CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. 92-26

A RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT REQUEST TO THE COLORADO DEPARTMENT OF LOCAL AFFAIRS UNDER THE HB 24-1152 ACCESSORY DWELLING UNIT (ADU) GRANT PROGRAM.

RECITALS.

House Bill 24-1152, enacted by the Colorado General Assembly in 2024, established the Accessory Dwelling Unit (ADU) Grant Program to increase the supply of diverse and attainable housing options throughout the state. The legislation recognizes ADUs—self-contained residential units located on the same lot as a primary dwelling—as an important strategy for addressing housing shortages, supporting multigenerational living, and creating rental opportunities within existing neighborhoods.

The bill's intent is to provide financial resources to ADU Supportive Jurisdictions, municipalities or counties that have adopted policies, streamlined processes, and zoning regulations that remove barriers to ADU development. Funding through this program can be used to reduce costs, provide incentives, or otherwise facilitate the construction of ADUs, helping local governments accelerate production while maintaining quality design and neighborhood compatibility.

The City of Grand Junction is formally certified as an ADU Supportive Jurisdiction by the Department of Local Affairs. Over the past three years, staff have advanced the City's original 2021 Housing Strategy 4: Encourage development of accessory dwelling units (ADUs) — which was subsequently incorporated into Housing Strategy 11: Monitor goal progress and housing program outcomes in 2024. In September 2026, the City confirmed this approach again in Strategy 2: Continue incentives for affordable and/or attainable housing development. Accordingly, efforts have focused on expanding housing options through significant code changes to encourage ADU construction, including zoning updates, streamlined permitting, and the creation of the City's ADU Production Program. This program provides incentives such as fee waivers and direct cash payments to homeowners interested in building an ADU.

Funding from the HB24-1152 ADU Grant Program will allow the City to continue operating the existing ADU Production Program and expand its capacity to provide incentives that directly reduce the cost burden for property owners and can help to increase the overall supply of long-term rental housing in established neighborhoods that are naturally occurring affordable units (NOAH), and provide flexible housing options for multigenerational families, caregivers and residents aging in place.

The total project cost is $450,000. The City of Grand Junction is requesting $337,500 (75%) in grant funds and will contribute a local cash match of $112,500 (25%) using 2027 budgeted funds.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Grand Junction does hereby authorize the City Manager to submit an application to the Colorado Department of Local Affairs for the HB24-1152 ADU Grant Program in the amount of $337,500, and, if awarded, commits to provide a local cash match of $112,500, from 2027 budgeted funds, for a total project cost of $450,000, all in accordance with the foregoing Recitals.

Dated this 21st day of October 2026.

Laurel Lutz

President of the City Council

ATTEST:

Selestina Sandoval

City Clerk