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**PLANNING & DEVELOPMENT DEPARTMENT  
STAFF REPORT  
FEBRUARY 25, 2025**

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**Application #:** 2025-02  
**Project Name:** Boutique Tiny Home Community  
**Application:** Concept Plan  
**Representative:** Highline Real Estate, LLC  
**Property Owner:** Fruita Acres LLC  
**Location:** 924 19 Road  
**Current Zone:** Commercial 1 (C-1)  
**Request:** This is a request for general feedback of a Concept Plan for a Planned Unit Development (PUD) proposal for the development of 92 detached small homes, open space, and other on-site amenities over approximately 20 acres.

**PROJECT DESCRIPTION:**

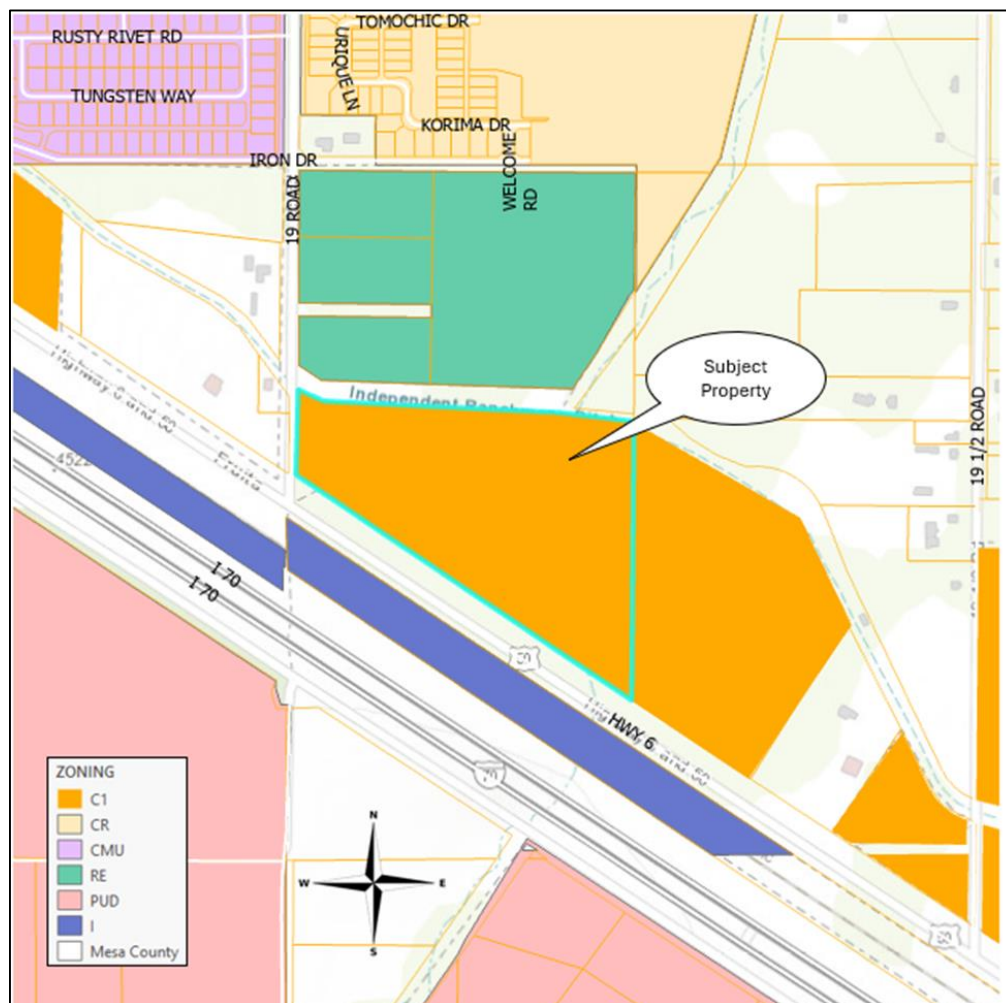
The application for review is a Concept Plan, which is designed for applications that are unique in nature. The purpose of the Concept Plan submittal and review is to be able for the applicant to garner general, non-binding feedback from Staff, Planning Commission, and City Council as stated in Section 17.19.030 (A) of the Fruita Land Use Code. Although all applications are reviewed by Staff, the Concept Plan application is a bit different because the process from both Planning Commission and City Council is to review the proposal in a work session instead of a public hearing setting. The Concept Plan is an optional step in the Planned Unit Development review process.

The subject property is approximately 20 acres located northeast of the intersection of 19 Road and Highway 6 & 50. The property is also bordered on the east side by the Adobe Creek Wash and the north side by the Independent Ranchmens Ditch. The property is currently zoned Commercial 1 (C-1), and the applicant is proposing a Planned Unit Development (PUD) zone in order to develop a unique and creative residential development design for small housing types, while also providing preservation of the Adobe Creek Wash, on-site amenities and common outdoor gathering spaces, parks, and trails. The overall plan proposes a total of 92 detached dwelling units with an increased emphasis on on-site amenities.

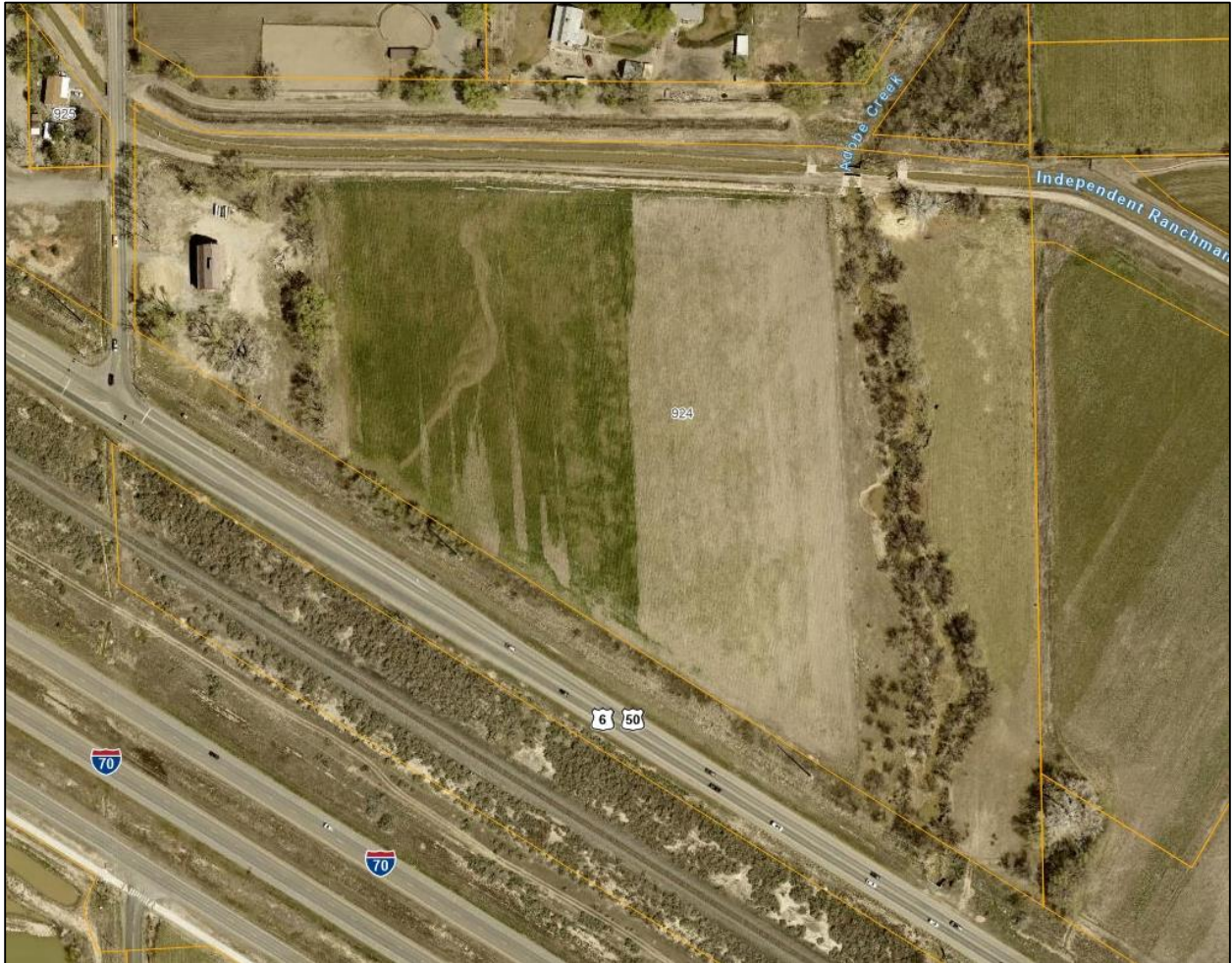
### **SURROUNDING LAND USES AND ZONING:**

Surrounding land uses are primarily residential to the north with the Iron Wheel Subdivision and Copper Creek West Subdivision nearby. Additionally, there are larger residential properties directly north that range in size from around 3 to 13 acres. To the east is Commercial 1 (C-1) zoned property and to the west is County zoned property.

### **ZONING MAP**



**2024 AERIAL PHOTO**



## **REVIEW OF APPLICABLE LAND USE CODE REQUIREMENTS:**

Section 17.19.010 explains the purpose of a Planned Unit Development and states, “*The purpose of this Chapter is to encourage flexibility and innovation in developments in exchange for a community benefit that could not otherwise be realized through the strict adherence to the Code.*”

In accordance with Section 17.19.030 (A) Concept Plan, of the Fruita Land Use Code, the Planning Commission and City Council shall evaluate the Concept Plan application according to the following approval criteria:

- a. *Conformance to the City of Fruita’s Comprehensive Plan, Land Use Code, Design Criteria and Construction Specifications Manual and other city policies and regulations;*

The applicant has submitted enough information to start the discussion of their Concept Plan application. More information is needed from the applicant to determine compliance with the Comprehensive Plan, Land Use Code, and Design Criteria and Construction Specifications Manual.

The primary purpose of this PUD request is to allow for deviations from the C-1 zone to allow for more flexibility for residential development. The C-1 zone allows for up to 12 dwelling units per acre with a minimum unit size of 500 square feet. The C-1 zone **does not** allow single-family detached or single-family attached dwelling units. The C-1 zone **allows** multifamily dwellings. It is Staff’s understanding that the major driver of the PUD request is to be able to construct single-family detached dwelling units. The proposed PUD has a density of 4.6 dwelling units per gross acre (92 dwelling units/20 acres). If developed as a multifamily project, the property could have the potential for up to 240 dwelling units (12 dwelling units per acre \* 20 acres).

When it comes to Land Uses, it appears that the PUD Guide proposes an underlying zone of Community Residential (CR). This is important to note because where the PUD Guide is silent, the underlying zone will take over (if a regulation is not mentioned in the PUD Guide, Staff will use the Community Residential standards to make decisions). This is also the applicant’s basis for deviation when it comes to bulk standards (setbacks, lot area minimums, building heights, and parking).

The PUD Guide lists out uses by right, and while this is important, should be discussed further in order to ensure that the proposed PUD zoning and plan is fully met as it gets built out. The majority of the land uses written in the PUD Guide are supported by Staff with the exception of Multifamily residential and the mention of additional uses to be determined to be similar to uses by right listed above. Multifamily residential should be removed because the primary purpose of the PUD is to allow single-family detached dwelling units, if the intent of the project was to allow for multifamily, the PUD wouldn’t necessarily be needed. Additionally, as mentioned in the applicants project narrative, if the project’s full intent or goal is to “*allow construction of aesthetically pleasing and affordable & ownable homes community in Fruita, CO, and to fulfill the*

*need for economically accessible housing and thus improve the quality of life for Fruita residents and visitors alike,” the PUD Guide should include a limitation on the number of allowed short-term rentals. Placing limitations on short-term rentals would also align with the applicant’s intention stated in the project narrative which states as a public benefit, “Provide a much-needed diversity in Fruita’s housing stock, which becomes affordable and attainable to young professionals, up-valley visitors, recreation seekers, etc.”*

As for the parking deviation, the application is proposing a parking ratio of 1 space per 1-bedroom unit and 1.5 spaces per 2-bedroom unit. This is a deviation from the required 3 spaces per dwelling unit in the CR zone. The PUD Guide and proposal align with the parking requirements for multi-family land uses with 1 space per 1-bedroom and 1.5 spaces per 2-bedroom ratio. Section 17.37.030 contains parking requirements for Single-Family Dwellings and Multi-Family developments. The requirements are as follows:

<b>Use Categories</b> (Examples of Uses are in Chapter 17.03)	<b>Minimum Motorized Vehicle Parking Per Land Use</b> (fractions rounded down to the closest whole number)	<b>Minimum Bicycle Parking Per Land Use</b> (fractions rounded down to the closest whole number)	<b>Minimum Motorized Vehicle Parking Per Land Use</b> (DMU Zone District)
<b>Residential Categories</b>			
Single Family Dwelling, including attached and detached dwellings	3 spaces per dwelling unit	None	2 spaces per dwelling unit
Multi-family	1 space per studio or 1-bedroom unit  1.5 spaces per 2-bedroom unit  2 spaces/unit per 3-bedroom or larger unit	1 space per unit	0.95 spaces per studio or 1-bedroom unit  1.25 spaces per 2-bedroom unit  2 spaces per 3-bedroom or larger unit

The purpose of the Concept Plan is to consider the criteria contained in this Staff Report (Section 17.19.030) as the application proposed to the Planning Commission and City Council. These criteria are used to review a Preliminary PUD Plan, which is the following step in this process if the application were to move forward.

### **Fruita In Motion: Plan Like a Local Comprehensive Plan (Master Plan):**

With regards to the Master Plan, Fruita is an exceptional community. Throughout the comprehensive plan process, residents brought up how much they love living in Fruita, its small-town character, and their desire to preserve the community's most desirable qualities into the future. The plan starts by declaring what makes Fruita special. In turn, these community values are the foundation of the plan—shaping the plan vision, goals, policies, and actions. Two community values represented include:

- *Fruita is a place where you run into neighbors, friends, and acquaintances at local stores and restaurants, parks, and the community center. (Community Values, Page 2, Comprehensive Plan)*
- *Fruita is a community where people are invested and constantly work to make the community better. (Community Values, Page 2, Comprehensive Plan)*
- *Fruita is committed to a land use pattern and supporting policies that promote access to housing across the income spectrum of its residents. (Community Values, Page 2, Comprehensive Plan)*

Influenced by the community values expressed on page 2 of the Comprehensive Plan, the Plan Vision states, “The City of Fruita values quality of place. It’s an inclusive city, with a small-town feel and vibrant downtown, surrounded by public lands. People love to live, work, and play in Fruita because the City facilitates community, safe neighborhoods, family-friendly events, and walking and biking. The City governs in a way that’s responsive to its citizens and prioritizes high-impact services and projects. Fruita fosters a fun and funky ambiance around the arts, agriculture, and recreation.”

The Community Snapshot section within the Comprehensive Plan also identified affordability as a growing concern within Fruita. “*Affordability issues are greatest among renters in Fruita, with about half of all renters paying more than 30% of their income towards housing costs. This is defined as being cost burdened, wherein a household is paying too much towards housing. The rental supply in Fruita is extremely limited with essentially zero vacancy, allowing landlords to charge higher rents. The percentage of renters in Fruita has increased, even though most housing being built is in the form of single-family homes. Some people may be renting single-family homes by choice; for others it may be the only option and they would prefer a lower cost option such as an apartment or duplex. Housing affordability issues affect the ability of local businesses to attract and retain employees. This is a threat to economic sustainability if left unchecked.*” (Community Snapshot, Page 12, Comprehensive Plan).

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. (Chapter 3 Land Use & Growth, Page 26, Comprehensive Plan).

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. 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. (Chapter 3 Land Use & Growth, Page 39, Comprehensive Plan).

Goal #9. Support flexibility in zoning and the development of diverse housing types as part of an economic sustainability strategy.

The availability of workforce housing is now an economic development issue in Fruita. Additionally, businesses are looking for the right fit in terms of buildings, land, and space to move, expand, or start businesses. Fruita can look to the experience of high-cost mountain resort towns to observe the risks of waiting too long to act. Local businesses are experiencing workforce shortages. The Land Use & Growth chapter of this plan (Chapter 3) contains strategies and policies on increasing the diversity and supply of housing in Fruita. For workforce housing, emphasis is on market rate and affordable (income restricted) rental housing and attainably priced ownership housing. For commercial spaces, Land Use Code changes can lay the groundwork for being an attractive place for a new or existing business. Flexibility in the design and types of buildings that can be built would be a business-friendly approach. (Chapter 4 Economic Development, Page 58, Comprehensive Plan).

- b. Consistency with one or more of the following general goals for a PUD justifying a deviation from the requirements of the Code, including but not limited to:*
  - i. More convenient location of residences, places of employment, and services in order to minimize the strain on transportation systems, to ease burdens of traffic on streets and highways, and to promote more efficient placement and utilization of utilities and public services; or*
  - ii. To promote greater variety and innovation in residential design, resulting in adequate housing opportunities for individuals of varying income levels and greater variety and innovation in commercial and industrial design; or*
  - iii. To relate development of particular sites to the physiographic features of that site in order to encourage the preservation of its natural wildlife, vegetation, drainage, and scenic characteristics; or*

It is important to note that this property is home to the “Red Barn.” The property owner and applicant are aware that the Red Barn is on the City’s local register for historic preservation (Resolution 2004-42). This barn is seen as a visual and scenic amenity to Fruita and should be



preserved as much as possible. The City does not intend by the historic preservation program to preserve every old building, but instead to draw a reasonable balance between private property rights and the public interest in preserving Fruita's cultural, historic, and architectural heritage. This should be accomplished by ensuring that demolition of buildings and structures important to that heritage are carefully weighed with other alternatives. Alterations to historically significant buildings and new construction in historically significant areas shall respect the character of each such setting, not by imitating surrounding structures, but by being compatible with them.

- iv. To conserve and make available open space; or*
- v. To provide greater flexibility for the achievement of these purposes than would otherwise be available under conventional zoning restrictions; or*
- vi. To encourage a more efficient use of land and of public services, or private services in lieu thereof, and to reflect changes in the technology of land development so that resulting economies may inure to the benefit of those who need homes; or*
- vii. To conserve the value of land and to provide a procedure which relates the type, design, and layout of residential, commercial and industrial development to the particular site proposed to be developed, thereby encouraging the preservation of the site's natural characteristics.*

Based on the application submittal and the project narrative, the overall goal of this project is to implement many of the housing related goals contained in the City of Fruita's Comprehensive Plan.

- c. Conformance to the approval criteria for Subdivisions (Chapter 17.21) and/or Site Design Review (Chapter 17.09), as applicable; except where Adjustments to the standards of this Title are allowed, and;*
- d. Conformance with applicable Design Standards and Guidelines as outlined in Chapter 17.13, unless approved as an Adjustment pursuant to the Adjustment criteria set forth in Section 17.13.020(B).*

The Design Standards that apply to this area are described in Section 17.13. Additional details will be needed from the applicant if the project were to continue to the next step.



**LEGAL NOTICE:**

Because this Concept Plan application is being reviewed in a work session, legal notice is not required at this time. If the application were to proceed to the Preliminary PUD Plan, legal notice will be required in accordance with Section 17.07.040(E).

**REVIEW COMMENTS:**

A more technical review will be conducted on this application at the Preliminary PUD Plan stage if proposed.

**PUBLIC COMMENTS:**

No written public comments have been received at this time.

**STAFF RECOMMENDATION:**

Because of the general nature of the application and fulfilling the request of the applicant to garner feedback on the application, Staff recommends the applicant provide additional information as stated in the Staff Report in order to fully consider the Preliminary PUD Plan application.

**OPTIONS AVAILABLE TO THE PLANNING COMMISSION AND CITY COUNCIL:**

Provide general, non-binding feedback to the applicant in accordance with Section 17.19.030 (A) of the Fruita Land Use Code.

**SUGGESTED MOTION:**

No motion is required for this application.