



FRUITA
COLORADO

AGENDA ITEM COVER SHEET

TO: Fruita City Council and Mayor

FROM: Dan Caris, Planning & Development Director & Gavin Brooke, 2Fork Ventures & Dalton Kelley, Special Counsel Butler Snow

DATE: December 17, 2024

AGENDA TEXT: RESOLUTION 2024-46 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRUITA, COLORADO AUTHORIZING THE CITY TO ENTER INTO A DEVELOPMENT AGREEMENT WITH 2 FORKS VENTURES, INC FOR THE LAUNCH PROJECT

BACKGROUND AND ORDER OF PRESENTATION

How We Got Here - presented by Dan Caris

Since late 2022, the City has partnered with 2 Forks Ventures, Inc. (“Developer”) to reimagine the potential of the Launch property through a bold public-private collaboration. After months of diligence and planning, this partnership has transformed from concept to action. Resolution 2024-46, the Development Agreement (“DA”), and Ordinance 2025-04 1st Reading (“sale of property”) presented to the Council this evening establish the framework for this ambitious project. These foundational documents outline the shared responsibilities for public and private improvements as well as the conveyance of real property.

This effort represents more than policy, it’s a testament to the City’s commitment to addressing development challenges creatively. Due diligence revealed the opportunity to create a transformative 20-acre riverfront park, the linchpin of a matching 20-acre private commercial and residential development. Together, these elements aim to breathe new life into this area, benefiting both the community and local economy. This presentation will cover “how we got here” in partnership and the process that guided our efforts.

Where We Are Going - presented by Gavin Brooke

The vision for the Launch property is as bold as it is inspiring. Anchored by the riverfront park, this redevelopment will provide residents and visitors with a one-of-a-kind experience: open spaces, scenic river access, and vibrant areas for recreation and connection. Complementing this public investment, the private development will serve as the engine that drives activity, bringing energy, commerce, and residential opportunities to the site.

This project positions the City of Fruita at the forefront of regional development, building on the Grand Valley's economic strengths. By creating a space that marries community access with private enterprise, the Launch property will become a dynamic destination and a source of local pride.

This presentation will cover "where are we going" by detailing a timeline that provides accountability and expectations.

What Mechanisms - *presented by Dalton Kelley*

The success of this endeavor is rooted in collaboration and shared vision. The City of Fruita and 2 Forks Ventures have embraced the Guiding Principles developed through the 2020 Fruita in Motion Comprehensive Plan and the Fruita Parks, Health, Recreation, Open Space, and Trails Master Plan. These principles provide a roadmap, ensuring that the redevelopment aligns with the community's needs and aspirations.

By leveraging Resolution 2024-46, the DA, and Ordinance 2025-04, the partnership has crafted mechanisms to balance public and private interests effectively. The terms of the DA aim to share in the development responsibility and risk and share in the revenue upside. Together, these tools will deliver a seamless integration of public spaces and private development, creating a Launch neighborhood that is not only functional but visionary a true reflection of Fruita's forward-thinking spirit.

This presentation will cover "what mechanisms" proposed that provide flexibility to the City and 2Forks and establish clear roles and responsibility moving forward.

TIMELINE

The City of Fruita 2023 Budget allocated \$75,000 for feasibility and due diligence. (attached w/ packet)

June 20th, 2023, City of Fruita and 2Fork Ventures enter in a Memorandum of Understanding (attached w/ packet)

August 29th, 2023, City of Fruita purchases the remaining interest from Mesa County in the Launch Property (attached w/ packet)

September 28th, 2023, The City Council tours western slope riverfront developments w/ 2 Forks Ventures and City staff.

February 20th, 2024, The City of Fruita and 2Forks Ventures presents the "Due Diligence Report" to Council. (attached w/ packet)

April 4th, 2024, The City of Fruita & 2 Forks Ventures establish "Guiding Principles" to guide the redevelopment of The Launch neighborhood. These guiding principles shall guide future City Council members, 2 Forks Ventures staff, investors, and all involved in redeveloping this community asset into the future. (attached w/ packet)

City of Fruita 2024 Strategic Plan states "*Complete design, apply for grants, and engage public with open space planning for the riverfront development public-private partnership with 2Fork Ventures.*"

APPLICABILITY TO CITY GOALS AND OBJECTIVES

The City of Fruita is focused on actions that positively influence the quality of place, economic health, and lifestyle of the community. These outcomes are built upon a base of providing quality core services that are expected by the City's residents, businesses, and visitors.

The 2020 Fruita in Motion: Comprehensive Plan establishes the Innovation/Flexibility Zone as the future land use classification for the Lagoon property. The Lagoon parcels are currently zoned Community Services Recreation, ("CSR") and possess 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 will likely take a large master development to overcome the cost of these barriers. Live/workspace and light manufacturing/retail co-spaces are some of the ideas imagined for this area, with ample access to the Colorado River. 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.

FINANCIAL IMPACT

Any financial obligation which the City determines to undertake will be subject to prior appropriation by the City Council.

OPTIONS AVAILABLE TO THE COUNCIL

1. APPROVE RESOLUTION 2024-46 A RESOLUTION OF THE City Council OF THE City of Fruita, Colorado authorizing the CITY TO ENTER INTO A DEVELOPMENT AGREEMENT with 2 Forks Ventures, Inc for THE LAUNCH PROJECT
2. DENY RESOLUTION 2024-46

RECOMMENDATION

RESOLUTION 2024-46 A RESOLUTION OF THE City Council OF THE City of Fruita, Colorado authorizing the CITY TO ENTER INTO A DEVELOPMENT AGREEMENT with 2 forks Ventures, INC for THE LAUNCH PROJECT