AGENDA ITEM COVER SHEET

TO: Fruita City Council and Mayor

FROM: Planning & Development Department

DATE: October 20, 2026

AGENDA TEXT: ORDINANCE 2026-21, FIRST READING, An introduction of an Ordinance enacting a temporary moratorium on the acceptance, processing, and approval of applications for Data Centers within the City of Fruita for publication of a public hearing on November 17, 2026.

PURPOSE

Consideration of an Ordinance establishing a one-year moratorium on the submission, processing, and approval of land use applications for new Data Center development within the City of Fruita.

BACKGROUND

Data Centers are specialized facilities that can have land use, utility, infrastructure, environmental, and community impacts that differ from those associated with more traditional commercial or industrial development. Communities throughout Colorado, including Mesa County and the City of Grand Junction, and across the country have adopted temporary moratoriums while evaluating appropriate regulations for these facilities. The moratorium would also provide an opportunity for regional coordination with the City of Grand Junction and Mesa County to promote consistency in land use standards and regulations, particularly for Data Center facilities proposed near jurisdictional boundaries.

The City of Fruita's current Land Use Code does not identify Data Centers as a distinct land use category. As a result, the City's existing regulations do not specifically address the unique characteristics and potential impacts associated with Data Center development.

At this time, the City has not received any inquiries or development applications for Data Centers. Staff is recommending a proactive approach to ensure that, should interest in Data Center development arise, the City has an appropriate regulatory framework in place to evaluate such proposals. The City Council could provide direction to Staff, during this one-year period, to amend the Land Use Code in a number of different ways. Common regulatory tools may include defining data centers as a specific land use; identifying appropriate zoning districts; establishing use-specific standards; requiring utility coordination; setting standards for noise, screening, setbacks, lighting, water use, generator testing, fuel storage, and emissions; and requiring site-specific analysis of electrical, water, transportation, emergency-service impacts, and decommissioning plans.

FISCAL IMPACT

The proposed moratorium is not anticipated to have a significant direct financial impact on the City at this time.

APPLICABILITY TO CITY GOALS AND OBJECTIVES

The proposed moratorium supports the City's primary goal of protecting the health, safety, and welfare of Fruita's residents. Establishing a temporary moratorium will allow the City to proactively evaluate potential land use, utility, infrastructure, environmental, and community impacts associated with Data Center development before applications are submitted.

OPTIONS AVAILABLE TO THE COUNCIL

1. Publish a synopsis of Ordinance 2026-21, an Ordinance enacting a temporary moratorium on the acceptance, processing, and approval of applications for Data Centers within the City of Fruita for publication of a public hearing on November 3, 2026.

2. Deny Ordinance 2026-21.

RECOMMENDATION

It is the recommendation of Staff that the Council by motion:

PUBLISH A SYNOPSIS OF ORDINANCE 2026-21, AN ORDINANCE ENACTING A TEMPORARY MORATORIUM ON THE ACCEPTANCE, PROCESSING, AND APPROVAL OF APPLICATIONS FOR DATA CENTERS WITHIN THE CITY OF FRUITA FOR PUBLICATION OF A PUBLIC HEARING ON NOVEMBER 17, 2026.