



## Town of Vail Economic Indicators Summary (Based on data as of April 30, 2017)

**INTRODUCTION:** This summary is provided as a part of the Town of Vail 2017 Economic Development Strategic Plan and introduces a summary report of Vail Economic Indicators representing a winter 16/17 (November – April) seasonal view along with a more granular chart (attached). It is published twice annually as soon as practical after the data has become available, is limited in scope by the availability of data from secondary sources and is thought to be generally accurate but not independently verified.

### Tourism



Vail's 2016/17 winter season experienced a "mixed bag" of growth and declines in tourism indicators. During the 2016/17 winter season, Vail experienced a slight increase in occupancy (+2.2%), a rebound from the prior year, which saw a slight decline in occupancy for the first time since the "Great Recession", which started just before the 2008/09 season. Average Daily Rate (ADR) continues to increase year over year (+10.5%) resulting in a significant increase in revenue per available room (+12.9%). This metric typically correlates proximate to Town of Vail's lodging tax collections, however the closure of some properties, including the long-term closure of the Vail Cascade for renovation, has resulted in a disparate data set for the duration of the closure, the details and impact of which are covered under separate documentation forthcoming. Vail's occupancy during the 2016/17 season is still (-3.5%) below its pre-recession high of 60.3% in 2006/07. ADR is up for the 5<sup>th</sup> consecutive season (+39.3%) and above its pre-recession peak. This further reinforces the theory that lodging supply is a limiting factor as demand increases and drives rate increases during many times of the year. Comparatively other U.S. western mountain resorts (based on overall DestiMetrics industry data), increased less in occupancy (+0.5%) and less in rate (+6.6%) and achieved an increase in total revenue per available room (+5.2%), which underperformed Vail's increase (+12.9%). Other metrics to note are snowfall, which decreased (-26.4%) on-mountain and (-11.2%) in town. Parking in the Vail parking structures also saw a decline (-7.8%). Gasoline prices increased significantly (+30.0%) after a dip during the 2015/16 season but had little effect on drive traffic, which can be seen from the basically static year over year Tunnel Traffic (+1.0%). Deplanements at Eagle County Regional Airport, which have seen consistency in flights and capacity over the past 4 years, decreased slightly (-3.5%). A variety of special events took place during the winter months, with overall attendance and participation remaining consistent to the prior year except for Vail Yeti Hockey League, which is newly added to this report and accounted for 10,400 spectators during the winter of 2016/17. Event attendance reporting is now consistently being measured by a third party research firm (RRC Associates), which is resulting in less dramatic increases/decreases in event attendance data from season to season.

### Real Estate



This season's real estate indicators (excluding commercial sales) show a slight increase in Average Sale Price per transaction (+2.0%) but a more significant increase in Average Price per Square (+12.4%). Number of Transactions (inclusive of commercial sales) declined slightly (-4.4%) with Total Gross Sales increasing dramatically (+37.5%) over the prior year, which includes one transaction for \$47 million. These metrics reflect more demand for higher priced and larger homes than in the prior season.

### Town Revenues



**Sales Tax** is segmented by business type (retail, lodging and food/beverage) and further broken down geographically by Vail neighborhoods. Excluding out of town collections, all segments combined showed a slight decrease in overall winter sales tax revenue (-2.9%) following the previous winter season's sales tax revenue, which had increased slightly. Specifically, lodging tax collections saw a decline (-3.7%) overall with the Cascade/Sandstone/East & West Vail neighborhoods declining dramatically (-46.3%) due to the temporary closure of both the Vail Cascade Resort and the Holiday Inn for renovations. However, Lionshead and Vail Village lodging tax collections combined increased (+4.4%). Food and beverage (-3.8%) and Retail (-0.7%) each saw experienced a decline year over year. When segmented by neighborhood, Vail Village (+3.0%) and Lionshead (1.8%) both experienced increases overall compared to Cascade/Sandstone/East & West Vail, which (again, due to the closure of the Vail Cascade Resort and the Holiday Inn for renovations) showed a dramatic decrease (-28.7%). A study conducted by DestiMetrics shows that the average of taxable sales at comparable ski towns was up season-over-season in lodging sales (+4.5%) and total taxable sales (+3.1%).

**Other Tax Collections** by the Town of Vail include construction use tax, property tax and real estate transfer tax and are reported on a calendar-year basis. As a result, these taxes do not correlate with the seasonal indicators above. Construction use tax showed a decrease in 2016 from 2015 (-19.7%). Real estate transfer tax collections decreased somewhat in 2016 from 2015 (-1.8%). In 2016, property taxes increased significantly (+11.9%) from 2015.

**Town Reserves** as measured by General Fund Balances remain very healthy at \$27.3 million, an increase (+15.6%) over the previous year.

**Business Growth**



Business Growth is based on broader county and national indicators, many of which are tracked on an annual basis, lag significantly and have just been updated for the 2016 calendar year. While not as telling of the current market conditions, the Business Growth indicators show a healthy economy as evidenced by unemployment in Eagle County, which experienced another significant decrease for the second consecutive year, from 3.1% to 2.8%.

**Macro Economics**



The broader economic conditions have a significant impact on determining consumers' discretionary spending and leisure habits, which in turn can significantly impact Vail's economic performance. The US domestic economy, though strong, is facing its challenges with federal policy implementation apparently stalled with respect to banking regulation, tax reform, health care and infrastructure repair. However, rather than drawing back, domestic markets are biding their time while Washington works to sort the management of dysfunctional governance. Over the course of the past six months both financial and consumer markets have gained strongly, though they both appear to be on a temporary plateau. The impact of these gains on the mountain travel industry for the winter 2016/17 season in general, and Vail in particular, is apparent to some degree in an ongoing consumer tolerance for strong year-over-year rate gains. Among the positive economic variables is the continuing low cost of gas and other transportation fuels. Among the negative is the continued strength of the US dollar against foreign currencies, particularly the Canadian and European markets, resulting in a decrease in foreign visitation to ski/mountain destinations. (1) Consumer Confidence is firmly established above the 110-point mark for the first time since 2001 and remains above 115 points in the past four months. Consumers are feeling more confident in both the current and long-term economic outlook and expect the economy to continue to improve over the coming six months. But consumers are also nervous about earnings, which have not significantly increased since the end of the Great Recession, though the cost of living and discretionary consumer goods, particularly travel, have increased dramatically over that same time. (2) Job Creation & Unemployment continues to be an extremely consistent part of the economic/consumer engine, with job creation levels essentially unchanged in the most recent six months from the prior six-month period at about 187,000 jobs per month. While this is a decrease from this same time last year, expectations should include a slowdown as the national unemployment rate hovers at 4.3 to 4.4 percent. (3) Wall Street and other domestic financial markets have shown incredible resilience and growth in recent months as they patiently await proposed legislative initiatives such as deregulation of banking restrictions and tax reform, both of which promise to work in Wall Street's favor, but neither of which has yet been enacted. Overall, the Dow Jones has added a dramatic 7.5 percent in the past six months, and the tech-heavy Nasdaq 10.8 percent while the more consumer-reflective Standard & Poors 500 has added 6.9 percent. (4) Foreign Exchange Rates continued to be very high for inbound visitors to the US as the US dollar remained the strongest major currency in the global marketplace. On the flip side creating great deals for international travel out from the US, but at some consequence to domestic travel in so doing.

This foundational data set and summary will be further updated and expanded upon twice annually, taking its place among the tools available to better inform the Town staff, its various committees and the public it serves.



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Vail Economic Indicators: Real Estate (2004-2017)																										
Indicator	Source	Description	Report Date ('05-'06)	Data ('05-'06)	Report Date ('06-'07)	Data ('06-'07)	Report Date ('07-'08)	Data ('07-'08)	Report Date ('08-'09)	Data ('08-'09)	Report Date ('09-'10)	Data ('09-'10)	Report Date ('10-'11)	Data ('10-'11)	Report Date ('11-'12)	Data ('11-'12)	Report Date ('12-'13)	Data ('12-'13)	Report Date ('13-'14)	Data ('13-'14)	Report Date ('14-'15)	Data ('14-'15)	Report Date ('15-'16)	Data ('15-'16)	Report Date ('16-'17)	Data ('16-'17)
<b>Real Estate Sales</b>	Eagle County Assessor's Office	Total number of Real Estate Transactions within Vail	Winter (November '05 - April '06)	174	Winter (November '06 - April '07)	175	Winter (November '07 - April '08)	177	Winter (November '08 - April '09)	97	Winter (November '09 - April '10)	121	Winter (November '10 - April '11)	148	Winter (November '11 - April '12)	151	Winter (November '12 - April '13)	182	Winter (November '13 - April '14)	154	Winter (November '14 - April '15)	174	Winter (November '15 - April '16)	181	Winter (November '16 - April '17)	173
			Summer (May '06 - October '06)	217	Summer (May '07 - October '07)	158	Summer (May '08 - October '08)	149	Summer (May '09 - October '09)	115	Summer (May '10 - October '10)	195	Summer (May '11 - October '11)	126	Summer (May '12 - October '12)	186	Summer (May '13 - October '13)	199	Summer (May '14 - October '14)	197	Summer (May '15 - October '15)	203	Summer (May '16 - October '16)	195	Summer (May '17 - October '17)	Not Available
<b>Sale Price</b>	Eagle County Assessor's Office	Average sale price of Real Estate transactions within Vail	Winter (November '05 - April '06)	\$1,168,249	Winter (November '06 - April '07)	\$2,169,933	Winter (November '07 - April '08)	\$2,258,364	Winter (November '08 - April '09)	\$2,854,325	Winter (November '09 - April '10)	\$1,641,593	Winter (November '10 - April '11)	\$1,780,462	Winter (November '11 - April '12)	\$1,709,393	Winter (November '12 - April '13)	\$1,423,375	Winter (November '13 - April '14)	\$2,224,531	Winter (November '14 - April '15)	\$1,733,518	Winter (November '15 - April '16)	\$2,013,011	Winter (November '16 - April '17)	\$2,052,406
			Summer (May '06 - October '06)	\$1,391,526	Summer (May '07 - October '07)	\$1,370,692	Summer (May '08 - October '08)	\$2,508,787	Summer (May '09 - October '09)	\$1,112,728.70	Summer (May '10 - October '10)	\$2,111,644.10	Summer (May '11 - October '11)	\$1,443,006	Summer (May '12 - October '12)	\$1,382,832	Summer (May '13 - October '13)	\$1,234,990	Summer (May '14 - October '14)	\$1,584,734	Summer (May '15 - October '15)	\$1,788,654	Summer (May '16 - October '16)	\$1,485,706	Summer (May '17 - October '17)	Not Available
<b>Price Per Square Foot</b>	Eagle County Assessor's Office	Average price of Real Estate per square foot within Vail	Winter (November '05 - April '06)	\$727	Winter (November '06 - April '07)	\$902	Winter (November '07 - April '08)	\$768	Winter (November '08 - April '09)	\$1,103	Winter (November '09 - April '10)	\$791	Winter (November '10 - April '11)	\$809	Winter (November '11 - April '12)	\$820	Winter (November '12 - April '13)	\$734	Winter (November '13 - April '14)	\$828	Winter (November '14 - April '15)	\$824	Winter (November '15 - April '16)	\$777	Winter (November '16 - April '17)	\$873
			Summer (May '06 - October '06)	\$831	Summer (May '07 - October '07)	\$726	Summer (May '08 - October '08)	\$1,344	Summer (May '09 - October '09)	\$568	Summer (May '10 - October '10)	\$1,060	Summer (May '11 - October '11)	\$724	Summer (May '12 - October '12)	\$652	Summer (May '13 - October '13)	\$682	Summer (May '14 - October '14)	\$778	Summer (May '15 - October '15)	\$803	Summer (May '16 - October '16)	\$720	Summer (May '17 - October '17)	Not Available
<b>Gross Sales</b>	Eagle County Assessor's Office	Total Gross Sales Amount (USD) within Vail	Winter (November '05 - April '06)	\$203,275,300	Winter (November '06 - April '07)	\$379,738,200	Winter (November '07 - April '08)	\$399,730,500	Winter (November '08 - April '09)	\$276,869,500	Winter (November '09 - April '10)	\$198,632,700	Winter (November '10 - April '11)	\$258,807,117	Winter (November '11 - April '12)	\$252,990,200	Winter (November '12 - April '13)	\$259,054,380	Winter (November '13 - April '14)	\$331,847,416	Winter (November '14 - April '15)	\$305,044,019	Winter (November '15 - April '16)	\$351,322,620	Winter (November '16 - April '17)	\$483,065,874
			Summer (May '06 - October '06)	\$301,961,100	Summer (May '07 - October '07)	\$216,569,400	Summer (May '08 - October '08)	\$373,809,300	Summer (May '09 - October '09)	\$127,963,800	Summer (May '10 - October '10)	\$411,770,600	Summer (May '11 - October '11)	\$174,867,073	Summer (May '12 - October '12)	\$261,284,200	Summer (May '13 - October '13)	\$235,995,092	Summer (May '14 - October '14)	\$306,239,595	Summer (May '15 - October '15)	\$363,096,860	Summer (May '16 - October '16)	\$282,139,670	Summer (May '17 - October '17)	Not Available
<b>Residential Properties Sold</b>	Eagle County Assessor's Office	Number of residential properties sold within Vail	Winter (November '05 - April '06)	165	Winter (November '06 - April '07)	163	Winter (November '07 - April '08)	143	Winter (November '08 - April '09)	82	Winter (November '09 - April '10)	113	Winter (November '10 - April '11)	148	Winter (November '11 - April '12)	143	Winter (November '12 - April '13)	171	Winter (November '13 - April '14)	148	Winter (November '14 - April '15)	168	Winter (November '15 - April '16)	176	Winter (November '16 - April '17)	164
			Summer (May '06 - October '06)	200	Summer (May '07 - October '07)	144	Summer (May '08 - October '08)	156	Summer (May '09 - October '09)	98	Summer (May '10 - October '10)	194	Summer (May '11 - October '11)	120	Summer (May '12 - October '12)	182	Summer (May '13 - October '13)	194	Summer (May '14 - October '14)	189	Summer (May '15 - October '15)	196	Summer (May '16 - October '16)	191	Summer (May '17 - October '17)	Not Available
<b>Commercial Properties Sold</b>	Eagle County Assessor's Office	Number of commercial properties sold within Vail	Winter (November '05 - April '06)	5	Winter (November '06 - April '07)	10	Winter (November '07 - April '08)	11	Winter (November '08 - April '09)	15	Winter (November '09 - April '10)	8	Winter (November '10 - April '11)	5	Winter (November '11 - April '12)	8	Winter (November '12 - April '13)	11	Winter (November '13 - April '14)	6	Winter (November '14 - April '15)	6	Winter (November '15 - April '16)	5	Winter (November '16 - April '17)	9
			Summer (May '06 - October '06)	2	Summer (May '07 - October '07)	7	Summer (May '08 - October '08)	6	Summer (May '09 - October '09)	17	Summer (May '10 - October '10)	1	Summer (May '11 - October '11)	6	Summer (May '12 - October '12)	4	Summer (May '13 - October '13)	5	Summer (May '14 - October '14)	8	Summer (May '15 - October '15)	7	Summer (May '16 - October '16)	4	Summer (May '17 - October '17)	Not Available
<b>Dwelling Units Constructed</b>	Community Development Department	Number of additional dwelling units constructed within Vail	Annual (January '06 - December '06)	9	Annual (January '07 - December '07)	24	Annual (January '08 - December '08)	75	Annual (January '09 - December '09)	59	Annual (January '10 - December '10)	89	Annual (January '11 - December '11)	0	Annual (January '12 - December '12)	0	Annual (January '13 - December '13)	4	Annual (January '14 - December '14)	8	Annual (January '15 - December '15)	9	Annual (January '16 - December '16)	26	Annual (January '17 - December '17)	Not Available
<b>Hotel/Accommodation Units Constructed</b>	Community Development Department	Number of additional hotel units constructed within Vail	Annual (January '06 - December '06)	11	Annual (January '07 - December '07)	77	Annual (January '08 - December '08)	90	Annual (January '09 - December '09)	2	Annual (January '10 - December '10)	3	Annual (January '11 - December '11)	0	Annual (January '12 - December '12)	0	Annual (January '13 - December '13)	0	Annual (January '14 - December '14)	0	Annual (January '15 - December '15)	0	Annual (January '16 - December '16)	0	Annual (January '17 - December '17)	Not Available
<b>Fractional Fee Units Constructed</b>	Community Development Department	Number of additional fractional fee units constructed within Vail	Annual (January '06 - December '06)	0	Annual (January '07 - December '07)	0	Annual (January '08 - December '08)	0	Annual (January '09 - December '09)	0	Annual (January '10 - December '10)	64	Annual (January '11 - December '11)	0	Annual (January '12 - December '12)	0	Annual (January '13 - December '13)	0	Annual (January '14 - December '14)	0	Annual (January '15 - December '15)	0	Annual (January '16 - December '16)	0	Annual (January '17 - December '17)	Not Available
<b>Net New Commercial Square Footage</b>	Community Development Department	Net New Commercial Square Footage Constructed within Vail	Annual (January '06 - December '06)	9,250sf	Annual (January '07 - December '07)	36,207sf	Annual (January '08 - December '08)	24,568sf	Annual (January '09 - December '09)	1,552sf	Annual (January '10 - December '10)	29,006sf	Annual (January '11 - December '11)	0	Annual (January '12 - December '12)	0	Annual (January '13 - December '13)	0	Annual (January '14 - December '14)	6,066	Annual (January '15 - December '15)	1314	Annual (January '16 - December '16)	0	Annual (January '17 - December '17)	Not Available



Vail Economic Indicators: Business Growth (2004-2017)																										
Indicator	Source	Description	Report Date ('05-'06)	Data ('05-'06)	Report Date ('06-'07)	Data ('06-'07)	Report Date ('07-'08)	Data ('07-'08)	Report Date ('08-'09)	Data ('08-'09)	Report Date ('09-'10)	Data ('09-'10)	Report Date ('10-'11)	Data ('10-'11)	Report Date ('11-'12)	Data ('11-'12)	Report Date ('12-'13)	Data ('12-'13)	Report Date ('13-'14)	Data ('13-'14)	Report Date ('14-'15)	Data ('14-'15)	Report Date ('15-'16)	Data ('15-'16)	Report Date ('16-'17)	Data ('16-'17)
<b>Banking Deposits in Eagle County</b>	FDIC	Total amount of banking deposits (USD)	Annual (July '05 - June '06)	\$1,373,139,000	Annual (July '06 - June '07)	\$1,491,847,000	Annual (July '07 - June '08)	\$1,459,685,000	Annual (July '08 - June '09)	\$1,449,899,000	Annual (July '09 - June '10)	\$1,409,032,000	Annual (July '10 - June '11)	\$1,370,288,000	Annual (July '11 - June '12)	\$1,385,085,000	Annual (July '12 - June '13)	\$1,422,107,000	Annual (July '13 - June '14)	\$1,556,419,000	Annual (July '14 - June '15)	\$1,700,886,000	Annual (July '15 - June '16)	\$1,896,655,000	Annual (July '16 - June '17)	Not Available
<b>Unemployment Rate</b>	Colorado Department of Labor - Local Area Unemployment Statistics	Unemployment rate in Eagle County	Annual (January '06 - December '06)	3.4%	Annual (January '07 - December '07)	2.9%	Annual (January '08 - December '08)	3.6%	Annual (January '09 - December '09)	7.4%	Annual (January '10 - December '10)	9.5%	Annual (January '11 - December '11)	8.5%	Annual (January '12 - December '12)	7.80%	Annual (January '13 - December '13)	6.80%	Annual (January '14 - December '14)	4.20%	Annual (January '15 - December '15)	3.10%	Annual (January '16 - December '16)	2.80%	Annual (January '17 - December '17)	Not Available
<b>Employment</b>	Colorado Department of Labor - Local Area Unemployment Statistics	Estimated number of people employed in Eagle County	Annual (January '06 - December '06)	29,127	Annual (January '07 - December '07)	30,300	Annual (January '08 - December '08)	30,477	Annual (January '09 - December '09)	27,961	Annual (January '10 - December '10)	26,582	Annual (January '11 - December '11)	26,884	Annual (January '12 - December '12)	27,388	Annual (January '13 - December '13)	28,445	Annual (January '14 - December '14)	31,357	Annual (January '15 - December '15)	31,883	Annual (January '16 - December '16)	32,716	Annual (January '17 - December '17)	Not available
<b>Population Estimates</b>	Colorado State Government, Department of Local Affairs	Number of estimated full-time residents in Vail	Annual (as of July '06)	4,812	Annual (as of July '07)	4,871	Annual (June '07 - July '08)	4,960	Annual (June '08 - July '09)	5,027	Annual (June '09 - July '10)	5,278	Annual (June '10 - July '11)	5,242	Annual (June '11 - July '12)	5,252	Annual (July '12 - June '13)	5,289	Annual (July '13 - June '14)	5,320	Annual (July '14 - June '15)	5,450	Annual (July '15 - June '16)	Not available	Annual (July '16 - June '17)	Not available
Vail Economic Indicators: Macroeconomic (2004-2017)																										
Indicator	Source	Description	Report Date ('05-'06)	Data ('05-'06)	Report Date ('06-'07)	Data ('06-'07)	Report Date ('07-'08)	Data ('07-'08)	Report Date ('08-'09)	Data ('08-'09)	Report Date ('09-'10)	Data ('09-'10)	Report Date ('10-'11)	Data ('10-'11)	Report Date ('11-'12)	Data ('11-'12)	Report Date ('12-'13)	Data ('12-'13)	Report Date ('13-'14)	Data ('13-'14)	Report Date ('14-'15)	Data ('14-'15)	Report Date ('15-'16)	Data ('15-'16)	Report Date ('16-'17)	Data ('16-'17)
<b>Consumer Confidence Index</b>	US Conference Board	Consumer Confidence Index	Winter (November '05 - April '06)	104.6	Winter (November '06 - April '07)	107.8	Winter (November '07 - April '08)	77.8	Winter (November '08 - April '09)	35.3	Winter (November '09 - April '10)	52.9	Winter (November '10 - April '11)	62.3	Winter (November '11 - April '12)	65.2	Winter (November '12 - April '13)	65.8	Winter (November '13 - April '14)	78.8	Winter (November '14 - April '15)	97.1	Winter (November '15 - April '16)	95.2	Winter (November '16 - April '17)	115.8
			Summer (May '06 - October '06)	104.7	Summer (May '07 - October '07)	104.4	Summer (May '08 - October '08)	52.6	Summer (May '09 - October '09)	51.2	Summer (May '10 - October '10)	53.3	Summer (May '11 - October '11)	51.8	Summer (May '12 - October '12)	65.9	Summer (May '13 - October '13)	78.6	Summer (May '14 - October '14)	82.9	Summer (May '15 - October '15)	98.1	Summer (May '16 - October '16)	98.4	Summer (May '17 - October '17)	Not Available
<b>US Dollar vs. Euro</b>	US Federal Reserves	US Dollar vs. Euro	Winter (November '05 - April '06)	\$1.20	Winter (November '06 - April '07)	\$1.32	Winter (November '07 - April '08)	\$1.50	Winter (November '08 - April '09)	\$1.31	Winter (November '09 - April '10)	\$1.41	Winter (November '10 - April '11)	\$1.37	Winter (November '11 - April '12)	\$1.32	Winter (November '12 - April '13)	\$1.31	Winter (November '13 - April '14)	\$1.37	Winter (November '14 - April '15)	\$0.87	Winter (November '15 - April '16)	\$0.91	Winter (November '16 - April '17)	\$0.94
			Summer (May '06 - October '06)	\$1.27	Summer (May '07 - October '07)	\$1.37	Summer (May '08 - October '08)	\$1.49	Summer (May '09 - October '09)	\$1.42	Summer (May '10 - October '10)	\$1.29	Summer (May '11 - October '11)	\$1.41	Summer (May '12 - October '12)	\$1.26	Summer (May '13 - October '13)	\$1.33	Summer (May '14 - October '14)	\$1.31	Summer (May '15 - October '15)	\$0.90	Summer (May '16 - October '16)	\$0.89	Summer (May '17 - October '17)	Not Available