



FRUITA COLORADO

CITY COUNCIL AND PLANNING COMMISSION JOINT WORKSHOP MEETING

Fruita Civic Center
Tuesday, July 11, 2023 at 6:30 PM

AGENDA

The link to join the join the meeting electronically will be posted prior to the meeting at <https://www.fruita.org/citycouncil/page/council-meeting-information>. You may also contact the City of Fruita at (970) 858-3663 for information to connect to the meeting. This agenda is for informational purposes only and items may be added or deleted at the discretion of the City Council. An executive session may be requested for any item appearing on the agenda.

1. **CALL TO ORDER AND ROLL CALL**

2. **AGENDA ITEMS**

A. JOINT CITY COUNCIL & PLANNING COMMISSION WORKSHOP – UPDATES AND DISCUSSION

3. **ADJOURN**

In accordance with the Americans with Disabilities Act, persons who need accommodation in order to attend or participate in this meeting should contact the City Clerk's Office at 970-858-3663 within 48 hours prior to the meeting in order to request such assistance.



FRUITA

COLORADO

AGENDA ITEM COVER SHEET

TO: Fruita City Council, Mayor, and Planning Commission

FROM: Planning & Development Department

DATE: July 11, 2023

AGENDA TEXT: JOINT CITY COUNCIL & PLANNING COMMISSION WORKSHOP –
UPDATES AND DISCUSSION

BACKGROUND

The purpose of this joint workshop is for the Planning Commission and City Council to discuss the following items listed below.

- Update and check-in with the Planning Commission.
- Short-Term Rental Discussion and Update.
- Growth on Edges Discussion.
- Affordable Housing (Prop 123) & (Strong Communities Infrastructure Grant Program)

Attachments:

Chapter 3 – Land Use & Growth, Fruita In Motion Comprehensive Plan

Short Term Rental current conditions

DOLA Stronger Communities Infrastructure Grand Program Guidelines

DOLA Prop 123 Baseline & Commitment spreadsheet to determine eligibility

Short Term Rental Update – July 7 , 2023 Current Conditions

Citywide total (Includes Triangle)

- 103 permitted Short-Term Rentals (STRs)
- Of the 103 total, 13 are either Owner Occupied or in an Accessory Dwelling Unit (ADU)

Triangle Total

- Currently 65 permitted STRs
- 1 permit application in the que
- The “Triangle” area is within Pine Street, Ottley and Highway 6&50 and currently has a cap of 65 STRs

**A PowerPoint presentation will be provided during the discussion to dive deeper into the details.*

Chapter 3

Land Use + Growth



Introduction

This chapter includes a vision as well as goals and policies that will guide Fruita’s growth, development, land use, and community character in the future. The ideas contained within this chapter were developed from: conversations reflecting on lessons learned in the last ten to twenty years, an analysis of existing land uses and market conditions, and public meetings discussing the desired character for Fruita and how it should grow and change in the future. This chapter includes the Future Land Use Map (FLUM), informed by core concepts that are meant to guide Fruita’s future growth.

Context and Update

Every land use plan is a product of what has happened in the past—where new development has occurred and how much has occurred, what type and character of buildings have been built, how they are used, and where they are located. This section is meant to set the stage for Fruita’s future by reflecting on the lessons learned from the past.

- Very little housing growth has occurred, but trends show that development is picking up again. From 2010 to 2018, on average, Fruita permitted 62 new residential buildings per year. In 2018, the City permitted 95 residential buildings, a 98% increase over the previous year.
- Much of the residential growth that has occurred has been single-family residential. From 2010 to 2018, there was an increase of 464 single-family residential units. Comparatively, there are 27 fewer attached (2-4 units) housing units, 53 additional multifamily (5+ units) housing units, and 49 fewer mobile homes. Single-family housing units make up 81% of total housing in Fruita.
- Very little growth has occurred in the downtown. Most of the structures in this area were built prior to 1970. There have been some recent renovations within downtown and a few new structures in the last few years. Many single-family home subdivisions were built at the city’s edge during the 1990s and early 2000s.
- The Grand Valley is growing, with Fruita only taking up a small share of that growth. From 2010 through 2018, most of Mesa County’s population growth—nearly 90%—has occurred in Grand Junction and unincorporated areas of the county. Fruita’s population growth represents about 9% of the county’s growth.
- Rigid design standards implemented after the previous comprehensive plan, while intended to preserve downtown character, have restricted development and redevelopment in the Downtown Mixed Use (DMU) zone.
- The Commercially zoned area on the south side of I-70, known as “Kokopelli,” has filled out over time and most parcels are occupied with businesses.

- There is a vibrant downtown with more businesses than were there ten years ago. The streetscape along Aspen Avenue was upgraded by the City and now includes bulb-outs, wider sidewalks, and functional public art such as bike racks, trash cans, and benches.
- A new zoning district, CMU, was created out of the last plan. There are very few developments that have gone forward in this zoning category. It hasn't had the desired effect of creating small neighborhood commercial centers. It is confusing for developers to navigate the development process in this zone.
- There has been good balance of residential development and commercial development over the last ten years. With Grand Junction as a nearby commercial center, the development pressure in Fruita is primarily for housing, not for retail or office space.
- Affordable housing is becoming an issue as housing prices rise. Median housing prices in the Fruita zip code (81521) have gone from \$247,865 in 2016 to \$327,902 in 2019. There are very few options for those looking to rent, live in smaller houses, or live in multifamily dwellings.
- Tourism in both Fruita and the Grand Valley region has increased—drawing visitors, second homeowners, and short-term rental investors. These trends are starting to affect the character of the community and the real estate values.
- The State Highway 6&50 corridor continues to be an unattractive gateway into Fruita.
- Fruita adopted the 2015 Mesa County Hazard Mitigation Plan as the multi-hazard mitigation plan for the city. The plan identifies floods and wildfires as high-level hazards for Fruita.

Community Process

Community engagement surrounding this topic was robust. The FLUM, and the goals and policies in this chapter, were discussed at length, vetted by various groups, and tackled from different angles.

- Three Advisory Committee meetings focused on land use (June 13, June 20, and September 12, 2019). The first one was to discuss ideas and considerations for Fruita's growth. The second meeting was to provide feedback on the draft chapter and FLUM. The main themes were to: keep a rural edge so that Fruita is separate from Grand Junction; protect and enhance downtown as the heart of the community; avoid sprawl, especially eastward towards Grand Junction; and add housing diversity.
- An Open House was held on May 23, 2019 where participants were asked where Fruita should and shouldn't grow, where the city should be improved, and where they felt you "arrived" in Fruita. Participants were concerned about growth at the northern and eastern edges of the city and wanted to promote growth downtown, in the commercial area south of I-70, and in the industrial wedge between I-70 and State Highway 6&50 heading westward. The area most in need of improvement were the State Highway 6&50 corridor.
- A Draft Plan Party Open House was held on October 3, 2019. This event shared the draft Future Land Use Map, and goals, actions, and policies for land use, growth, and community character. A draft Downtown Subarea map was revealed with activities for participants to choose what housing types were appropriate for each subarea and whether they agreed with the future direction of each subarea.
- A Community Character Workshop was held on August 22, 2019. Members of the Fruita in Motion Advisory Committee, Planning Commission, City Council, and the Downtown Advisory Board were invited to participate. The purpose of the workshop was to understand the constraints of the existing Land Use Code and design standards, envision a future character for the downtown, and define where the boundaries of downtown should be.



Land Use Analysis

The observed building density of built-out neighborhoods was compared to what is permissible by existing zoning standards in the Land Use Code at the time this plan was written, 2019 DMU densities are well below the zoning maximums with 3.8 buildings/acre observed, compared to the 12 dwelling units/acre permitted. Residential densities in the community residential (CR) zone district are relatively in line with the established maximum, at 3.62 dwelling units/acre compared to the 4-6 dwelling units/acre allowed. Beyond the Community Residential (CR), the other zoning districts tend to be very low density, well below the maximum allowed by existing zoning.

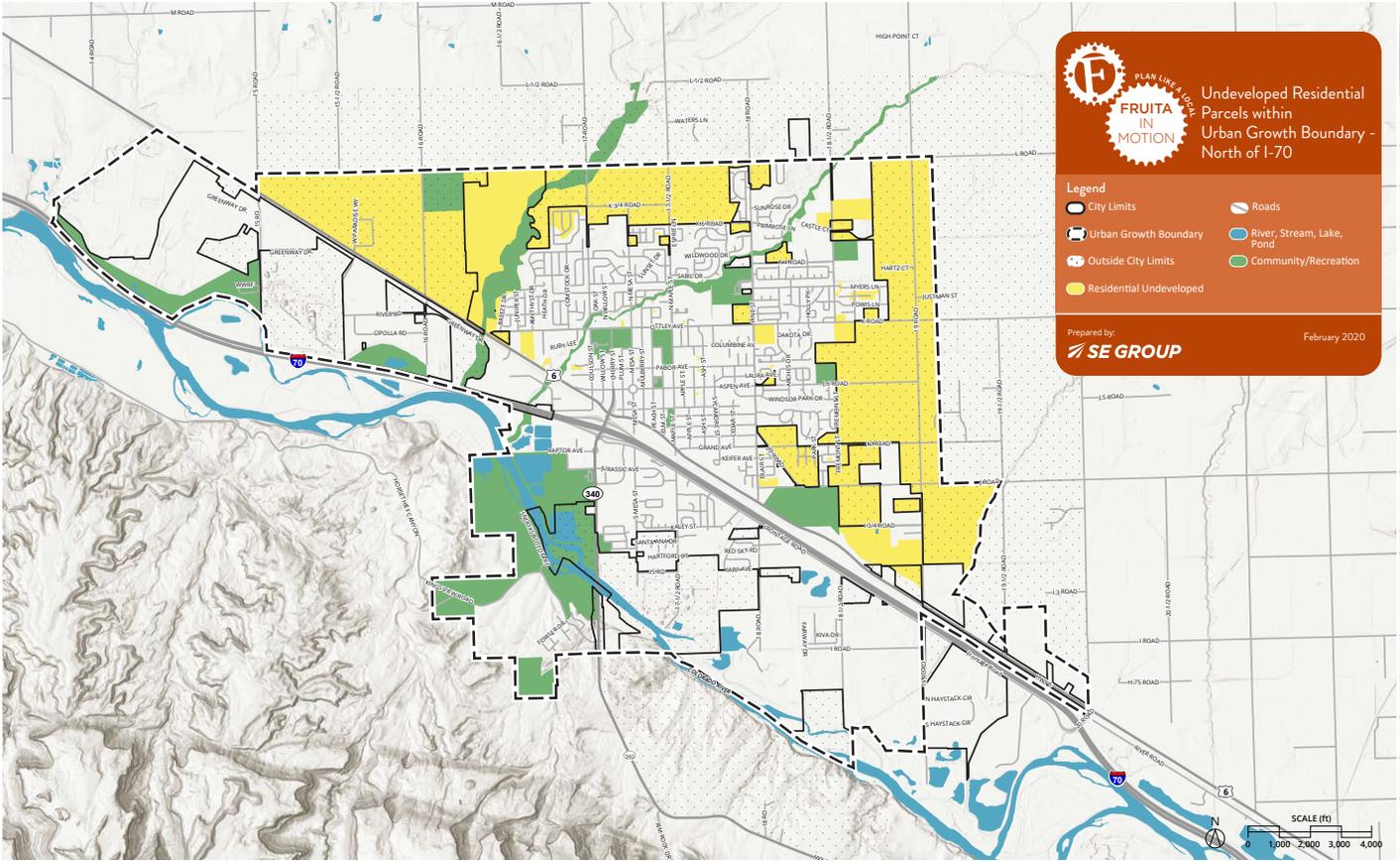
TABLE 1. OBSERVED RESIDENTIAL DENSITIES UNDER 2019 LAND USE CODE

Zone District	Zone District Name	Maximum Residential Density Allowed by Zoning	Observed Densities
AR	Agricultural Residential	0.1 du/acre	Not enough data
RE	Rural Estate	0.3-0.5 du/acre	0.3 bldg/acre
RR	Rural Residential	1-2 du/acre	0.13 bldg/acre
CR	Community Residential	~4-6 du/acre based on minimum lot size	3.62 bldgs/acre
LLR	Large Lot Residential	3 du/acre	1.39 bldgs/acre
SFR	South Fruita Residential	2-3 du/acre	0.28 bldg/acre
DMU - Core	Downtown Mixed Use - Core	12 du/acre	3.8 bldgs/acre
DMU - Outside Core	Downtown Mixed Use - Outside Core	12 du/acre	3.8 bldgs/acre
CMU - Comm	Community Mixed Use Commercial Development (including Mixed Use Buildings)	2-5 du/acre	1 bldg total observed
CMU - Res	Community Mixed Use Residential Development	2-5 du/acre	Not enough data
GC - NR	General Commercial - Non-Residential	n/a	n/a
GC - MF	General Commercial - Multifamily Residential	depends	Not enough data
I	Industrial	n/a	n/a
MP	Monument Preservation	1 du/2 acres	Not enough data
CSR	Community Services Recreational	n/a	n/a
PUD	Planned Unit Development	depends	0.71 bldg/acre

Note: Observed densities are based on residential buildings, while the residential densities are based on dwelling units. Given that most residential buildings in Fruita are single-family homes, it is expected that real densities, in terms of dwelling units, would be slightly higher.

The planning team calculated the capacity for new housing in different growth areas: the city limits, the previous plan's Urban Growth Area (UGA), and this plan's UGB. Within the city limits (at the time this plan is adopted), there are 578 vacant acres, offering 2,890 potential dwelling units if developed at 5 dwelling units/acre. This city limits analysis used parcels of land deemed vacant by city data. The 2008 plan's UGA included 2755 additional acres of non-commercial or industrial lands between the city limits and the boundary. This plan's UGB is slightly smaller, with 1,984 acres of non-commercial or industrial land between the city limits and the boundary. If these acres were to be developed at 5 dwelling units/acre this would yield an additional 9,920 dwelling units. Combined with those parcels within the city limits, Fruita has room to grow by 12,810 units—more than what is anticipated by growth projections. The previous plan anticipated a major growth trajectory which did not pan out. The current growth trajectory is much more modest. Therefore, a smaller growth boundary was deemed appropriate. **Map 1** shows the undeveloped residential land within the new UGB.

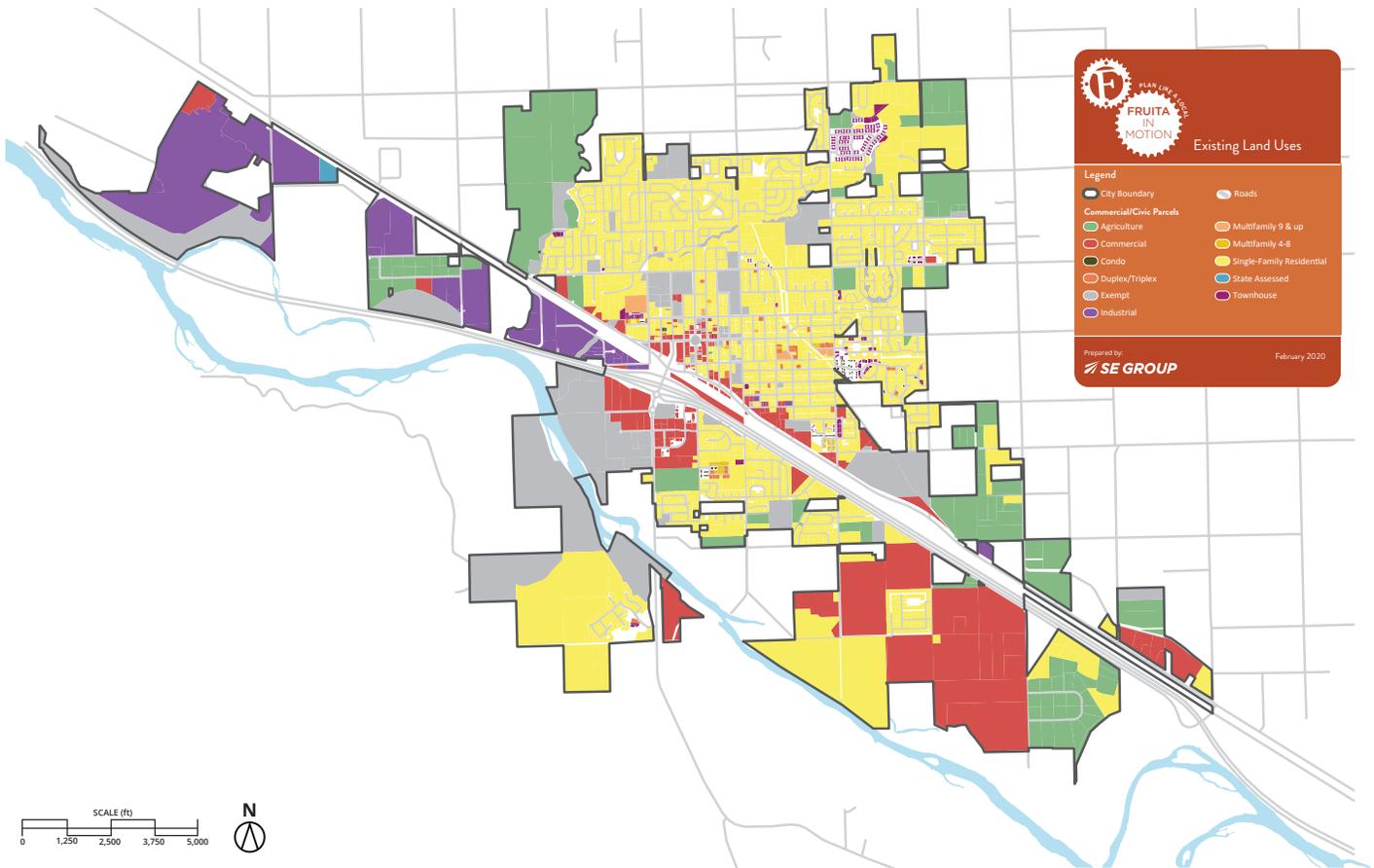
MAP 1. UNDEVELOPED AND DEVELOPED RESIDENTIAL PARCELS





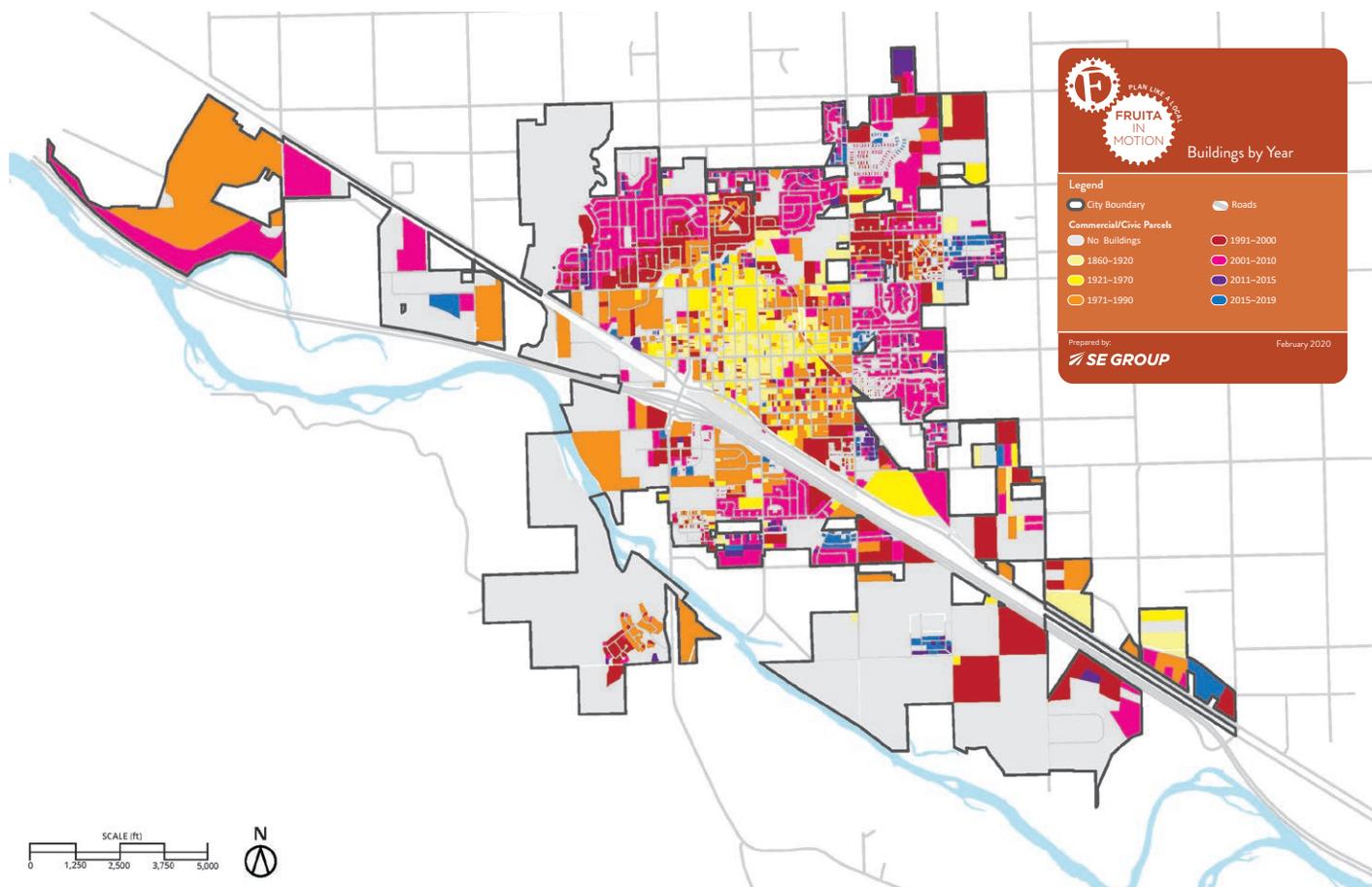
Map 2 shows existing land uses within the city limits. Commercial uses are concentrated in downtown, the Kokopelli Business Park, and along the State Highway 6&50 corridor. The golf course is also classified as commercial. Residential development extends outward from the commercial areas, largely to the northwest and east of downtown. Condos, duplexes, triplexes, and multifamily are scattered throughout the residential areas but are few and far between. Agricultural lands exist on the outskirts of residential development, and industrial lands are located on the western edge of the city. Exempt properties, largely parkland other public institutions, are well dispersed through the city. In downtown, the land area is 51% commercial and 49% residential.

MAP 2. EXISTING LAND USES



Map 3 shows the city's built-out parcels by year of construction. Early development largely occurred in the downtown area, with development emanating outward from there over time. There was substantial residential growth to the northwest, north, east, and south between 2001-2010. Minimal development has occurred since 2010, with small developments constructed on the edges of the city.

MAP 3. BUILDINGS BY YEAR OF CONSTRUCTION

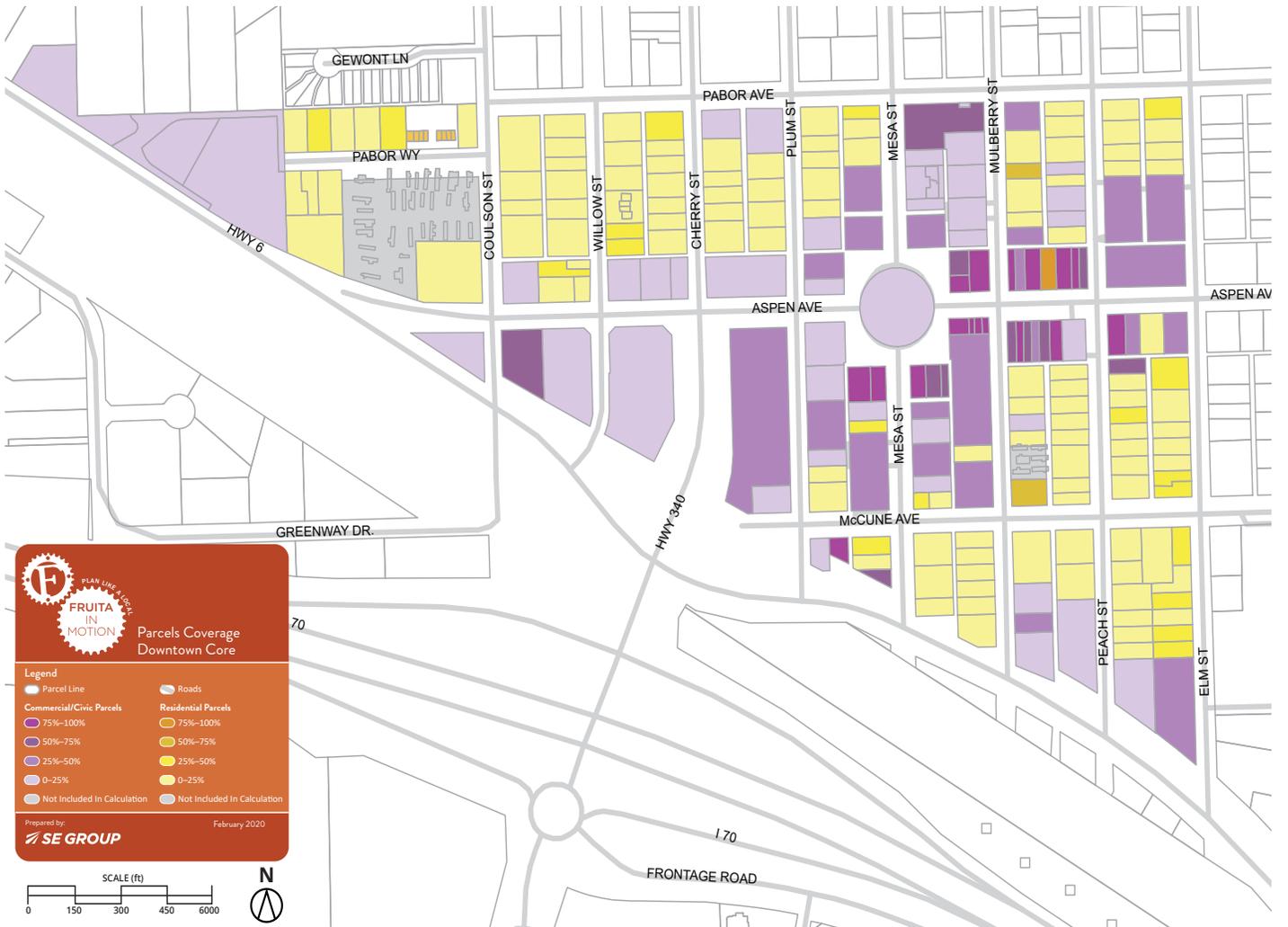




The planning team conducted an audit of the downtown design standards to understand how existing development aligned with those standards and the opportunities and constraints of the standards going forward.

Map 4 shows lot coverage in the downtown area. High lot coverages are allowed in the existing Land Use Code (90% in DMU core, 80% in GC, and 60% in DMU outside the core). However, lot coverages are typically well below those maximums except along Aspen Avenue east of Circle Park. Of residential parcels, 97% have under 60% lot coverage, with the vast majority under 25%. Commercial developments also tend to have a low lot coverage percentage, with almost 50% below 25% coverage.

MAP 4. PARCELS COVERAGE: DOWNTOWN AREA



Map 5 shows lot sizes in the downtown area. Most residential lots in the downtown are between 3,000 and 7,000 square feet. Duplexes and multifamily units are not allowed on those lots, with duplexes requiring 7,500 square feet and multifamily requiring 10,000+ square feet. Only 26% of lots are above 10,000 square feet. The typical residential lot is 7000 square feet (0.16 acre), allowing for one to two units per lot. The commercial lots in the DMU core are either modest size (3,000-7,000 square feet, 38% of lots) or larger (above 10,000 square feet, 44% of lots). For the whole downtown core area, the average lot size is 14,810 square feet (0.34 acre). On parcels with this larger lot size four units or more could typically be included per lot for a multifamily development.

MAP 5. LOT SIZES IN THE DOWNTOWN CORE



The following massings show allowed building types in Fruita based on the design standards and identify potential issues.



In the DMU core, five stories are allowed, with a third-story setback required, creating a “wedding cake effect” that limits creativity. A setback is not required and along a narrow sidewalk, which can lead away from “pedestrian-friendly” design. With a maximum density of 12 dwelling units/acre, it would be difficult to build to five stories and utilize the lot.



The model shows a DMU core structure in a transition area, where a five-story building feels out of place next to smaller buildings.



Conclusions

- The current build-out of residential dwellings is well below the densities allowed for and intended by each zoning category. This contributes to an inefficient development pattern. City service provision (sewer, roads, etc.) is more fiscally prudent at higher density levels. Especially in the DMU area, more dwelling units/acre would create more housing that is within walking distance of shops, restaurants, parks, and civic spaces.
- The vacant parcel analysis shows that there is more than enough land within both the existing city limits and the UGB for Fruita to “grow from within” rather than continue to expand beyond its borders.
- The existing land use analysis shows the core commercial areas in the center of the city surrounded by primarily single-family residential neighborhoods and agricultural uses on the outskirts. The main ideas in this plan are not intended to change this pattern, but to enhance and modify the land uses that currently exist.
- The map showing the age of all buildings within the city shows that very little development has occurred in the downtown since the 1970s. To ensure that Fruita continues to be vibrant, encouraging and allowing new development and redevelopment in the downtown is essential.
- The analysis of lot coverage shows that buildings within the DMU could expand their lot coverage under the existing code. This means there is potential for additional residential units or commercial space through redevelopment or upgrades to existing buildings.
- The lot size requirements for various types of development make it hard to build housing types other than single-family homes unless it is on a very large lot. This plan encourages a diversity of housing options. Changes to the Land Use Code to allow different housing types on various lot sizes will help remedy this issue. Set-back requirements and other dimensional standards should be re-examined.
- Even though buildings up to five stories are allowed by code, there are no buildings in the DMU over 30-35 feet tall. Other constraints in the code such as dwelling unit densities and mixed-use requirements (residential over commercial) may be responsible for this. Perhaps other criteria (form, design, etc.) should be substituted for height restrictions in the 2020 Land Use Code update.
- The planning team analyzed conceptual buildings that meet the existing Level 2 design standards. The allowed buildings do not necessarily fit with the desired character for downtown Fruita. A re-examination of building types for the downtown both in this plan and the 2020 Land Use Code update will help resolve this issue.



VISION

Fruita is a distinct city within the Grand Valley. It is an efficiently laid-out community with small-town character situated among agricultural lands and a breathtaking desert landscape. It has a thriving downtown vibrant with businesses, residents, and civic gathering spaces. Surrounding the downtown are well-connected neighborhoods that provide a variety of housing sizes, types, and styles.



Future Land Use Map

The Future Land Use Map (FLUM) (**Map 8**) provides the basis for guiding the type, intensity, and location of different land uses within the current and future city limits. It is a spatial representation of the concepts and ideas discussed throughout the planning process. The goal of this map is to turn the Community Values (from Chapter 1) and the Land Use & Growth Vision (previous page) into changes on the ground. It will lay the groundwork for future neighborhoods, a thriving downtown, a rural city edge, and a revitalized State Highway 6&50 corridor. Recommendations for potential rezonings or changes to the Land Use Code within existing zoning categories may follow from the implementation of this Future Land Use Map.

Map 7 (opposite page) is the Three Mile Plan, which shows the Three Mile Planning area surrounding the city. Per the Colorado Revised Statutes 31-12-105(e), municipalities are required to conduct long-range planning around annexation within 3 miles of their boundary. The FLUM guides growth adjacent to the city within the UGB, to inform the city's Three Mile Plan.

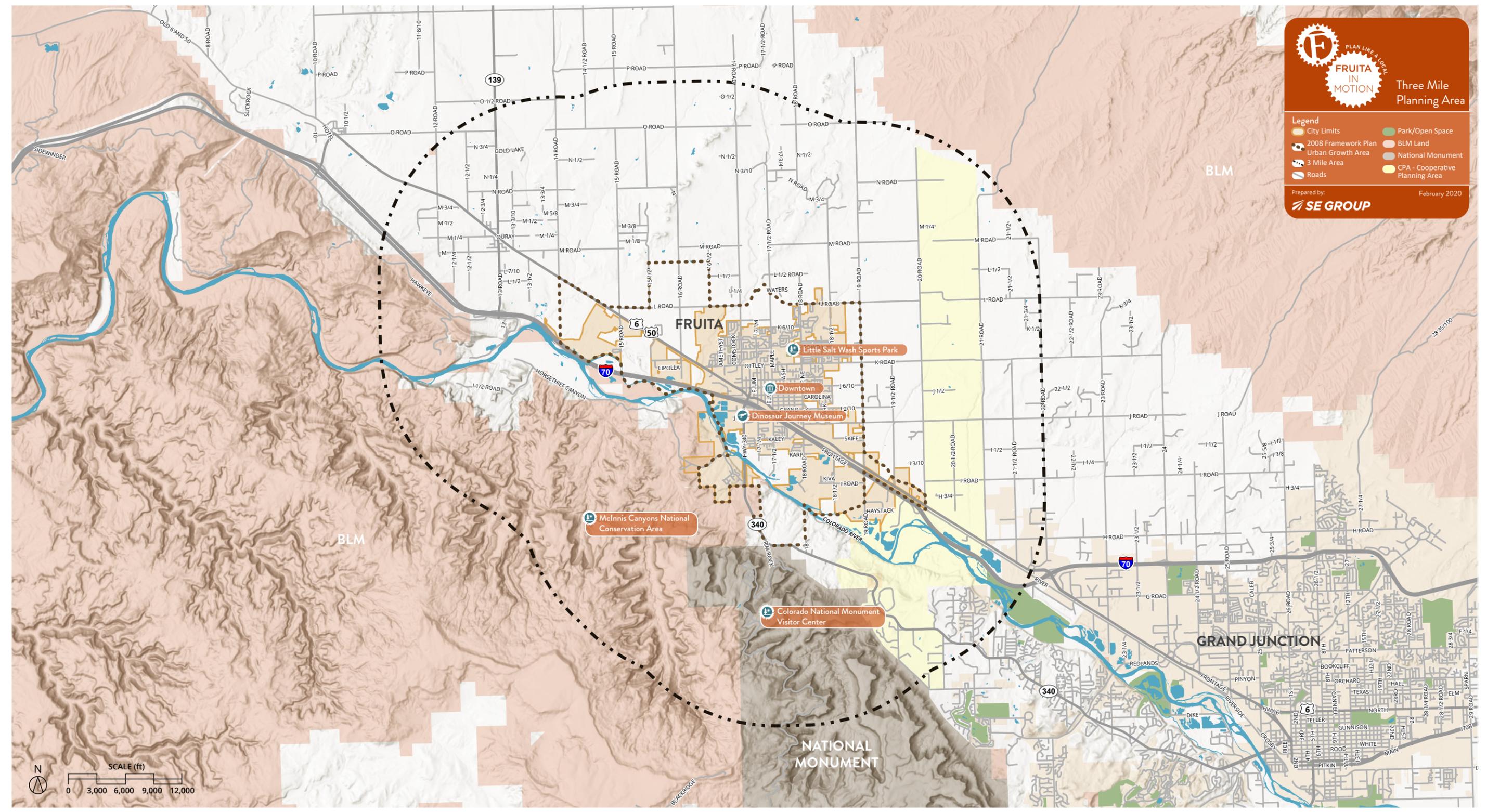
Core Concepts of the Future Land Use Map and Land Use Policy

- **Edges.** An urban-rural edge defines Fruita as a freestanding community separate from Grand Junction. Edges discourage sprawling growth, encourage the preservation of rural areas, and allow for a more efficient use of infrastructure and urban services. Undeveloped parcels within the edge are encouraged to develop at higher densities than beyond the edge where rural densities are desired. An UGB depicts where moderate density development ends and rural density development starts.
- **Corridors.** Roads, sidewalks and off-street trails contribute to the sense of small-town character and a high quality of life by ensuring safe travel throughout Fruita. Recognizing that land use and transportation policies have a strong connection to each other, the Future Transportation Map (see Chapter 6) identifies transportation corridors that have different

priorities: Downtown Enhanced, Multi-modal, Safe Route to School, Enhanced Arterials, and Future Collectors. Each corridor type is chosen due its surrounding land uses, destinations along the corridor, and its existing Right-of-Way (ROW) width. This plan also identifies high priority future roadways that will need to be completed as Fruita grows and neighborhoods continue to develop at the city's edge.

- **Downtown Flexibility.** Very few buildings have been built or parcels redeveloped downtown since 1970. The existing design standards are onerous to development. Creating more flexibility in what types of building forms are allowed may spur both development and redevelopment, encouraging new businesses and homes downtown while maintaining community character.
- **Infill.** The Future Land Use Map prioritizes infill over sprawling residential development at the edge of the city limits. The policies in this plan aim to spur residential development within the existing city limits and UGB. It aims to transform the State Highway 6&50 corridor by allowing and encouraging multifamily housing on parcels and blocks adjacent to this corridor.
- **Strengthen Existing Commercial Areas.** During the public process, many expressed a strong desire to not let commercial sprawl occur between Fruita and Grand Junction, and rather to focus on the existing commercial areas in the center of the city. The market analysis shows that there isn't a huge need for additional commercial space within Fruita. Therefore, the policies in this plan aim to support the existing commercial areas and the businesses within those areas.

MAP 7. THREE MILE PLAN



PLAN LIKE A LOCAL
FRUITA IN MOTION
 Three Mile Planning Area

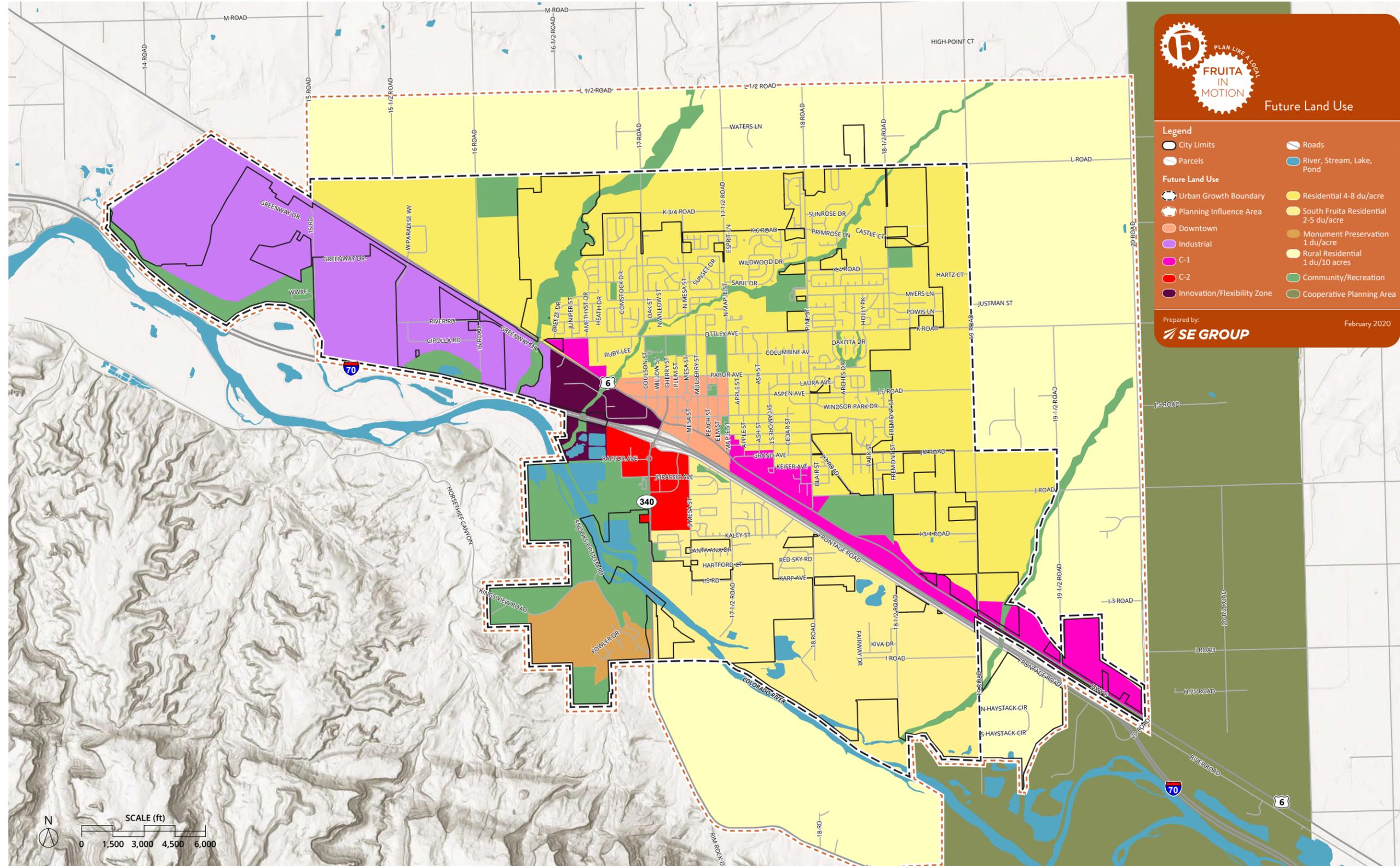
Legend

- City Limits
- 2008 Framework Plan Urban Growth Area
- 3 Mile Area
- Roads
- Park/Open Space
- BLM Land
- National Monument
- CPA - Cooperative Planning Area

Prepared by: **SE GROUP** February 2020

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MAP 8. FUTURE LAND USE MAP (FLUM)



Note:
 The urban growth boundary may be amended for parcels that petition to develop on the eastern side of 19 Road on a case by case basis.

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Land Use Category Descriptions for the Future Land Use Map

DOWNTOWN

The Downtown land use category contains a mix of building types and uses. The intent is for the area to be a vibrant, pedestrian-oriented commercial and residential area and act as the civic heart of the community. Mixed-use development, such as commercial on the ground floor and residential above the ground floor, is encouraged within this area. Or alternatively, a block could contain commercial uses next to residential uses. Rather than have a maximum density allowed for this area, design criteria, use, and urban form should be considered instead. Allowing a mix of housing sizes, types, and styles encourages keeping Fruita's "funky" character, while giving flexibility to builders. Inviting streetscapes and multimodal corridors are a priority in this area to encourage walking and biking to and from downtown destinations.

RURAL RESIDENTIAL

The Rural Residential land use category is intended to retain rural character outside of the Fruita city limit. This designation also functions as a transitional area between increased development and open and resource lands. Continued use of these areas for agriculture is encouraged. The recommended gross density (1 unit/5-10 acres) can be flexibly applied to result in a variety of lot sizes, with the ultimate goal of retaining some larger parcels for resource preservation or agricultural uses. City sewer will not be provided to these lots. At the recommended density, should these areas be developed in the far future, it will be easier to redevelop than a more sprawling pattern of 1-2 units/acre. Clustering-type developments are not encouraged in this land use category.

SOUTH FRUITA RESIDENTIAL 2-5

The South Fruita Residential 2-5 land use category is intended for residential neighborhoods south of I-70. Much of this land is already built out at 1-4 units/acre. Being next to the river, some of this area is in the 100-year floodplain and not suitable for higher density development. Additionally, the access to the area from the rest of Fruita is constrained to Highway 340 and a frontage road that crosses under I-70 at 20 Road.





RESIDENTIAL 4-8

The Residential 4-8 land use category is intended for undeveloped areas where public infrastructure and services are available and proximal. This land use is also recommended for developed or semi-developed areas that are built out at a minimum of 2 units/acre. In areas that are currently built out at below the minimum density of this zone, it is expected that the minimum density (4 units/acre) is achieved when redevelopment occurs. This plan recognizes that many already-developed areas will remain in their current form for decades to come. However, there are still redevelopment opportunities throughout the city. In areas designated as Residential 4-8, there should be a clear and easily recognized pattern with a regular order to the lots and a recognizable geometry to the spaces between buildings. Innovative neighborhood designs in this land use category are encouraged. Neighborhoods in this area can be developed up to 8 units/acre in order to incentivize developers to provide amenities such as parks and trail connections and different types of housing. Rather than a complex bonus density program to get up to the maximum allowed density, the new Land Use Code should outline the requirements so that up to 8 units/acre can be done as a use-by-right.

TYPICAL FRUITA BLOCK

- DENSITY - APPROX. 5 DU/AC
- LOT SIZES - 7,500 - 10,000 SF
- PRODUCT - SINGLE-FAMILY DETACHED HOMES
- GARAGE - SOME ATTACHED; SOME DETACHED

This view is modeled after a typical block in Fruita. Fruita's traditional neighborhoods have very modest homes, typically around 1,000 square feet. Some blocks have alleys and some do not. This example shows an alley. Even when an alley is present, the majority of homes have driveways. Some garages are attached and some are detached, behind the home.



A typical block in Fruita (source: Google Earth)

TYPICAL FRUITA BLOCK WITH INFILL

DENSITY - APPROX. 6-8 DU/AC (6.3 DU/AC SHOWN)

LOT SIZES - 7,500 - 10,000 SF

PRODUCT - FAMILY DETACHED HOMES +

ACCESSORY DWELLING UNIT + TANDEM OR COTTAGE HOME

GARAGE - SOME ATTACHED; SOME DETACHED

This view is showing how a modest increase in density could occur to existing blocks to provide more affordable housing options. Essentially, a second unit could be added to an existing lot, typically in the form of an accessory dwelling unit (a.k.a. "granny flat" or "carriage house"), a cottage or tandem house. These types of housing were the most popular choices in the Comprehensive Plan housing choices activity.





NEW 10 ACRE DEVELOPMENT

DENSITY - 4-8 DU/AC (8 DU/AC SHOWN)

LOT SIZES - 3,000 - 5,000 SF

PRODUCT - SINGLE-FAMILY DETACHED HOMES +
COTTAGES

GARAGE - SOME ATTACHED; SOME DETACHED

This example illustrates what a new, 10-acre housing development might look like at 8 dwelling units per acre (the maximum proposed.) This still allows for single-family detached housing, but on smaller lots. This allows for more affordable units because the cost of land is less. It also provides opportunity for a variety of housing types, such as duplexes, cottages, and accessory dwelling units (ADUs).



MONUMENT PRESERVATION

The Monument Preservation category is intended to be a low-density area that is compatible with the surrounding lands of the Colorado National Monument and Bureau of Land Management (BLM) parcels. The intent is to preserve open space and for recreational uses to be integrated with low-density residential development.

INDUSTRIAL

The purpose of this land use category is to encourage non-polluting industrial, manufacturing, warehousing, and research and development activities designed to meet acceptable state and locally established standards for noise, dust, effluent (e.g., sewage pre-treatment), odor, and other impacts typically associated with industrial uses.

C-1 (COMMERCIAL)

This land use category is intended for land uses that are compatible with the future vision for the State Highway 6&50 Corridor as discussed in this plan. As a heavily traveled corridor for residents, local-serving businesses such as restaurants, retail sales and services are encouraged. Multifamily residential is also encouraged in this zone, especially on side streets adjacent to the highway corridor. Allowed lot sizes may be smaller than the C-2 category with lesser parking requirements. Maintaining walkability and safe bicycle access while also controlling vehicular access from State Highway 6&50 is a key consideration for lots in this area. For lots adjacent to the highway itself, an attractive frontage will help improve the character of this corridor.

C-2 (COMMERCIAL)

This land use category is envisioned for commercial uses that may not be as compatible with downtown Fruita. Hotels, offices, restaurants, and retail are encouraged in this area. With good I-70 access, this area is envisioned as serving both residents, tourists, and pass-through traffic. Lots in this area may be larger than in C-1 and have more parking available.

COMMUNITY/RECREATION

This category includes schools, parks, and the Community Center. It also includes state parks and preserved areas that are located within the city limits but are controlled by state or federal agencies.

INNOVATION/FLEXIBILITY ZONE

This category is currently zoned industrial but has close proximity to both downtown and commercial areas. It has a recently completed paved trail that runs through it, connecting the downtown area and nearby neighborhoods to the Colorado River and recreation opportunities on the south side of the highway. The area still has many barriers to development such as limited road access. It may take a large master development in order to overcome the cost of these barriers. Live/work space and light manufacturing/retail co-spaces are some of the ideas imagined for this area. Innovative multifamily residential could also be appropriate here. This area could be considered for multiple types of underlying zoning to give it maximum flexibility for development.



credit: Scott Belonger/Otak, Inc.



Goal #1.

Remain a “freestanding” community within Mesa County, with distinct municipal borders and a clear separation from other communities in the Grand Valley.

WHY?

A distinct border contributes to Fruita’s identity as a small town separate from other communities in the Grand Valley. An “edge” where one side is more developed, and the other side is more rural allows for a clear understanding of where development is appropriate and where agricultural lands, open space, and preservation are prioritized. Additionally, a boundary contributes to more efficient development, directing growth to where there is already transportation infrastructure and services such as water and sewer.

POLICIES

- 1.A Continue to have an UGB policy that defines desired densities and land uses surrounding the city. This policy is redefined in this plan through the FLUM.
- 1.B Collaborate and coordinate with Mesa County on land use decisions within the Three Mile Plan area and the area beyond Fruita’s city boundary but within the UGB.
- 1.C Approve annexation of parcels within the UGB at the desired densities as described in the FLUM. Annexation should help ensure that new development at the edge of the city (or county parcels within the city) is consistent with the goals and policies of this plan.
- 1.D Encourage the conservation and preservation of agricultural lands and open space surrounding the city. Consider the purchase of open lands, the use of conservation easements, and cluster development as tools to preserve the rural lands outside of Fruita.

ACTIONS

- 1.A Propose and negotiate an intergovernmental agreement with Mesa County to maintain and/or redefine the “rural edge” low density zoning beyond the Fruita city limits and UGB. Collaborate on an update to the Rural Planning Area Future Land Use Plan for Mesa County as it pertains to the areas that surround Fruita.
- 1.B Reconsider the value of zoning categories that allow between 1-3 units/acre (LLR, SFR, RR) and consider allowing either higher densities (4-8 units/acre) or lower densities (1 unit/10 acres) in these areas to create a more efficient development pattern with a more distinct edge.
- 1.C Do not provide city services (sewer, road improvements) beyond the UGB. For developments between the city limits and the UGB, ensure that the provision of services aligns with the goals and policies in this plan.
- 1.D Consider de-annexing developments beyond the UGB.
- 1.E Develop a list of “triggers” or special circumstances that would dictate either expanding the UGB beyond that depicted in the FLUM or providing sewer and road improvements beyond the UGB boundary.



Goal #2.

Prioritize infill development over development at the edge of the city limits.

WHY?

There is enough vacant and undeveloped land within the city limits and the UGB to absorb the growth that is projected over the next ten to twenty years. Development within the city boundary is less costly for both the developer and those providing infrastructure and services such as sewer and roads.

Residential development within the city will be able to take advantage of existing nearby roads, parks, trails, and community resources. Infill development will create more customers for the existing downtown and commercial centers, rather than customers for sprawling, highway commercial developments. Infill development at a minimum of 4 dwelling units/acre will likely produce more affordable housing products than what has typically been built over the last ten years.

POLICIES

- 2.A Advocate for design flexibility in building heights and densities for infill parcels in the Downtown land use area. Allow for different bulk standards for different types of housing products. Allow for innovative site plans such as alley-loaded, courtyard style, and multifamily of various architectural styles.
- 2.B Consider allowing up to 8 units/acre for residential development outside of downtown. Additional density would be allowed in a new development for performance on the following measures: location (proximity to city center), amenities (open space, trail connections), size and diversity of housing types, and alternative street sections that meet certain criteria.
- 2.C Consider annexing county enclaves to get land use jurisdiction over these areas and bring them up to City of Fruita standards (roads, sewer, water) and zoning densities.

- 2.D Promote commercial infill especially in the Downtown and C-1 zones. Encourage buildings to have higher lot coverages, attractive street frontages, and safe bicycle and pedestrian access.

ACTIONS

- 2.A Adopt the land use categories from this plan into the Land Use Code and rezone accordingly.
- 2.B Rewrite the Design Standards chapter of the Land Use Code to allow enough flexibility to encourage more infill development.
- 2.C In the Land Use Code, allow for more flexibility in each category by-right, or with administrative review.
- 2.D Communicate frequently with the development community regarding what the barriers are to infill development and what would be helpful to overcome these barriers. Start hosting a “Design and Development Roundtable” to make a regular open meeting where community members can discuss character and design ideas for the city.
- 2.E Identify vacant land or foreclosed properties within city limits and/or UGB and consider buying and then providing this land at low or no-cost to developers as an infill incentive or for affordable housing.





Goal #3.

Build upon the success of Fruita’s downtown as the social and civic hub of the community. Work towards improving existing civic spaces, parks, and streetscapes to be inviting to residents and visitors of all ages; creating more local businesses, and expanding residential options within the walkable, historic downtown area.

WHY?

Fruita’s downtown is the heart of the community with beloved shops, restaurants, and civic spaces. Community members value seeing each other downtown and supporting local businesses. Additionally, downtown densities are far below what the zone district allows. Higher density infill development that helps achieve the allowed densities will contribute to an even more vibrant downtown, with more nearby, walking-distance residents that can support more small businesses.

POLICIES

- 3.A Adopt the Downtown Subareas Plan as a way to express the desired character for different areas of downtown. This would take the place of the “Core” versus “Outside Core” distinction that exists presently.
- 3.B Consider a Downtown Business Improvement District (BID) or Urban Renewal Authority (URA) in downtown Fruita as a way to support downtown businesses and infrastructure improvements.
- 3.C Establish a dedicated funding source and program for downtown streetscape and park improvements and building upgrades.
- 3.D Consider a Downtown overlay that would expand compatible commercial uses beyond the downtown along the street corridors of Aspen, Cherry, Pabor, and Maple.

ACTIONS

- 3.A Rewrite the Design Standards chapter of the Land Use Code to encourage downtown development of the types of buildings desired by the community that are appropriate in each Downtown Subarea. Heights, setbacks, and lot coverage dimensions may be slightly different for each Subarea.
- 3.B Amend the Land Use Code to only allow three to four story buildings (down from five) and only in particular Downtown Subareas.



3.C Implement the following key downtown park and civic space projects, incorporating kid-friendly elements:

- a. Circle Park Improvements. Establish an implementable action plan to complete improvements to Circle Park. This key public space is the center of downtown, and, therefore, the community. Follow concepts from the Downtown Streetscapes Improvement Plan and revisit components, as necessary, based on today's goals and desires for the community.
- b. Other Downtown Park Improvements. Establish a programming plan for downtown parks to ensure that each park includes unique functions. Determine if any programming elements are missing from downtown and if so, where they should be placed. Encourage publicly accessible open spaces in new development, especially in key areas where access to open space is lacking (refer to Map 11 for potential locations). Improve access and encourage shared use of school grounds in downtown for residents to use in off-hours.
- c. Downtown Enhanced Street Improvements. Mesa Street, Pabor Avenue and Aspen Avenue are defined as "Downtown Enhanced Corridors." Since Aspen Avenue has had recent improvements, focus on Mesa Street and Pabor Avenue. Include traffic calming elements, continuous and comfortable sidewalks, and safe bicycle facilities.
- d. Multi-modal Corridor Improvements. Cherry and Maple Streets are key streets that border downtown. Cherry Street is a gateway to downtown from I-70. Additions such as rhythmic lighting with banners, public art in the median, and other pedestrian and bicycle improvements should be considered. Maple Street is a transition street between downtown and adjacent residential neighborhoods. Features such as wider, consistent sidewalks, safe bike facilities, and wayfinding and signage are recommendations.

Goal #4.

Allow and encourage a diversity of housing types to fit the needs of the Fruita community and provide the diverse "funky" character that is treasured by residents.

WHY?

Fruita's housing stock is getting more homogenous and more expensive. As a community that prides itself on being inclusive, this ethos should extend to providing types of housing for people of different ages, income ranges, family structures, and aesthetic preference. Allowing and encouraging more apartments and/or townhomes in appropriate locations could contribute to more affordable housing options.

POLICIES

- 4.A Update the Land Use Code to encourage a diversity of housing types in both Downtown and residential districts.
- 4.B Consider reducing lot size minimums for some of the residential zone districts as a way to encourage smaller more affordable housing units and add density that is in scale with Fruita's existing character.
- 4.C Work with the Grand Junction Housing Authority, Housing Resources of Western Colorado, Habitat for Humanity, and other nonprofit, low/moderate income housing agencies to identify potential affordable housing opportunities for Fruita residents.

ACTIONS

- 4.A Examine which density caps and dimensional barriers are prohibiting building types that may be desired by the community both in Downtown and in other land use categories.
- 4.B Change the Land Use Code to allow more than 12 units/acre for apartment buildings in appropriate locations.
- 4.C Undertake a Housing Needs Assessment to more fully understand the housing needs and gaps for different groups of people within the Fruita community.

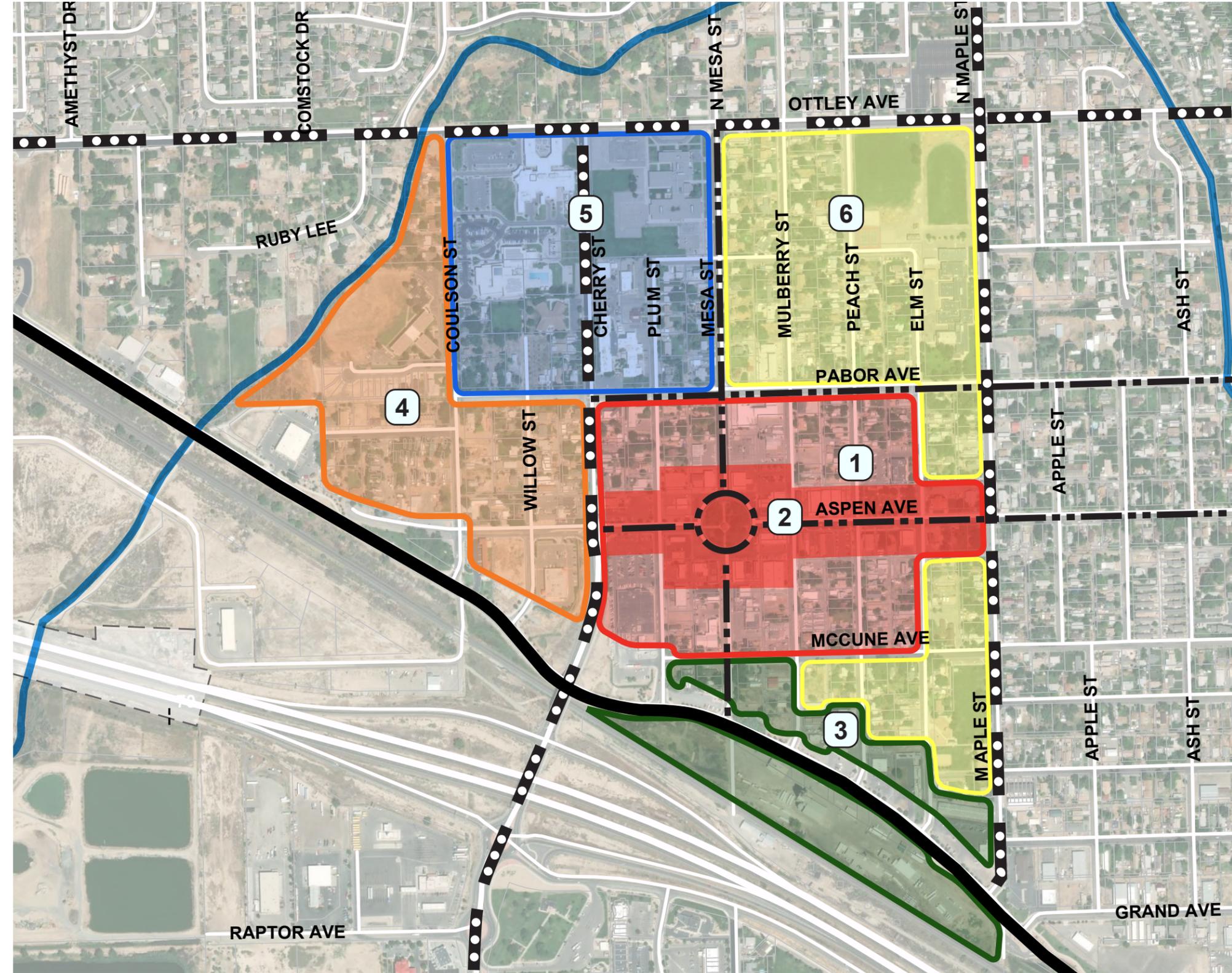


DOWNTOWN CHARACTER SUBAREAS

The Downtown Subareas Map geographically defines each subarea. Below are descriptions about the future character for each subarea. Start each description with “In 2040...” to imagine the future, as opposed to today. These subareas were defined and vetted through the Community Character Workshop and Draft Plan Party elements of the public engagement process. Additional information on this topic can be found in Appendix C.

1. **Downtown Core:** The Downtown Core is the heart of downtown. It has the highest concentration of businesses, although there is a mix of residential as well. It is the most walkable area within downtown and the sidewalks and streets have lots of activity. There is also a higher concentration of buildings in this area compared to other parts of downtown.
2. **Aspen Avenue:** This specific portion of the Downtown Core is decidedly unique and serves as the primary destination within downtown. As Fruita’s historic “Main Street,” this area has the most activity of anywhere in downtown. New buildings are similar to historic buildings in scale, placement, and materiality. Parking is located behind buildings or along the streets, and café seating and other activity along the sidewalk is prominent.
3. **Downtown South:** The 6 & 50 corridor is an extension of downtown with a unique character and serves as a “gateway” for those who enter from this corridor. Old buildings have been given new life and new buildings have been added that expands this area’s use of land to take advantage of its location and views. Improvements to the street, such as landscaping and a wide pathway for pedestrians and bicyclists, has given new life to this corridor.
4. **Downtown West:** This area has a mixture of housing types and recreation opportunities. The proximity to the Downtown Core, community services, trail access, Little Salt Wash and recreation opportunities is ideal. Properties along Aspen Avenue and Cherry Street, due to their visibility, continue to include a mixture of uses, such as offices, commercial, and residential.
5. **Downtown North:** The area between Cherry and Mesa Streets and Pabor to Ottley includes community services such as the Fruita Library and Community Center, local hospital, elementary school, and other small services. Some residential homes are mixed in as well, but for the most part, the character in this area includes buildings set back from the street with large parking areas and lawns.
6. **Downtown East:** Downtown East provides a transition from downtown to Fruita’s single-family residential neighborhoods. This area includes a mixture of single-family homes, converted homes to professional offices, and new housing types such as duplexes, ADUs, cottages and townhomes. The Fruita Middle School and Reed Park continue to be an anchor for the community and this part of downtown.

MAP 9. DOWNTOWN SUBAREA MAP



LEGEND

- Downtown Core
- Aspen Avenue
- Downtown North
- Downtown East
- Downtown South
- Downtown West
- Multi-modal Corridor
- Downtown Enhanced Corridor
- Enhanced Arterial

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Goal #5.

Encourage and support commercial uses in existing commercial areas.

WHY?

Fruita has three distinct commercial areas: downtown along Aspen Avenue, the commercial district along State Highway 340 south of I-70, and the State Highway 6&50 Corridor. Through the public engagement process, community members expressed concerns about commercial continuing to sprawl between Fruita and Grand Junction. Additionally, the market analysis completed for this plan shows that additional office/retail acreage is not in demand.

POLICIES

- 5.A Collaborate with the Grand Junction Economic Partnership and the Business Incubator Center to match appropriate businesses with Fruita's existing commercial spaces.
- 5.B Continue to collaborate with the Chamber of Commerce and other organizations to foster a positive business culture in Fruita.

ACTIONS

- 5.A Update the Land Use Code to divide General Commercial into two commercial zones, one that is appropriate for the State Highway 6&50 corridor and one that is appropriate for South Fruita.
- 5.B Continue to define the underlying zoning for the Innovation/Flexibility area as identified on the FLUM in the Land Use Code update.
- 5.C Work with City Market to upgrade or expand their Fruita store.

Goal #6.

Revitalize the State Highway 6&50 Corridor as an important gateway to the community.

WHY?

This corridor has historic significance for the community. It features the railroad and iconic grain elevator and serves as the primary regional thoroughfare for locals. This corridor has incredible visibility and potential for land use changes to help revitalize the corridor and improve access to downtown and regional trails.

POLICIES

- 6.A Create a State Highway 6&50 Corridor Plan that envisions upgrades to the transportation corridor as well as land uses along both sides of the corridor. Use the ideas in this plan as a starting point.
- 6.B Collaborate with the Mesa County RTPO and CDOT to advocate for changes on the State Highway 6&50 corridor that fit the vision and goals in this plan.

ACTIONS

- 6.A Update the commercial zoning along the corridor to reflect the desired uses (multifamily, local-serving businesses, retail and personal services.)
- 6.B Update the Design Standards chapter of the Land Use Code to encourage unique architecture and a mix of uses in this area.
- 6.C As part of a Corridor Plan, create a streetscaping plan for the roadway from Grand Avenue to Coulson Street that:
 - a. Implements the missing multimodal link from Grand Avenue to Coulson Street. Determine the best design solution for this section based on available ROW and future land use potential.
 - b. Introduces gateway design features and wayfinding signage at key streets such as Coulson, Mesa, and Maple Streets.
 - c. Includes beautification elements such as landscaping, lighting, appropriate street furniture, and public art.



Goal #7.

Ensure that development is compatible with the natural landscape and hazard areas and limit the risks of hazards to people and property.

WHY?

The Fruita area has many sensitive natural resources. The following policies ensure that future development is located away from the most sensitive areas and all development review processes consider hazards and natural resources.

POLICIES

- 7.A Discourage development within the 100-year floodplain as defined and mapped by FEMA or state or local floodplain management entity, whichever has been done most recently.
- 7.B Place appropriate buffers and setbacks between environmental resources (i.e., canals and drains; washes and creeks and wetlands; and the Colorado River) and proposed development to ensure that the proposed development does not degrade the existing habitat or interfere with environmental resources.
- 7.C Proposed land uses or development identify hazardous areas, i.e., floodplains, drainage areas, steep slope areas, geologic fault areas, and other areas hazardous to life or property.
- 7.D Development is not allowed in hazardous areas, to minimize the risk of injury to persons and loss of property, unless appropriate mitigation measures are taken.
- 7.E Proposed land uses or development address soil, erosion, and surface geologic characteristics of the development site through proper design, engineering, and construction.
- 7.F If sensitive resources are disturbed, such as wetlands, compensate by on-site or off-site wetland restoration of equal or greater amounts.

- 7.G Protect buffers and setbacks in perpetuity through development agreements by donating or selling the land, or a conservation easement on the land, to an accredited land trust or relevant public agency.
- 7.H Maintain the visual integrity of Fruita’s landscape by identifying distinctive scenic or topographic features, such as ridgelines or unique vegetation, and either avoiding them or using innovative design techniques to integrate them cohesively into new development.
- 7.I Strengthen partnerships towards hazard mitigation with the Lower Valley Fire District, RiversEdge West, and Grand Valley Irrigation Company.
- 7.J Collaborate with the BLM, Mesa County, and Grand Valley communities to identify regional solutions to hazards. Continue to work with Mesa County on hazard mitigation planning and response and work to update the 2015 Mesa County Hazards Mitigation Plan as necessary.

ACTIONS

- 7.A Update the Land Use Code to establish regulations for stormwater discharge to minimize the detrimental effects of filling and disposal of debris along washes and creeks.
- 7.B Evaluate the Big Salt Wash drainage structures under US 6, I-70, and the railroad for suitability in serving as trail underpasses during non-flood periods.
- 7.C Address gaps identified in the 2015 Mesa County Hazards Mitigation Plan Fruita Capacity Assessment including a formalized public information program around hazards and ensuring that all critical facilities are protected.
- 7.D Update the Land Use Code with any new best practices and standards for flood provisions to minimize public and private losses and promote public health and safety.

HB22-1304 Infrastructure & Strong Communities: Infrastructure Grant Program Guidelines



The Colorado Department of Local Affairs (DOLA), with funding from [HB22-1304](#) and in partnership with the Colorado Energy Office (CEO) and Colorado Department of Transportation (CDOT), established the Strong Communities grant program for municipalities and counties. The program has two goals:

- adoption of sustainable land use strategies that support affordable housing development in infill locations; and
- enable local governments to invest in affordable housing projects through infill infrastructure investment.

The Community Development Office (CDO) within DOLA's Division of Local Government will manage the Strong Communities Grant Program.

Strong Communities Infrastructure Grant Program

The Strong Communities Infrastructure Grant Program provides grants to local governments for infrastructure to develop community benefit-driven infill affordable housing that meets critical housing needs as identified by the local government. Eligible communities ([see below](#)) can apply for funds to support affordable housing development located in or adjacent to downtowns, municipal core business districts, transit oriented development areas, or where onsite child care is offered.

Funding

- **Available funding:** Approximately \$33,600,000 in funding is available for infrastructure awards.
- **Funding source:** Funding for Strong Communities is appropriated from the Affordable Housing and Home Ownership Cash Fund which originated from the Federal Coronavirus State Fiscal Recovery Fund (also referred to as State and Local Fiscal Recovery Funds, or SLFRF). See more information about managing this federal stimulus grant on the [Strong Communities web page](#).
- **Grant maximum:** Suggested maximum award amount is \$4 million; however, DOLA expects most awards to fall within the \$1,000,000 to \$3,000,000 range. Funding requests should be proportionate to the project's impact on local housing needs, community benefits added, and/or inequities addressed. A competitive strategy can be discussed in a pre-application meeting with DOLA.
- **Expiration of funds:** All grant awards will be made before September 2024. To meet program close out deadlines, all grant and matching funds must be spent by October 31, 2026. No extensions can be granted.
- **First funding round:** Letters of intent (LOIs) from municipalities and counties will be due in August of 2023. DOLA staff will meet with each local government who submits an LOI to discuss the project idea(s), and will invite the most competitive to apply (anticipated application due date in November 2023).
- **Local match:** A minimum of 20% local cash match of the total project cost is required. In-kind matching funds (e.g., staff time) do not count toward this requirement. However, DOLA will accept and encourage leveraged funding from partner agencies and will count land purchased or donated after August 1, 2022; costs covered by foundations or nonprofit housing organizations;



and similar leveraging opportunities as local match. **Note: all grant funds and matching funds must be spent by October 31, 2026.**

- An applicant may make a case for a reduced match (15%) by incorporating some of the objectives below:
 - exemplary age-friendly and/or accessible design beyond minimal code requirements
 - project provides onsite early childhood education center
 - addresses inequities in communities by bringing needed investment to increase levels of service to higher/equitable standards
 - utilizes renewable energy sources and/or project has extreme focus on energy efficiency such as passive energy homes
 - converts a vacant/underutilized commercial building to one with affordable housing
 - integrates transit options such that transit is an integral part of the project design and the preferred and easy option for project residents, such as including walking distance access (within ¼ mile) to transit options, infrastructure that encourages walking (e.g., wide sidewalks, shade, and pedestrian-friendly access to the site, etc.), sheltered and/or secured bicycle storage, or other innovative solutions to integrate multi-modal options)
- An applicant who lacks local resources to contribute may request a reduced level of matching funds. DOLA encourages communities to submit a letter of intent (LOI) even if they have concerns about the match requirement.
- DOLA will consider financial need in making final award determinations; however, financial need will not be required to receive funds.
- Number of applications: Local governments may apply for projects in both funding cycles, but communities that have not been awarded funds in the previous round will take priority over communities with prior awards.

Eligibility

- Applicants
 - Eligible entities include municipalities, counties, and city/counties. Awards cannot be made directly to housing authorities or regional governments, but partnerships are encouraged where appropriate.
 - Applicants can apply for funds to support a collaborative multi-jurisdictional affordable housing project and the units may be located outside the jurisdiction of the primary applicant.
 - While there is not a minimum requirement for the number of land use strategies that must be adopted to apply for these funds, competitive communities will have adopted several of the land use best practice strategies (see list below). Proposed strategies will be reviewed by DOLA staff and/or contractors to guarantee they meet eligibility requirements, and communities may submit for review innovative or creative strategies not currently on the list but which have the effect of incentivizing

HB22-1304 Infrastructure & Strong Communities: Infrastructure Grant Program Guidelines



affordable housing development in infill areas to the same degree as other options on the list.

- **Projects**
 - “Affordable housing” for this program is defined in statute as up to 140% AMI for ownership in most areas and up to 160% AMI for homeownership in rural resort communities. The AMI for rental properties is 140%. Applicants should demonstrate that the project addresses one or more AMI ranges with significant need. Affordable housing can include both income- and deed-restricted units as long as rents meet the AMI limits. The percentage of restricted units and affordability levels must comply with laws enacted by local governments promoting the development of new affordable housing units. See the [FAQ document](#) for more information.
 - Infrastructure for affordable or mixed-income developments (with affordable units) that supports the project site, such as streets, sidewalks, improvements to existing infrastructure (e.g., water, wastewater, drainage, etc.), bus/transit shelters, accessibility improvements for those with disabilities, and accessibility and age-friendly improvements and amenities.
 - Projects that are converting an existing building into housing units (such as an office conversion) may be eligible to cover structural infrastructure, such as plumbing and electrical work.
 - Infill development that places sites in or directly adjacent to downtown cores, job centers (such as an industrial or office park), or transit oriented development and should not extend services beyond existing developed areas.
- **Expenses**
 - Eligible expenses may include:
 - Infrastructure elements that support a healthy and resilient built environment on, around, or near the infill project site, such as parks, playgrounds, open space/trails or trailhead lots, upgraded streetscapes, pedestrian and cyclist safety improvements, investments meant to address equity concerns, accessibility, age-friendly improvements and amenities, and other public amenities. Engineering costs are eligible as part of the infrastructure project.
 - Local government infrastructure costs and fees related to the affordable housing development project (for example, tap fees levied by special district water utilities).
 - Administrative costs: A portion of the total award may be used to cover administrative expenses (e.g., project delivery, planning, community engagement, public or nonprofit partner agency expenses such as project management, staff time spent on community engagement, etc.). Applicants intending to utilize more than 10% of their award amount for administrative costs will be expected to demonstrate hardship or other capacity constraints and should discuss this at a pre-application meeting with DOLA staff.
 - Ineligible expenses include: housing needs assessments, land use/zoning code updates or other land use planning work, which may be funded through other programs such as the Strong Communities Planning Grant Program. Housing construction is not eligible. Vertical infrastructure (internal plumbing, wiring, HVAC, etc.) is only eligible



for projects that are converting an existing building (such as an office building) into housing units.

Scoring Criteria

Scoring criteria will be used to evaluate and rank projects while ensuring statutory priorities are met.

- **Readiness:** The applicant clearly shows they are ready to begin work; however, the applicant cannot bill for work done prior to the contract date. The applicant has a reasonable timeline for completion. A comprehensive project schedule is clearly documented and demonstrates certainty that all grant and matching funds will be spent before October 31, 2026. Staff and partner roles are clearly defined. All partners are officially committed to the project (support letters are helpful and any financial commitments should be clearly stated).
- **Capacity:** The applicant and its partners have organizational experience with and capacity to manage grants and to manage the overall project. Staffing and resources are sufficient to complete the project on time and with adequate public and stakeholder engagement and communications.
- **Broad, Sustained Support:** The applicant must show broad support from stakeholders and community leadership (e.g., through adopted plans, policies, financial or in-kind commitments, and letters of support). Letters of support should come from all key project partners. Leveraged funds and resources can also be important indicators of support from various partners.
- **Impact on Housing Needs:** It is clear how the project will contribute to meeting the documented affordable housing need in the community, ensuring long term affordability with use covenants, regulatory agreement, or other deed restrictions. For homeownership projects, limited appreciation projects will be more competitive (see [FAQ document](#) for more information).
- **Long-term Impact on Affordability & Sustainable Land Use:** Competitive projects will reduce vehicle miles traveled (VMT) and greenhouse gas (GHG) emissions, as well as household travel costs and long term public infrastructure maintenance costs. The local government should also show sustained support for and implementation of [land use best practices](#), and those that have adopted more of these strategies will be more competitive for this funding.
- **Equity, Diversity, and Inclusion:** The applicant must show they have developed an inclusive and equitable stakeholder engagement strategy. Applicants must assess impacts of the project on historically disadvantaged communities and should consider accessibility and age-friendly requirements. The application may include funds to support a high level of inclusive stakeholder engagement and partner communications throughout the project.



- **Community Benefits:** The project is driven by community benefits, which may include healthy environment and active living amenities, early childhood education and childcare centers, ADA accessibility, age-friendly design, renewable energy or energy efficiency, walkability, prioritizing multi-modal and active transportation options, public gathering or open space, connectivity to trails, proximity to jobs and schools, workforce development options, etc.
- **Sustainable Development Pattern:** The project supports sustainable development patterns such as infill and the redevelopment or adaptive reuse of existing buildings. The project is located outside of hazardous areas. Greenfield development located far from transit access, jobs, grocery stores, public services, etc. are not eligible.

Application and Award Process Timeline

- First round:
 - LOI: Local governments must submit a simple letter of interest by the due date (August 2023). Upon review, DOLA will schedule a pre-application meeting for all qualifying projects, and those that do not qualify will be notified. This consultation protects the applicant's time and money spent planning, increases the likelihood of funding success, and improves access to the funding program to a broader group of communities. A pre-application meeting also gives DOLA staff an opportunity to present additional leverage options or alternative funding sources that would be a good fit for the project in question.
 - DOLA will invite local governments with the most competitive projects to submit applications through the Division of Local Government [Online Grants Portal](#) per the Notice of Funding Available (NOFA) in December 2023. Visit the [Strong Communities program webpage](#) for more information.
 - Applications for the initial round of infrastructure funding will be reviewed and awarded by the end of March 2024. DOLA will work to finalize grant agreements within 2 months from the time of award.
- An award letter announcing a decision to provide project funding is not a formal obligation of funds by the State; rather, it is an offer to enter into a grant agreement for the dollar amount and project specified. Award conditions may be stated as a contingency in the letter. Such conditions must be met either prior to or during the project performance period at the discretion of DOLA.
- Grantees cannot charge the grant for any work begun prior to receiving an executed grant agreement from DOLA. Any contracts for services being charged to the grant must be selected using a competitive bidding system. An executed grant agreement is one that has been signed by the State Controller. Local governments must follow their own procurement rules, as well as [SLFRF procurement rules](#).
- All applicants requesting funds for projects listed on the State Register of Historic Properties must indicate in their application that History Colorado, Office of Archaeology and Historic Preservation (OAHP) is engaged in the project when applying for a grant. Any design, construction and/or engineering documents, quotes from contractors following the

HB22-1304 Infrastructure & Strong Communities: Infrastructure Grant Program Guidelines



Secretary of the Interior’s Standards for Rehabilitation, and photos must be attached to the application. Prior to awarding a grant for a state-listed site, DOLA will seek a determination of effect from the OAHF via official board action—no grant dollars can be awarded by DOLA without a determination of effect being completed first. Applicants are encouraged to reach out to DOLA staff for assistance with listed historical properties.

- These federal ARPA/SLFRF funds do not, on their own, trigger NEPA or Davis-Bacon Act requirements.
- Applicants must disclose whether they can receive—and meet the requirements of—federal funds.
- Grantees will be required to submit for reimbursement and report quarterly until the project is completed and will be required to report minimal metrics after the project is closed (e.g., number of affordable housing units approved for development in the grantee’s jurisdiction). See the program application for more details on reporting requirements.

Please refer to the [Strong Communities page](#) for additional information. Any questions or concerns may be directed to Lisa Loranger via [email](#) or by calling 303-565-6200.



Land Use Best Practices

Overview

The following list of best practices in land use policy is intended as a guide as every community has different needs. Suggested adaptations for rural areas are noted, but other policies can be adapted for an individual community.

Best Practices

Compact Development

- Higher density mixed use development in core areas**
Establish higher minimum density mixed use development (by-right) in downtown areas, workforce centers, and around multimodal transportation nodes (or other walkable areas).
Rural Adaptation Higher density near service areas
Establish higher densities in areas close to jobs and services that are served by public water and sewer. In areas served by well and/or septic systems, reduce allowed densities.
- Density bonus program**
Establish a density bonus program to increase construction of units that meet affordable housing needs within the local community.
- Minimum lot size requirements**
Reduce or eliminate minimum lot size requirements and permit development of small residential unit sizes (e.g., 500–1000 square feet of living space) to increase options for affordable housing development.
Rural Adaptation Minimum lot size
Increase minimum lot size to avoid and mitigate impacts from development in prime agricultural lands, critical habitat corridors or spaces, and hazard areas in counties (e.g., 70 or 120 acres).

Affordable Housing

- Use by right affordable housing**
Classify affordable housing developments as a use by right in all residential zones.
- Inclusionary Zoning Ordinance (IZ)**
IZ programs vary in structure; they can be mandatory or voluntary and have different set-aside requirements, affordability levels, and control periods. Most offer developers incentives such as density bonuses, expedited approval, and fee waivers to offset costs with providing the affordable units. Many programs also include developer opt-outs or alternatives, such as allowing developers to pay fees or donate land in lieu of building affordable units, often with guardrails to mitigate clustering affordable units in segregated and/or far-flung areas. (C.R.S. 29-20-104(1)).



6. **Land donation, acquisition, banking program, or land trust program**
Create a land donation, land acquisition, land banking or land trust program for developing affordable housing or create incentives (e.g., reduced property tax) to support such programs.
7. **Rural Adaptation—Affordable housing subsidies and/or incentives**
Create subsidy and/or incentive tools to support affordable housing development (served by public water and sewer) near jobs and services (e.g., fee waivers or reductions, funding source to buy down costs, use of vacant publicly owned land, reduced parking, etc.).
8. **Reduced affordable housing development fees**
Codify development policies to reduce or remove local development fee/deposit schedules, including but not limited to, building permit fees, planning fees, and water/sewer tap fees for affordable housing developments.

Housing Diversity

9. **Multi-family housing options**
Permit duplexes, triplexes, or other appropriate multi-family housing options as a use by right in single-family residential zoning districts.
10. **Accessory Dwelling Units (ADUs)**
Permit ADUs as a use by right in all residential zoning districts.
11. **Alternative building options**
Remove barriers and/or update zoning to permit alternative housing options, including but not limited to, modular, manufactured, and prefabricated homes.

Growth Management

12. **Annexation policies**
Update annexation policies to require or incentivize mixed use development that includes affordable housing and ensures connectivity with roads, transit, trails, parks, and schools.
13. **Urban Growth Areas & Boundaries**
Establish Urban Growth area/boundary agreements between neighboring municipalities and/or counties to coordinate future development by directing development toward existing communities. Jurisdictions determine together where it is cost effective to grow, guiding growth where most desired (e.g., infill areas) and away from areas where it can create problems (e.g., high hazard areas, wildlife habitat, prime agricultural land).
14. **Rural Adaptation—Intergovernmental Agreements (IGAs)**
Use IGAs with municipalities that designate tiers/growth areas where urban and suburban-level growth will be built only if annexed by the municipality and low level density will occur only in the unincorporated county. These IGAs may require development in areas of municipal interest (i.e., likely to be annexed in the future) to develop to the municipality's infrastructure standards in order to reduce future costs.
15. **Rural Adaptation Transfer of Development Rights (TDRs) and Purchase of Development Rights (PDRs)**
Use TDRs and PDRs to incentivize housing development in municipalities while allowing some cost recapture/return on investment for agricultural or other large lot land owners.



Districts & Subdivisions

16. **Planned Unit Developments (PUDs)**
Require PUDs to include and/or increase the percentage of integrated affordable housing units.
17. **Infill incentive districts**
Designate an infill incentive district or districts that allow a mix of uses and prioritize inclusion of affordable housing units in infill locations, including the possible use of property tax abatement, development fee reductions, or other incentives.
18. **Rural Adaptation Mixed-use zoning districts**
Establish flexible, by-right, mixed-use zone districts adjacent to towns and in town influence/growth areas to accommodate large developments that are in accord with town and/or county comprehensive plans.
19. **Rural Adaptation Cluster & Conservation subdivisions**
Require cluster subdivisions at a community's edge to transition to rural areas. Require conservation subdivisions in rural areas (residential subdivision that devotes at least half of its potentially buildable land area to undivided, permanently protected open space).

Mobility

20. **Minimum Parking Standards**
Reduce minimum parking requirements and/or create parking maximums, principally focused near active transportation nodes and areas in, or adjacent to, job centers and services.
21. **Multi-modal road standards**
Adopt pedestrian and multi-modal road standards that allow for minimum width roads/streets to reduce construction and maintenance costs, increasing connectivity, multi-modality and walkability (e.g., complete streets, ADA access, bike lanes, sidewalks, etc.).

Resource Conservation

22. **Water conservation**
Adopt water conservation standards, such as permitting recycled water irrigation systems or providing stormwater management credits to protect agricultural land and greenspaces.
23. **Water rate structure reduction**
Codify water rate structures with cost percentage reductions for affordable and denser housing.
24. **Energy efficiency codes**
Adopt energy efficient building codes and design standards that substantially exceed the standards required by HB 22-1362 to ensure lower household utility costs long term.
25. **High risk and environmentally sensitive areas**
Restrict development in high risk, hazard, and environmentally sensitive areas (e.g., floodplains, wildfire, protected wildlife habitat areas, etc.).

Dan Caris

From: Difalco - DOLA (She | her | ella), Robyn <robyn.difalco@state.co.us>
Sent: Wednesday, July 5, 2023 8:00 AM
To: Andy Hill
Cc: Miskell - DOLA, Maulid; Connor Everson - DOLA
Subject: Prop 123 technical assistance (confirmation of sign-up)

Thank you for signing up for the technical assistance offered by DOLA on Prop 123 baselines and commitments. Your request has been received and staff will be in touch soon to confirm next steps. This technical assistance program is scheduled to begin in mid-July and DOLA staff will be working on scheduling between now and then.

In the meantime, please note that the Division of Housing launched the **commitment filing process** on May 10, which includes an **interactive baseline assistance tool** to help a local government first establish its baseline of affordable housing.

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- Baseline Assistance Tool:
- <https://bit.ly/co-123-baseline>
-
-
-
- Commitment filing site:
- <https://bit.ly/co-123-commit>
-

We encourage you to visit these sites and begin exploring the baseline assistance tool. The commitment filing site provides a description of the filing process and you can create an account even if you're not ready to complete your filing.

Other helpful resources are available at [DOLA's interactive Prop 123 site](#) where you can [view recorded webinars](#), see [Frequently Asked Questions](#), and [submit your own questions](#) about commitments and baselines.

You may also be interested in this Statewide Outreach series presented by Housing Colorado:

Housing Colorado, Colorado Department of Local Affairs (DOLA) and Colorado Housing and Finance Authority (CHFA) are pleased to host six statewide Outreach and Engagement Forums. Registrants will be sent a legislative overview with your registration confirmation prepared by Housing Colorado to prepare you for discussions. During the program, participants will hear from each agency on policies, programs and recent housing-related legislation, with particular focus on the impacts of Proposition 123. Additionally, through facilitated discussions, participants will provide perspective and opinions on how existing programs are working, where additional support could be most useful and effective, and the resource, research, and technical assistance needs of their communities. These are free events, open to the public. Lunch will be provided.

[Click here to register.](#)

7/12/2023 – Grand Junction – Western Colorado Center for the Arts

7/13/2023 – Durango – Durango Community Recreation Center

7/18/2023 – Pueblo – Pueblo West Library
7/26/2023 – Fort Collins – Colorado State University Veterinary Teaching Hospital
7/28/2023 – Frisco – Summit County Community and Senior Center
8/8/2023 – Denver/Lakewood – Baldoria on the Water

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