



August 29, 2024

To:

Dan Caris, Planning and Development Director
Mike Bennett, City Manager
City of Fruita
325 E. Aspen Avenue Fruita, CO 81521

From:

Kim Pardoe, IndiBuild llc 4884 Briar Ridge Court
Boulder, Colorado 80301

Emilee Powell, Housing Resources of Western
Colorado 524 30 Road #3
Grand Junction, CO 81504

Dear Dan and Mike:

Please include the narrative below in the Council packet.

The Fruita Commons
1138 & 1130 18 ½ Road, Fruita, Colorado 81521

Overview

Housing Resources of Western Colorado and IndiBuild are preparing to submit a Letter of Intent (LOI) for CHFA's 2024 Prop 123 Land Banking program to develop attainable rental and homeownership residential at 1130 and 1138 18 ½ Road for a total of approximately 14 acres. We formally invite the City to join in partnership by supporting the application and partnering in the future project. Partnering with the City would strengthen the application and could provide greater design collaboration, thereby increasing the likelihood of a successful grant application. This project will help the City meet its obligation under its Prop 123 commitment.

Prop 123 Landbanking Grant

The Letter of Intent (LOI) to CHFA outlining the partnership's plan to submit an application will be accepted on 9/16/2024 and will be reviewed on a first come first serve basis. After CHFA and OEDIT have a chance to do initial reviews of applications (expected to be approximately 2 weeks), they will issue a notice to proceed to applicants they feel will be competitive in this funding round. After receipt of notice, the team then has 60 days to complete the application. The partnership needs to submit the following with our LOI:

1. Purchase and Sale agreement



2. Status of project readiness - including status of zoning and site plan approvals

Additional items may be identified upon the release of the LOI form on 9/9/2024.

Based on feedback and timing of the round, IndiBuild will plan to apply for 9% low-income housing tax credits and CO state credits in the 2025 9% round, due to CHFA on February 1, 2025. Zoning is required for this application. Should IndiBuild be successful in obtaining tax credits in June, we will continue our site planning and design phase and plan to break ground in April of 2026.

The Partners

HRWC and IndiBuild both have the experience, resources and relationships to deliver on our commitments. Our partnership will help ensure a project that benefits the City, its residents and businesses by providing a continuum of housing specifically targeted to Fruita's existing and future needs.

IndiBuild

FHA Bylaws – Section 2. Purpose. The Authority is established to assist the City of Fruita in meeting its goals of housing for all those who want to live in Fruita and to maintain various types of housing within the City, in the following ways: By fostering and coordinating cooperation with partners within and outside of the City of Fruita to create affordable housing through tax abatement programming (for instance through low-income housing tax credit financing ("LIHTC") projects).

The Fruita Mews is approaching completion and is evidence of a proven partnership between the City and IndiBuild. The Fruita Housing Authority is a partner with IndiBuild on The Fruita Mews. The Mews is expected to be on schedule and on time and deliver 100% of deliverables to our funders and partners.

Benefits to Fruita

Leveraged Highly competitive State and Federal Grants/Funds

\$12,106,182 of federal funds

\$8,585,413 of state funds

Benefits to FHA

\$1,561,713 in assets plus accrued interest

\$5,000 +cpi annual cash flow payment

Residual cash flow payments with balloon payment in year 15

ROFR and Purchase Option in year 15

Collaborations/Community Involvement

Housing Resources of Western Colorado

Family Health West

D51
Eureka!
Over the Edge
Art and Culture Board
Livability Commission

Housing Resources of Western Colorado

The Comprehensive Plan specifically states the City plans to “*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.*” Housing Resources has served Fruita for more than 40 years with their range of services aimed at homebuyer and homeowners. This includes the construction of for-sale homes through the Self-Help Homeownership program, as well as Housing Counseling and Education, Weatherization, below market home improvement loans, and the new downpayment assistance program.

Conceptual plan for the Fruita Commons

We have developed a concept plan to communicate the vision of the Fruita Commons. If invited to apply, we plan to work closely with our partners to refine the concept plan to meet our partnership’s goal and target Fruita’s current and future attainable housing gaps.

The Fruita Commons will further meet Fruita’s dire need for a continuum of attainable housing through the construction of approximately 96 mixed income for-sale and rental homes located on approximately 14 acres at 1130 & 1138 18 ½ Road. The properties are primarily vacant land used for growing alfalfa and contain a small farmhouse that will likely need to be demolished as it was built in 1920, is in disrepair, and is located approximately 10 feet from a major collector road (18 ½ Road), which was recently expanded prior to the development of the Monument Ridge Elementary School. This acquisition is





intended for development aimed at supporting low-to moderate-income residents. The purchase price is \$1,500,000 subject to appraisal and the team hopes to acquire the land with 2024 Prop 123 Landbanking funds. The acquisition of approximately 14 acres of land is located adjacent to The Fruita Mews, a 50 unit workforce housing townhome property currently under construction with an October 2024 completion and 128 prospects on the interest list. All utilities are to the site and the site is very suitable for single family and multifamily development.



Figure 1: Conceptual Site Plan for the Fruita Commons

Housing Resources and IndiBuild anticipate building approximately 96 dwelling units, including 40 rental townhomes serving residents between 30% and 80% AMI, as well as 46 for-sale units in a mix of attached and detached products serving a range of 80% to 120% AMI.

The Fruita Commons will synchronize with the Fruita Mews, which is creating a safe, healthy and walkable porch-front home community with narrow tree lined streets, ample landscaping, detached sidewalks, and trails.

We look forward to continuing our partnership with the City.

Thanks so much,
Kim and Emilee

Kim Pardoe
Principal, IndiBuild llc
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Emilee Powell
Housing Resources of Western Colorado
EmileeP@hrwco.org

Attachments: 2024 123 Land Banking Guidelines