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NOTIFICATION TO THE LOCAL JURISDICTION
CHIEF EXECUTIVE OFFICER
2022 Round 1 - 9%/4% Housing Credit Program

February 16, 2022

City of Fruita
Mayor Joel Kincaid
325 East Aspen Street
Fruita, CO 81521

Dear Mayor Kincaid:

The Colorado Housing and Finance Authority (CHFA) is the administrator of the Federal Low-Income Housing Tax Credit Program (LIHTC) in Colorado. The LIHTC program was created by the 1986 Tax Reform Act to encourage the production and preservation of affordable rental housing. To receive the tax credits, property owners are required to maintain long-term rent affordability for individuals and families of low income, typically for 30 to 40 years. CHFA awards the credits statewide through a comprehensive selection process that is governed by its Qualified Allocation Plan (or QAP). The QAP is located on CHFA's website at:

<http://www.chfainfo.com/arh/lihtc/Pages/qap.aspx>

We are notifying you that the referenced project has been proposed in your local jurisdiction in order to provide you an opportunity to comment on the project.

Please provide us with your comments on the attached form, attach any additional information, and sign and return the form to our office as soon as possible.

Additionally, if you would be interested in having CHFA staff provide you and your staff with an introduction to the LIHTC program and CHFA's award process, please let us know and we will be happy to coordinate a meeting.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Paula Harrison", is written over a light blue horizontal line.

Paula Harrison
Tax Credit Program Administrator

cc: Mr. Mike Bennett
Ms. Karen Leonhart

NOTIFICATION TO THE LOCAL JURISDICTION

Project Name: Fruita Mews
Project Address: 1138 18 1/2 Rd
Project Sponsor: Indibuild llc
Type of Project: New Construction
Number of Units: 50 - 44 LI units

1. Do you view this proposed project as being consistent with the development and preservation of the housing plan in your community?

The City of Fruita has not yet adopted a formal housing plan. The City's Comprehensive Plan "Fruita in Motion" adopted in January 2020 commits the City to "supporting policies that promote access to housing across the income spectrum of its residents." The Comprehensive Plan also includes the City's vision to create a variety of housing units within the community to help meet that access. This project, as presented to the City for its zoning application, appears to provide variety in housing units. The City recently approved the Planned Unit Development (PUD) zoning that would allow for this proposed project. However, the City has not yet received any further development applications regarding the project and cannot speak to details and how it may then fit with the City's developing housing plan.

2. If proposed project is not viewed as consistent with local housing needs and priorities, please explain why.

The City has been conducting several efforts to combat the present housing needs in our community. Part of that effort was the adoption of our 2020 Fruita in Motion, Plan like a Local Comprehensive Plan. Within that document are purpose statements that detail community values, which include, "Fruita is committed to a land use pattern and supporting policies that promote access to housing across the income spectrum of its residents." Recently, the City has commissioned Economic Planning Systems (EPS) to conduct a housing needs assessment, facilitate the development of housing goals, followed with the establishment of a funding source to meet the housing needs of the community. Throughout that effort, our Council, and staff, have developed two main strategies to address ownership and rental opportunities. It is our contention that housing attainability is best delivered in a manner that promotes access throughout the existing and new housing stock. It's important to note that Fruita is comprised of 80% single family detached homes, with very little rental opportunities. When the City updated its Land Use Code in 2021, the Council elected to eliminate the density cap in our Downtown Mixed-use Zone, creating opportunities for additional rental units to come to the real-estate marketplace. We believe that multifamily development is the most appropriate within that zone and reduces the reliance on vehicles and connects residents to services. Since codifying the new Code, the City has processed two multifamily apartment site plan applications, with a third anticipated in early spring. Those developments will garner 100+ rental opportunities within our downtown core. The Fruita Mews is located on the edge of our community and proposing to build 50 units, at 30%-120% of AMI, with a townhome product. The City's Downtown Mixed-Use zone is underbuilt at 3.8 units per/acre which is why the City adjusted the zoning to place more attainable units in that area. In addition, the City has modified its commercial zoning classifications to allow multifamily, which is a more appropriate location, closer to employment centers, bus lines, healthcare facilities, and grocery stores.

3. Other Comments:

The project location is approximately 2 miles from downtown and the main commercial area of the City, including the grocery store. There is no public transportation available from the project; therefore, the City is not sure it will be able to serve the needs of residents without their own vehicles.

Signature

Title

Print Name

CHFA, attention: Paula Harrison, Tax Credit Program Administrator

Via email to: pharrison@chfainfo.com

DRAFT