

GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY

June 14, 2025

Meeting Convened: 5:30 p.m. The meeting was in-person at the Fire Department Training Room, 625 Ute Avenue, and live-streamed via GoTo Webinar.

City Councilmembers Present: Councilmembers Robert Ballard, Scott Beilfuss, Laurel Cole, Jason Nguyen (virtual), Ben Van Dyke, and Mayor Cody Kennedy. Councilmember Anna Stout was absent.

Staff present: City Manager Mike Bennett, City Attorney John Shaver, Assistant to the City Manager Johnny McFarland, Community Development Director Tamra Allen, Housing Manager Ashley Chambers, Planning Manager Niki Galehouse, Deputy City Clerk Misty Williams, and City Clerk Selestina Sandoval.

1. Discussion Topics

a. Affordable Housing Fee Waivers and Exemption Policy

This item discussed the City's current approach to development-related fee exemptions and waivers for affordable housing. Under Colorado law, housing authorities are exempt from local development-related fees, and municipalities may waive impact fees for low- and moderate-income housing. Staff presented proposed changes to improve clarity, reduce long-term fiscal impacts, and align with Housing Strategy 2 and the City's Proposition 123 production goals.

Key points included:

- Staff recommended repealing Resolution No. 44-24 (previous fee waiver policy).
- No Backfilling: End the general fund backfill of impact fees for affordable housing.
- Tiered Incentives:
 - Rental Units: 100% fee waiver for units at 60% AMI or below; scaled incentives up to 90% AMI.
 - For-Sale Units: Fee waivers up to 120% AMI, with lower incentives between 100–120% AMI.
- Apply Incentives: To six projects comprising 450 proposed affordable units.
 - If the proposed changes are adopted, the City's outlay would drop from ~\$4.1M to ~\$1.87M.
- Annual Cap: Recommendation to set an annual budget cap for affordable housing incentives.
- Administrative Consistency: Retain the 30-year affordability requirement and annual application process.

Council Discussion & Direction:

- Broad support for ending backfilling and moving to tiered fee waivers.

OpenAI. (2025). *ChatGPT* [Large language model]. <https://chatgpt.com>

- Encouragement to test whether higher AMI incentives (100–120%) attract more housing supply.
- Interest in modeling long-term fiscal impacts, including potential sales tax benefits.
- Consensus to move forward with proposed changes and budget accordingly.

b. Member Selection of the Housing Affordable Code Task Force

The City received several recent inquiries from members of the Housing and Building Association of Western Colorado to convene a task force focused on “meaningful” reforms within the City’s policies and procedures to make housing more attainable. The council discussed the formation of this task force at their June 30th workshop and directed staff to make a broad call to housing developers for participation in the task force. Interested participants were asked to submit their name and basic information about their role and work in housing development to the city by the end of the day on July 10, 2025. This information was provided to the city council prior to this workshop. The council selected Mayor Kennedy, Mayor Councilmember Cole, and Councilmember Nguyen to join the task force discussions.

Key points included:

- Council received 40+ applications to serve on the industry-led, staff-supported task force.
- Goal: Include diverse representation (e.g., builders, developers, planners, architects).
- Task force will consist of 15 members selected from applicants (including 1-2 Planning Commissioners).
- Council members will submit ranked choices individually to staff (avoiding open meeting conflicts).
- The committee will elect its own chair/vice-chair.
- Concern was raised about ensuring balanced public perception and limiting conflict of interest.

c. Discussion of HB 24-1007 and Possible Moratorium on Application of Group Living Regulations

In 2024, the State passed HB24-1007 Home (Harmonizing Occupancy Measures Equitably) Act with an effective date of July 1, 2024. The Act is codified at C.R.S. 29-20-111. The law provides that "a local government shall not limit the number of people who may live together in a single dwelling based on a familial relationship. Local governments retain authority to implement residential occupancy limits based only on (a) demonstrated health and safety standards such as international building code standards, fire code regulations, or Colorado Department of Public Health and Environment wastewater and water quality standards; or local, state, federal or political subdivision affordable housing program guidelines." Presently, the Grand Junction Municipal Code ("GJMC") contains no demonstrated health and safety standards, and as such, to be in compliance, there has been discussion of the City 1) repealing or suspending or 2) modifying the GJMC concerning group living.

Mayor Kennedy recused himself and left the room. Mayor Pro Tem Cole led this portion of the workshop.

Key points included:

- **Staff Recommendation:**
 - Adopt a temporary moratorium on enforcing current group living regulations.
 - Use time to review and revise the municipal code and possibly redefine group living facilities as non-residential to maintain zoning discretion.
- **Research Findings:**
 - Staff reviewed policies in Fort Collins, Montrose, Avon, Lyons, and Milliken.
 - Most use 8-person occupancy as a threshold, derived from existing state statutes for group homes.
- **Council Direction:**
 - General agreement to proceed with the moratorium while also exploring local regulatory options.

2. Council Communication

- Request to engage with Mesa County Valley School District and Ute Water on future affordable housing collaborations.
- Wildfire preparedness update provided by the Interim Fire Chief, including potential move to Stage 2 fire restrictions.
- Discussion on the agenda-setting process, where staff bring recommended topics to Council and Council has the opportunity to suggest topics during this portion (Council Communication) of the workshops.
- Discussion on improving public clarity of meeting calendars and events.
- Timeline for strategic planning.

3. Next Workshop Topics

- Staff will bring projected costs for 4th and 5th Streets based on the last direction received back to Council on August 4th.

4. Other Business

There was none.

5. Adjournment

There being no further business, the workshop adjourned at 8:22 p.m.