CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. 106-26

A RESOLUTION MODIFYING RESOLUTION NO. 45-25 TO DISCONTINUE CITY PAYMENT OR BACKFILL OF DEVELOPMENT-RELATED FEES, INCLUDING WATER AND SEWER PLANT INVESTMENT FEES, WAIVED UNDER THE AFFORDABLE AND ATTAINABLE HOUSING INCENTIVE PROGRAM

Recitals:

WHEREAS, CRS 29-20-104.5 authorizes a local government to waive an impact fee or other similar development charge for low- or moderate-income housing or affordable employee housing as defined by the local government; and

WHEREAS, on July 3, 2024, City Council adopted Resolution 44-24 establishing the Affordable Housing Production Incentive, which authorizes the City Manager to backfill the cost of development-related fees for qualifying projects; and

WHEREAS, on August 20, 2025 City Council repealed Resolution 44-24 and adopted Resolution No. 45-25 establishing AMI-tiered waivers of impact fees for affordable housing and providing for the City to pay water and sewer fees on behalf of eligible units, subject to annual appropriation; and

WHEREAS, paying or backfilling waived and exempt fees requires annual General Fund appropriations that compete with other City priorities and reduce the certainty of the incentive for affordable housing developers; and

WHEREAS, City Council finds that waiving City water and sewer plant investment fees for eligible units, will continue to support the City's Housing Strategy and its Proposition 123 affordable housing commitment. However, it is in the interest of the City to discontinue backfilling the plant investment fees. While the plant investment fees will cause an impact to the water and sewer systems, the new taps will still pay the fees for the service, and those new rate-payer revenues will continue to be captured by those respective services.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO, THAT:

1. Water and sewer plant investment fee waiver. City water plant investment fees, and sewer plant investment fees subject to Section 4, may continue be waived in accordance with the requirements of the Affordable and Attainable Housing Incentive Program authorized by Resolution 45-25.

2. No backfill. Development-related fees, including plant investment fees, waived under the City's Affordable and Attainable Housing Incentive Program shall not be paid, reimbursed, or backfilled from the General Fund. Any future payment of such fees shall require an appropriation by City Council.

3. Relationship to Resolution 45-25. All other provisions of Resolution 45-25 not inconsistent with this resolution remain in effect.

4. City's Water System. The City Manager is authorized to effectuate this resolution pertaining to any plant investment fees for the City's Water System with the passage of the 2027 Budget appropriations and beginning with the 2027 budget year.

4. Persigo Wastewater System. The waiver of sewer plant investment fees takes effect upon the passage of the 2027 Budget appropriations and the passage of a Resolution by the Mesa County Board of County Commissioners approving this change in fees pursuant to 1998 Persigo Intergovernmental Agreement (as amended). Until then, the City shall continue to pay waived sewer plant investment fees on behalf of eligible units, subject to annual appropriation and the terms of Resolution 45-25.

5. Effective date. This resolution is effective upon adoption and applies to eligible units that have not received a Planning Clearance as of that date.

PASSED AND ADOPTED this 18th day of November 2026.

Laurel Lutz, President of the City Council

ATTEST:

Selestina Sandoval, City Clerk