fruita’s story is told</li> <li>VII. Improve visual impact of the gateways to Fruita –highways, interstates, &amp; downtown</li> </ol>	<ul style="list-style-type: none"> <li>- COBB &amp; Associates</li> <li>- Fruita Chamber of Commerce</li> <li>-CDOT</li> <li>- GJVCB</li> </ul>	Short-term
Capitalize on Fruita as an internationally renowned mountain biking destination	<ol style="list-style-type: none"> <li>I. Become a leading partner in the construction of new bike trails in the North Fruita Desert and Kokepelli Area by providing infrastructure and coordination of projects</li> <li>II. Dedicate BLM staff liaison for trail development</li> <li>III. Highlight local mountain bike retailers and resources in all promotional material</li> <li>IV. Partner with local mountain bike retailer to develop strategies on increasing Fruita’s presence on the national mountain bike scene</li> <li>V. Develop a partnership with regional partners – Grand Junction and Moab – to coordinate marketing efforts</li> </ol>	<ul style="list-style-type: none"> <li>- BLM</li> <li>- local mountain bike retailers</li> <li>- sister mountain bike/tourism organizations in Moab/Grand Junction</li> </ul>	Short-term
Partner with other local attractions – Dinosaur Museum, Colorado National Monument, Colorado River State Park, rafting, rodeo, etc - on infrastructure & marketing support them as popular & complementary attractions	<ol style="list-style-type: none"> <li>I. Cross promotion of new attractions - i.e. Dinosaur Journey, Dinosaur Journey</li> <li>II. Feature on primary Fruita websites</li> <li>III. Encourage development packages</li> <li>IV. Actively promote through PR stories</li> </ol>	<ul style="list-style-type: none"> <li>- Museum of W. Colorado</li> <li>- Colorado National Monument</li> <li>- Rimrock rodeo</li> <li>- Colorado River State Park</li> <li>- Dinosaur Museum</li> </ul>	Medium-term

## Fruita Economic Development Plan

<b>Goal 3: Develop Unique Places for Residents and Visitors to Spend Time &amp; Money in Fruita</b>			
<i>Address the dilemma Fruita faces of getting visitors to town, but the inability to capitalize on those visitors remaining in town for a prolonged period.</i>			
Objectives	Strategies	Partners	Timeframe
Create a Downtown Improvement Program modeled after the National Trust for Historic Preservation’s Main Street Program to ensure Downtown Fruita is vibrant and attractive	I. Create a downtown “Loitering Program” II. Create a Special Improvement District to fund downtown improvement III. Improve the business mix through targeted business recruitment and educating property owners IV. Enhance the storefront interaction with the street through façade improvement program V. Continue to maintain high quality streetscape design and cleanliness VI. Consider installing more ornamental street lighting VII. Pass ordinance that limits non-commercial uses on the ground floor in downtown buildings on Aspen Ave, Park Square, and Mulberry, and Main VIII. See Appendix for Possible Downtown Development Strategies	- Downtown Property Owners and businesses - local financial institutions - Fruita Planning Commission	Long-term
Increase current festival and event participation and promotion, rather than expand the number provided	I. Integrate events and festivals into larger marketing/branding strategy	- Event Planning Committees - Rimrock rodeo - Fruita River State Park -Tourism board - Museum of Western CO	Short-term
Increase and maintain recreational amenities that add to quality of life for Fruita residents and visitors	Public parks/green space, Bike park, frisbee golf course, rec center, pools, skate park, ball field, etc		Long-term
Continue to improve pedestrian and bicycle connection throughout Fruita with bike lanes, sidewalk connection, and a pedestrian-oriented development	I. See Fruita Bicycle and Pedestrian Circulation Study		Long-term

<b>Goal 4: Create Policies that Support Both New and Existing Business Development</b>			
<b>Develop policies for commercial and retail projects in order to creatively attract and retain business</b>			
<b>Objectives</b>	<b>Strategies</b>	<b>Partners</b>	<b>Timeframe</b>
Create and utilize financial incentives to support business creation and expansion. These incentives will not serve as a primary attraction tool, but fill financial gaps for business that desire to locate or expand.	I. Partner with the GJEP and the Business Incubator Center to utilize current financial incentives including the Enterprise Zone and cash grants II. Property tax abatement for specified number of years III. Income tax credit for specified number of years	- GJEP - Business Incubator Center - Mesa County Economic Development Office	Medium-term
Reduce unnecessary regulatory impediment to economic development	I. Streamline permitting and planning processes	City of Fruita Planning Department	Medium-term
Provide access to business development information	I. Update and maintain “Fruita Business Development.org” II. Add market information to all web marketing – Claritas, US Census, ESRI	Fruita of Chamber of Commerce	Short-term
Develop a formal business retention program	I. Enhance Listening to Business program – consistent communication and reaching out to Fruita Businesses II. Identify barriers to business growth and success through (lack of access to capital, lack of skilled labor, lack of available buildings, needed infrastructure improvements) III. Utilize partnership with Business Incubator to create Fruita Revolving Loan Fund for business expansion	-Fruita Chamber of Commerce to take the lead in business communication - Business Incubator Center	Medium-term

## Appendix

### **Downtown Development Strategies & Incentives**

*All strategies are typically funded through Special Assessment, Tax Increment Financing Districts, or grants. Many of the strategies require initial funding but are designed to be self-sustaining.*

- Establish Tax Increment Financing and/or Special Assessment District
- Create Downtown subcommittees: Marketing, Business Recruitment, & Design
- Design Assistance: Downtown property owners are eligible for reimbursement of design fees up to 50% or \$2,500 – whichever is less. Assistance will also be provided to acquire design consultant.
- Business Improvement Grant: A 60-40 cost split between the property owner and the City of Fruita associated with property expansion or remodeling. Maximum funding is \$7,500 per property or \$5 per square footage – whichever is less.
- Matching Grant Façade Program: A 60-40 cost split between the property owner and the City of Fruita associated with building frontage improvements. Maximum funding is \$7,500 per property. An established Design Committee will review all projects. All projects must comply with specific Downtown Fruita Design Guidelines
- Low Interest Loan Program: Partner with local banks/credit unions to provides up to a \$20,000 loan per downtown project for a 5-year period - provided that businesses meet credit standards established by participating local financial institutions. Eligible projects include interior and exterior renovations or improvements, facade improvements, expansions of additional retail space and correction of building code violations.
- Property Tax Rebate: This program is targeted to new commercial properties located in the downtown business district that meet targeted business mix goals. The tax rebate will apply to 50% of taxes collected on increased property values for a five-year period.
- Sales Tax Rebate
- Second Story Renovation Incentive: Up to \$10,000 loan at 0% interest for residential or commercial renovation of second floor space in the downtown area.
- Historic Preservation Assistance: Free technical assistance for any property owner who would to apply for historic preservation status and/or plans to utilize historic preservation tax credits for redevelopment.
- Acquisition Assistance: Reimbursement of a percentage of acquisition costs for new property owners that are purchasing a building with the intent to rehab or has a guaranteed targeted commercial tenant.