

# **Grand Junction Downtown Development Authority**

## **REQUEST FOR PROPOSALS**

FOR PARTICIPATION AND/OR COOPERATION IN THE DEVELOPMENT AND/OR PURCHASE OF THE WHITE HALL PROPERTY (“PROPERTY” OR “THE PROPERTY”) LOCATED AT 600 WHITE AVENUE (NORTHEAST CORNER OF WHITE AVENUE AND 6<sup>TH</sup> STREET), GRAND JUNCTION, COLORADO

**Responses must be received by 5:00 PM on May 11, 2015.**

Hard copy submittals shall be delivered to:  
Grand Junction Downtown Development Authority  
437 Colorado Avenue  
Grand Junction, CO 81501

Electronic submittals shall be sent to:  
[harryw@gjcity.org](mailto:harryw@gjcity.org)

Responses will be first considered by the Board of Directors on  
May 14, 2015 at the DDA offices.

The DDA shall conduct a tour of the Property for potential proposers on  
Monday, April 27, 2015, at 1:00 PM.

This tour is optional; interested parties are encouraged to attend.

Questions may be directed to the address above by mail, by telephone at (970) 256-4134, or by electronic mail to [harryw@gjcity.org](mailto:harryw@gjcity.org). Supplemental instructions and/or written responses to questions may or may not be issued/determined at the sole discretion of the DDA.

## PROPOSAL REQUIREMENTS

- The DDA seeks proposals from interested person(s), firm(s) or entity(ies) for participation in the development, financing of redevelopment, ownership, operation and/or maintenance of the Property.
- The principal purpose of this Request for Proposals is to help the DDA identify general development interest in the Property, and the number and nature of interested purchaser(s), partner(s), financier(s), contributor(s), benefactor(s) and/or vendor(s). The DDA shall not be required to use any proposal or solely a proposal(s) that is (are) submitted through this or any other process.
- Proposals may include but are not limited to:
  1. Offers/proposals to purchase the Property, in whole or in part;
  2. Offers/proposals to design, plan, finance, construct or participate, as a joint venture, partnership or other suitable legal relationship, either in whole or in part, in the development of the Property;
  3. Offers/proposals to develop housing, office, commercial, mixed-use, or other uses on the Property. Preference may be given to proposals that return the Property to the tax roles as residentially or commercially taxable property, but tax-exempt uses are also solicited for consideration.
  4. Offers/proposals that entail the rehabilitation of the existing building on the Property, or the demolition of the existing building and its replacement with new improvements.
- Proposals must be bona fide. The offeror must have the present ability to make the/an offer at the time it is made as well as to act on the offer at some point in the future; contingent offers must include detailed information about the nature and extent of all contingencies.
- Proposals must be sufficiently detailed so that it is clear what is being offered: at minimum submissions shall include a conceptual site plan and conceptual sketch elevations of the White Avenue and 6<sup>th</sup> Street frontages.
- The DDA is looking for creative ideas, suggestions and offers for participation. A plain and concise statement of experience, knowledge and capacity to execute the proposal is essential. A statement of the relevant detail and/or the proposer's experience would be appreciated.

## Rules for the Proposals

- All proposals and materials submitted become the property of the DDA and as such concepts contained therein are not protected/the proposer may assert no protection thereof. Materials will not be returned to proposers.
- The DDA has the right to use any and all ideas or adaptations of any or all ideas contained in all proposals received, subject to the proprietary limitations stated herein. Disqualification, selection, rejection or negotiation of a proposal(s) does not restrict or eliminate this right of use of any or all ideas.
- Use of proposal information will be restricted to this project; proposals will not be publicly available until after a/the proposal(s) is (are) accepted or rejected. If a proposal is accepted, DDA may negotiate with the proposer. A proposer, by submitting a proposal, reasonably agrees to negotiate in good faith with the DDA. A negotiated proposal is subject to these rules and any other conditions, restrictions or requirements of a contract, if any. A proposal(s) will be/become operative in accordance with and pursuant to a written agreement between the DDA and the proposer.
- Every proposal shall be considered an offer which may be accepted by the DDA within 90 days of the date the proposals are opened by the DDA Board of Directors. The DDA reserves the right to reject any or all offers and to waive informalities and minor irregularities in offers received. The DDA may accept any portion of a proposal, unless the proposer specifically states otherwise within the proposal.
- All submittals in response to this invitation become public record and become subject to public inspection after the DDA reaches a written agreement with a proposer or notifies the proposer in writing that his/her proposal was not selected for use. Any trade secrets or proprietary information contained in a proposal must be clearly identified as such or it will not be treated as confidential and proprietary. All proposals are subject to the provisions of Colorado's Open Records Act (ORA).
- Do not ask that the entire proposal be deemed confidential; in accordance with applicable law it can not be and will be disqualified if such a request is made.
- The DDA Board will decide all questions of confidentiality and proprietary information, subject to judicial review as provided by the ORA.
- The proposer agrees that the DDA shall not be liable for any action or inaction of a proposer that constitutes claimed or actual patent, trade mark or copy right infringement or any other claim, demand, cause of action or liability for an asserted or actual taking of or interference with an intellectual property right howsoever the claim may be stated.
- No DDA or City official or employee is allowed to have any personal, business or financial interest in any proposal. DDA/City officials and employees and associated persons are subject to state and City laws regarding disclosure and conflicts of interest.

## Background Information

The Property is a parcel approximately 125 feet deep (N-S) by 200 feet wide (E-S) with frontages on White Avenue to the south, 6<sup>th</sup> Street to the west, an alley to the north, and adjoining a separately owned improved parcel to the east. The site originally housed the First Presbyterian Church (ca. 1923), and was expanded in the mid-1950's by the addition of a classroom wing. In September 2011, the historic sanctuary was destroyed by fire but the educational wing survived with minor damage.

The collapse of the sanctuary resulted in an open-air, asbestos-contaminated debris field. In June 2012 the City of Grand Junction took title to the property and initiated a complex asbestos abatement project that removed the damaged sanctuary but left the education annex intact. In December 2013 the City transferred title to the DDA. In spring 2014 the DDA completed the abatement of interior asbestos-containing materials identified in the education annex (ceiling plaster, floor tile and mastic). Trace amounts of asbestos have been identified in the existing window putty which is deemed non-friable. The site has a history of uranium mill tailings usage and limited mitigation; gamma radiation levels in the basement level of the existing building vary across the area, with some locations exceeding the threshold for prolonged human exposure without mitigation. Proposers must confirm environmental conditions of the Property to their satisfaction.

As-built drawings of the education annex were commissioned from Chamberlin Architects and are deemed reliable for the purpose of conceptual planning, but are subject to field verification for detailed design development. A preliminary structural assessment of the existing building was conducted by Lindauer Dunn, Inc. The DDA has considered this site for potential housing scenarios, informed in part by the "Downtown Grand Junction Housing Market Analysis" and an Opportunity Site Analysis; however, all potential uses proposed for the property will be considered.

## Appendices (all in pdf format)

- Appendix A – As-Built Site & Floor Plans (available upon request as .dwg file)
- Appendix B – Structural Assessment
- Appendix C – Downtown Housing Market Analysis
- Appendix D – Housing Opportunity Site Analysis

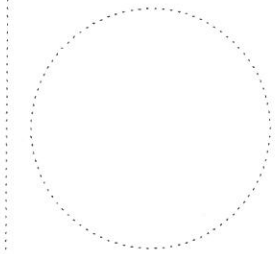
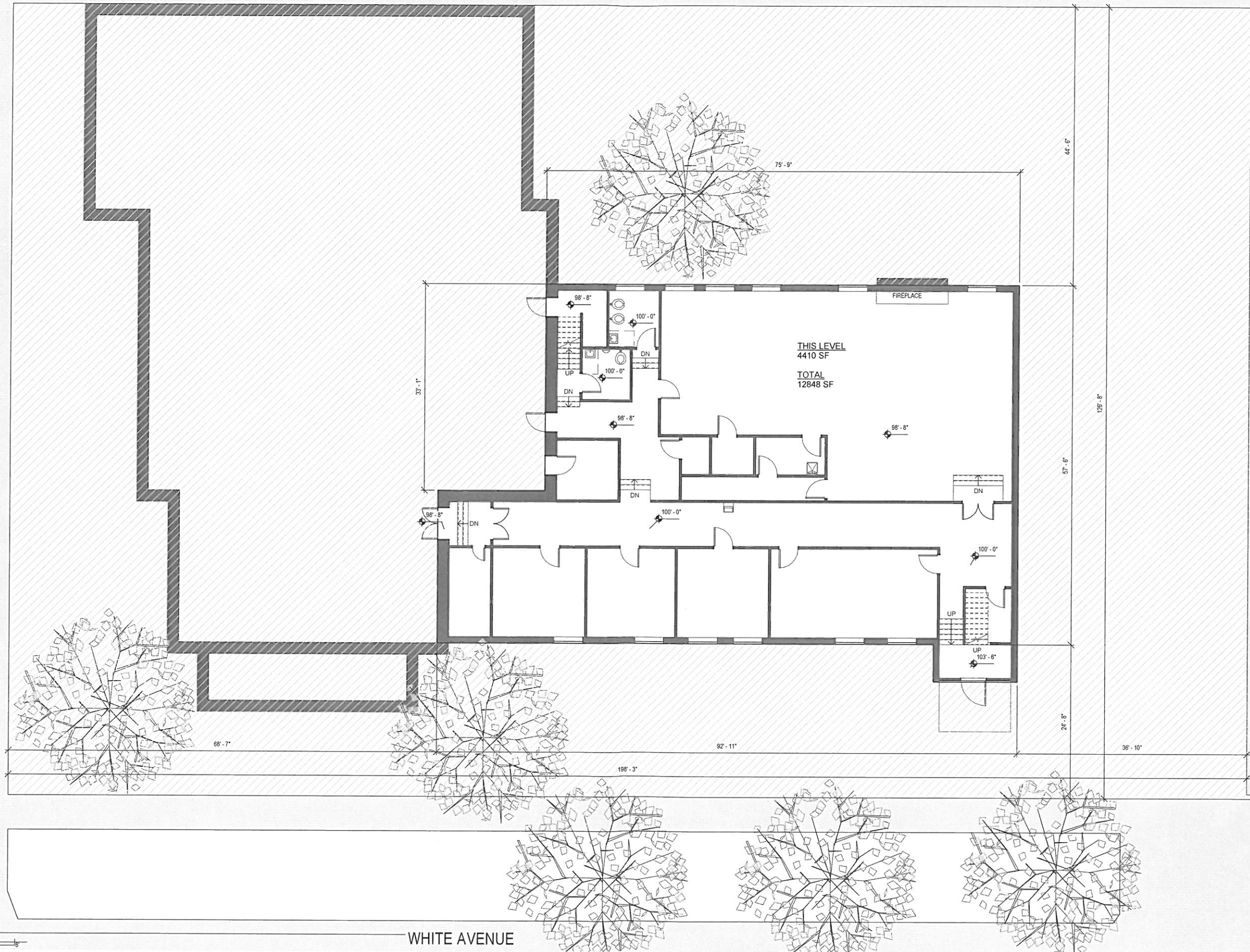
12/20/2012 11:41:58 AM  
P:\2010 - White Hall\Consulting\WORKING DRAWINGS\REVISED\CENTRAL\A101\_White Hall Consulting\_Corps.dwg

20' ALLEY

CHAMBERLIN  
ARCHITECTS

CHAMBERLIN ARCHITECTS  
437 Main St  
Grand Junction, Colorado 81501  
T 970.242.6804  
725 Saint Joseph St., Suite B1  
Rapid City, South Dakota 57701  
T 605.355.6804  
www.chamberlinarchitects.com

N. 6TH STREET



WHITE HALL  
RENOVATION

GRAND JUNCTION, COLORADO

FIRST LEVEL PLAN

NO: ISSUED FOR: DATE:

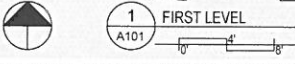


PROJECT STATUS: 0%

DRAWN BY: Aaron CHECKED BY: Checker

DATE: 00/00/00 SHEET NO:

PROJECT NO: 1240 **A101**



1 FIRST LEVEL  
A101

WHITE AVENUE

©2010 CHAMBERLIN ARCHITECTS

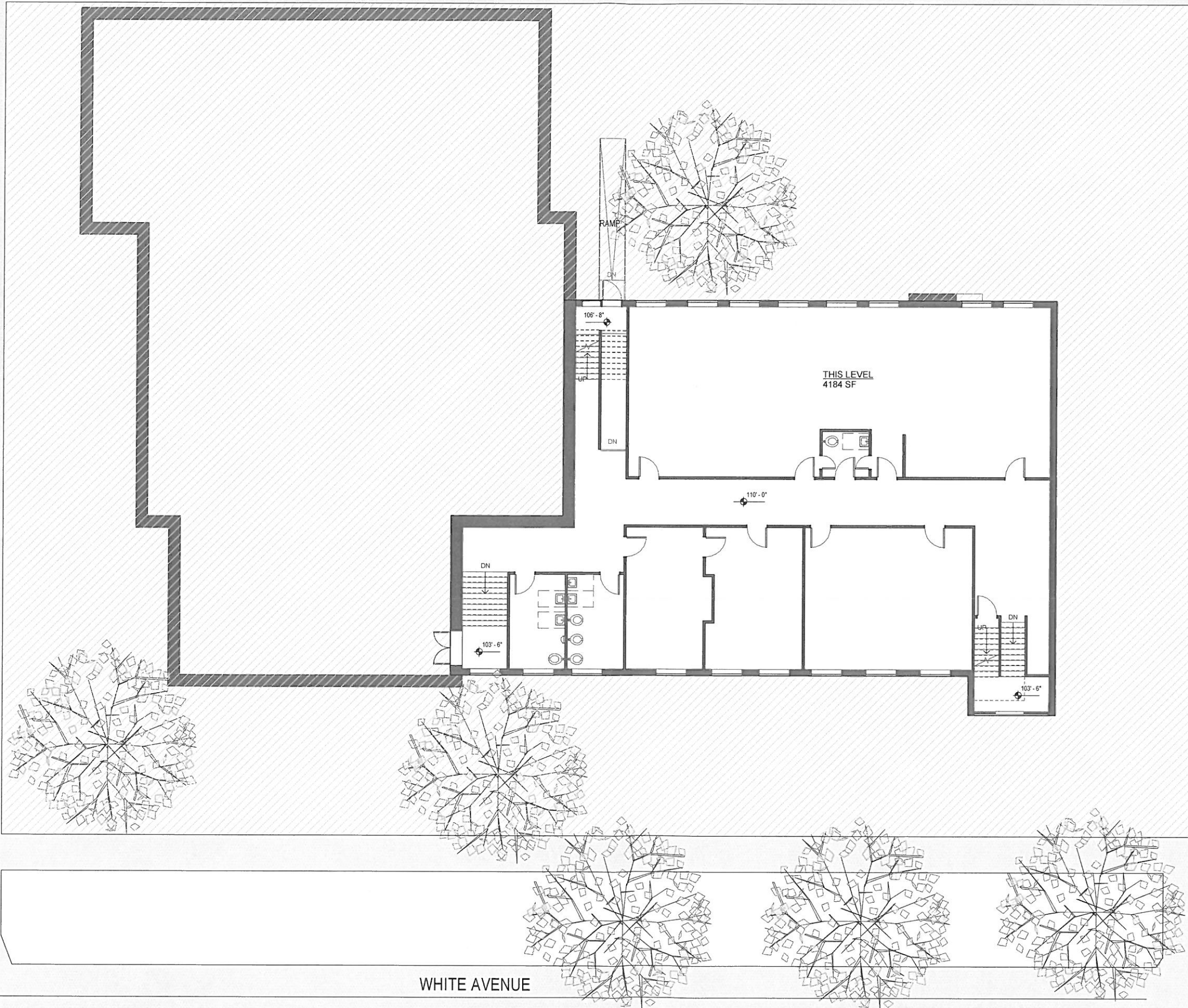


20' ALLEY

CHAMBERLIN ARCHITECTS  
ENHANCING EVERYDAY LIVING THROUGH DESIGN

CHAMBERLIN ARCHITECTS  
437 Main St.  
Grand Junction, Colorado 81501  
T 970.242.6804  
725 Saint Joseph St., Suite B1  
Rapid City, South Dakota 57701  
T 605.355.6804  
www.chamberlinarchitects.com

N. 6TH STREET



WHITE HALL RENOVATION

GRAND JUNCTION, COLORADO

SECOND LEVEL PLAN

NO: ISSUED FOR: DATE:

PROJECT STATUS: 0%

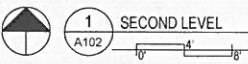
DRAWN BY: Author CHECKED BY: Checker

DATE: 00/00/00

SHEET NO:

PROJECT NO: 1240

A102



1 SECOND LEVEL  
A102

WHITE AVENUE

12/20/2011 11:42:52 AM  
P:\1240 - White Hall Renovation\DRAWINGS\REVISED\CENTRAL\LDG\_White Hall Consulting\_Correl.dwg

©2011 CHAMBERLIN ARCHITECTS



20' ALLEY

C H A M B E R L I N  
A R C H I T E C T S  
ENHANCING EVERYDAY LIVING THROUGH DESIGN

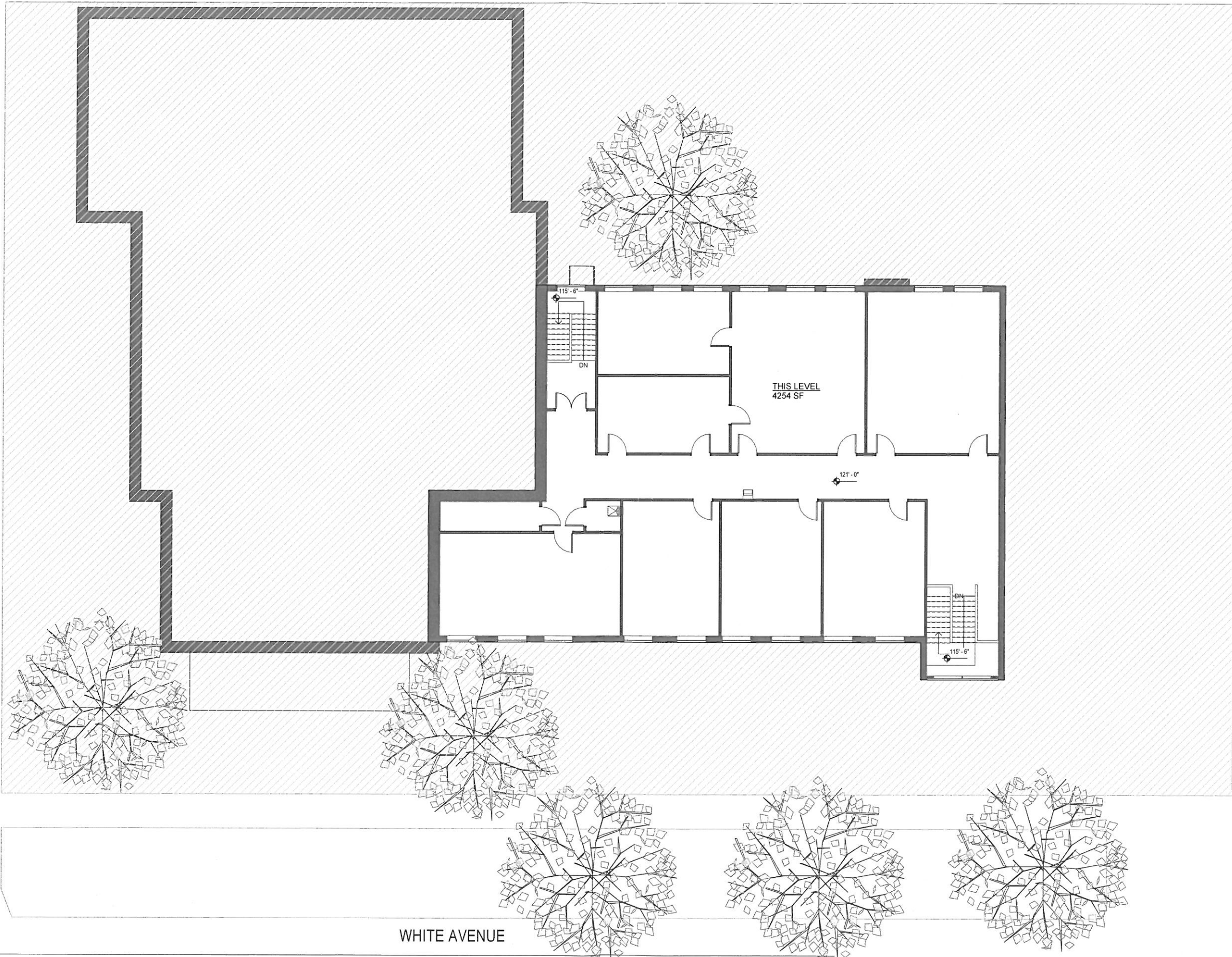
CHAMBERLIN ARCHITECTS

437 Main St.  
Grand Junction, Colorado 81501  
T 970.242.6804

725 Saint Joseph St., Suite B1  
Rapid City, South Dakota 57701  
T 605.355.6804

www.chamberlinarchitects.com

N. 6TH STREET



WHITE HALL  
RENOVATION

GRAND JUNCTION, COLORADO

THIRD LEVEL PLAN

NO: ISSUED FOR: DATE:



PROJECT STATUS: 0%

DRAWN BY: Author CHECKED BY: Checker

DATE:

00/00/00 SHEET NO:

PROJECT NO: **A103**

1240

WHITE AVENUE

1 THIRD LEVEL  
A103

12/20/21 11:48:57 AM

P:\1240 - White Hall Renovation\WORKSET\DRAWINGS\CENTRAL\1240\_White Hall Central.dwg, Central.dwg

©2021 CHAMBERLIN ARCHITECTS



Jeffrey A. Dunn  
Principal  
Leland J. Lindauer  
Emeritus

July 23, 2014

Grand Junction Downtown Development Authority  
248 South 4<sup>th</sup> Street  
Grand Junction, CO 81501

Attn: Harry Weiss

Subject: White Hall - Structural Assessment  
Grand Junction, Colorado  
Lindauer Dunn, Inc. Job No. 14.072

Dear Harry:

At your request we visited White Hall on July 23, 2014, in order to perform a preliminary structural assessment of the remaining building.

We understand the existing three story building was constructed in the late 1950's, and was used as a community hall and educational facility for the adjacent church. The building is constructed of multi-wythe brick exterior bearing walls, with steel open-web joist floor framing supporting concrete topping slabs on steel form decks. The roof framing also consists of steel open web joists, with the roof deck consisting of a wire lath and gypsum fill or insulation material. Steel girders are located at each level and the roof along an east-west line at approximately one third of the building width. The steel girders are supported on regularly spaced steel columns that were not visible at the time of our visit, but were indicated by web stiffeners in the steel beams. At the west end of the remaining building, the girders bear on the corner of the brick wall that was formerly the wall of the sanctuary. From the ends of the girders to the west end of the common wall, the steel floor and roof joists bear on steel ledge angles that are anchored into the brick wall.

Concrete masonry (c.m.u.) partition walls are located at each level on either side of the main east-west corridors, and at in several locations north-south c.m.u. partition walls divide the spaces on each side of the corridor. The steel floor joists were typically doubled under these partition walls, however, some walls may have been removed in the past as doubled joists exist where there are no partitions above.



The foundation of the structure is c.m.u. from the lower floor level slab to approximately 12" below the main level floor bearing elevation. The foundation appeared to be in good condition, with no noticeable or significant cracks or other signs of distress. Based upon typical downtown construction and the good condition of the building, we believe that the foundation may be supported on driven piles. This may need to be confirmed prior to future remodeling work on the building.

The building had sustained some smoke damage from the fire that destroyed the west end sanctuary several years ago. Any visible damage appeared to be only cosmetic in the remaining building. The exposed sides of the remaining brick walls of the former sanctuary were damaged and their integrity is uncertain. The walls are mostly non-structural, except for the girder bearing and joist bearing conditions noted above. Prior to re-using the building, we recommend that the existing structural framing be re-supported on new steel members to remove the load from the existing masonry walls. Those walls could still remain in place with some patching and repairs, if they are treated as non-structural separation walls only.

The existing concrete topping slabs at the main and second floor levels exhibited extensive shrinkage cracking, which is not a result of the fire but instead has probably occurred over the life of the structure. The floors did not feel stiff, and some vibration was noticeable. The existing steel joists have significant spans and may exhibit larger deflections than are acceptable. No screwed or welded connections of the sidelaps of the existing steel decking were visible, so it was not possible to determine how the deck sidelaps were fastened, if at all. Prior to any re-use of the building, an analysis should be performed on the floor framing to determine allowable gravity and lateral load capacities. The structure was most likely designed for classroom or office occupancy, so if the building is reused for either of those purposes or is reclassified as a residential building, the floor framing may not need substantial work.

There was no obvious lateral bracing system observed in the structure. It may have been the intent of the building designers that the exterior brick walls were to function as unreinforced masonry shear walls. The c.m.u. corridor walls along the east-west axis of the building did not appear substantial enough to be considered shear walls, however, prior to any interior remodeling there should be a more thorough investigation of the structure so that any new proposed openings in walls can be carefully coordinated. If any major changes are made to the mass of the structure such as removal or addition of walls, additions of mechanical equipment, increases in floor design loads, etc., the lateral support system of the building may have to be improved.

The existing roof deck lath does not have significant diaphragm strength, and it may be a good idea to replace the existing lath with a new structural steel deck welded to the existing roof joists. This would improve the lateral bracing of the building and should also help to extend the life of the roof.

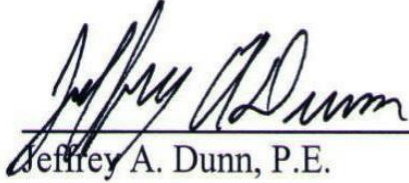
In conclusion, the proposed re-use of the building as a residential project seems feasible if some structural upgrades are performed. The building seems to be in good structural

condition, generally speaking. As our assessment is limited to cursory and non-destructive observations, a more thorough investigation of the structure of the building should be performed during the design phase to verify structural capacities and allow for more specific recommendations of remediation.

If you have any questions, please do not hesitate to call our office.

Sincerely,

LINDAUER DUNN, INC.



Jeffrey A. Dunn, P.E.

# Downtown Grand Junction Housing Market Analysis

March 2014

Prepared by:

*Rees Consulting, Inc.*

970-349-9845

In association with:

*RRC Associates, Inc.*

303-449-6558



## Contents

Introduction .....	1
Purpose of the Study.....	1
Organization of the Report .....	1
Sources and Methodology .....	1
Area Covered .....	2
Key Findings .....	2
Acknowledgments.....	3
I. Demographic and Economic Analysis .....	4
Household Composition.....	4
Population and Age.....	5
Race and Ethnicity.....	6
The Mesa County Economy .....	6
Downtown Employment.....	7
II. Housing Inventory.....	9
Number of Housing Units.....	9
Owner/Renter Mix .....	9
Occupancy Levels/Vacancy Rates .....	10
Condition of Homes .....	10
Redevelopment and Infill Opportunities .....	11
Major Opportunity Sites .....	11
III. Rental Market Analysis .....	12
Vacancy Rates .....	12
Rents .....	14
Downtown Rents.....	15
Renter Profile .....	15
Planned Projects .....	15
IV. Ownership Market Analysis.....	16
Market-Wide Trends.....	16
Buyer Profile.....	16
Variation in Price by Area .....	17

Product Types ..... 17

Downtown District Trends ..... 17

VI. Demand for Downtown Housing ..... 19

    Interest in Living Downtown ..... 19

    Factors Influencing Interest in Living Downtown ..... 19

    Quantifying Demand ..... 20

    Potential for Senior Housing ..... 21

    Influence of Downtown Characteristics on Demand ..... 22

    Impediments to Demand ..... 23

VII. Downtown Housing – Product Type and Design..... 24

    Neighborhood Preferences ..... 24

    Ownership/Rental Mix ..... 25

    Unit Type ..... 26

    Amenities/ Home Features ..... 27

    Bedrooms ..... 28

    Affordability and Pricing ..... 29

    Tradeoffs ..... 30

    Architecture ..... 31

    Desired Downtown Improvements..... 31

# Introduction

## Purpose of the Study

The purpose of this study is to evaluate the potential market for housing in Grand Junction's Downtown District since, when people live downtown, they improve the economic viability of local businesses and enhance the overall vitality of the area. A goal of the *Greater Downtown Plan* adopted in April 2013, is to promote downtown living by providing a wide range of housing opportunities, both rental and for sale. This study provides the information needed to achieve this goal through the development of housing that is responsive to demand.

The Grand Junction Downtown Development Authority sponsored this study with financial, technical and management support from the Sonoran Institute.

## Organization of the Report

This report is organized into six major sections:

1. Demographic and Economic Analysis
2. Housing Inventory
3. Rental Market Analysis
4. Ownership Market Analysis
5. Demand for Downtown Housing
6. Downtown Housing – Product Types and Design

An appendix contains supplemental, detailed tables for Sections 5 and 6 for reference when planning and designing downtown housing developments.

## Sources and Methodology

This study relies heavily upon primary research including:

- An on-line survey supplemented with a print version distributed widely through employers and by media, through which a total of 1,131 responses were received;
- Three focus groups involving realtors, rental property managers and downtown residents; and
- A windshield survey of the Downtown District conducted in November 2013 through which the condition of homes, opportunities for infill and redevelopment, and sites for new development were assessed.

In addition, this study utilizes multiple sources of published information including:

- The 2010 Census;
- The Bray Report and Bray Perspective, December 2013;
- The Colorado Division of Housing Foreclosure Report;



- The Colorado Department of Labor and Employment, Labor Market Information and Quarterly Census of Employment and Wages; and
- ESRI Business Summary 2013 published by Dun and Bradstreet and provided by the City of Grand Junction.

## Area Covered

This report uses several terms to describe the distinct areas within downtown Grand Junction.

- Central Business District (CBD) – This area is the primary focus of this study. It is bounded by Grand Ave. on the north, 7<sup>th</sup> St. on the east, Pitkin Ave. on the south and 1<sup>st</sup> St. on the west.
- Greater Downtown -- This is the secondary study area. For the purposes of providing Census information on demographics and the existing housing inventory, it is divided into two parts:
  - North Area: the area directly north of the CBD extending to North Ave.
  - East Area: the area bounded by North Ave. on the north, 12<sup>th</sup> St. on the east, Pitkin Ave. on the south and 7<sup>th</sup> St. on the west.
- Downtown District – The entire downtown area that encompasses the CBD and Greater Downtown; it is the original square mile incorporated as a city when Grand Junction was founded.

## Key Findings

Results from the survey and focus groups indicate there is much interest in living downtown. The demand for housing is sufficiently strong to develop a variety of both rental and ownership housing. Key findings include:

- Of persons surveyed, 38% are interested in living in the CBD. Of these, 84% would also consider living in the Greater Downtown area (p. 19);
- Interest in living downtown is particularly high among persons in the 25 to 35 age range (p. 20) and a disproportionately high percentage of the persons who now reside in the CBD are in the 50 to 59 age range (p. 5). These are the same age groups that were the first to move in significant numbers into downtown Denver in the late 1980's and early 90's.
- While seniors tend to have slightly lower interest in living in the CBD compared to survey respondents overall, the senior population in Mesa County is significant and growing (p. 21). Housing to specifically serve this population would fit well within the Downtown District given that the attributes of the area (good sidewalks, availability of services and shopping) are highly valued by retirees.

- About two-thirds of the persons who indicated they are interested in living downtown now own their homes. Half would like to own within two years of moving downtown while the other half would like to rent or are uncertain. Interest in ownership will increase as the length of downtown residency increases (p. 25-26).
- Housing within the Downtown District has performed better than the overall market in Mesa County – the number of sales has dramatically increased, prices have increased to the extent that they are now at pre-Recession levels, and the inventory of homes listed for sale is smaller in relative terms (p. 17-18).

## Acknowledgments

Appreciation is extended to the following focus group participants for their time, information and insights:

### Realtors

Jeff Hanson  
Mike Burkhard  
Priscilla Studt  
Hal Heath

### Property Managers

Cindy Hoppe  
Dax Marutzky  
Cindy Dickey

### Downtown Residents

Michael & Andrea Krieves  
Shane Burton  
Meg McCord  
Mary Price

## I. Demographic and Economic Analysis

This section of the report provides information on who now lives downtown, economic trends in Mesa County, and employment in downtown including the number of employees and the industries in which they work.

### Household Composition

Approximately 1,900 households now reside within the Downtown District.

- Half are one-person households;
- Couples without kids and non-family/roommate households are about equal at 16% each; and
- Children reside in 15% of the occupied units, compared with about 17% in Grand Junction and 20% in Mesa County as a whole.

About 100 households live within the CBD.

- There are proportionately more 1-person households; one person lives alone in over ¾ of the occupied housing units;
- Roommates live in about 8% of the units; and
- The 2010 Census found only two households with children residing in the CBD.

While the composition of households is very similar in the east and north areas of Greater Downtown, the north area has proportionately fewer single persons living alone.

**Downtown Grand Junction Households, 2010**

	<b>CBD</b>	<b>Greater Dtn East</b>	<b>Greater Dtn North</b>	<b>Downtown District</b>
<b>All Households #</b>	99	1,126	632	1,857
1-Person Living Alone	75	574	286	935
Other Non-Family Households	8	165	100	273
Couple, No Children	8	176	105	289
Couple with Children	0	90	50	140
Single parent w/child(ren)	2	63	60	125
Other Family	6	58	31	95
<b>All Households</b>				
1-Person Living Alone	76%	51%	45%	50%
Other Non-Family Households	8%	15%	16%	15%
Couple, No Children	8%	16%	17%	16%
Couple with Children	0%	8%	8%	8%
Single parent w/child(ren)	2%	6%	9%	7%
Other Family	6%	5%	5%	5%
	100%	100%	100%	100%

Source: 2010 Census, Summary File 1



## Population and Age

The Downtown District had a population of 3,417 persons in 2010, most of whom lived in the Greater Downtown area; 147 persons or just over 4% resided within the CBD.

The Greater Downtown area has attracted a Gen Y population with 24% of the overall population in the 20 to 29 age range. This is likely due to the location of Colorado Mesa University just north of its boundary. Only 20% of the population within the CBD is within this age range although this is higher than in the city as a whole (16.6%).

There is one distinct and very relevant difference in the age distribution between the CBD and Greater Downtown. In the CBD, 29% of the population is in the 50 to 59 age range as compared to 16% in Greater Downtown and less than 14% city wide. Along with employees in their 20's, this is the same age group that was the first to move in significant numbers into downtown Denver in the late 1980's and early 90's. They are typically empty nesters at their income-earning peak who want low maintenance, market rate housing convenient to work and suitable for upcoming retirement.

The Downtown District has not attracted many seniors. Overall, 10% of the population is age 65 or older. This compares with 15.6% city wide.

### Downtown Grand Junction Population by Age, 2010

Age Category	CBD	Greater Dtn. East	Greater Dtn. North	Downtown District
<b>Total Population</b>	147	2,110	1,215	3,472
<b>Population Distribution</b>				
Under 5 years	2%	6%	6%	6%
5 to 19 years	5%	14%	12%	13%
20 to 29 years	20%	25%	25%	24%
30 to 39 years	8%	15%	16%	15%
40 to 49 years	16%	11%	12%	11%
50 to 59 years	29%	16%	16%	17%
60 to 64 years	8%	5%	5%	5%
25 to 64 years	73%	57%	60%	59%
65 to 74 years	8%	5%	4%	5%
75+ years	2%	4%	4%	4%
85+ years	0%	1%	1%	1%
<b>Total Population</b>	100%	100%	100%	100%

Source: 2010 Census, Summary File 1

## Race and Ethnicity

The Downtown District has attracted relatively more persons of Hispanic origin than Grand Junction as a whole (17% compared to 14% of the population) yet this is not the case within the CBD where Hispanics comprise 13% of the population.

**Downtown Grand Junction Population by Race/Ethnicity, 2010**

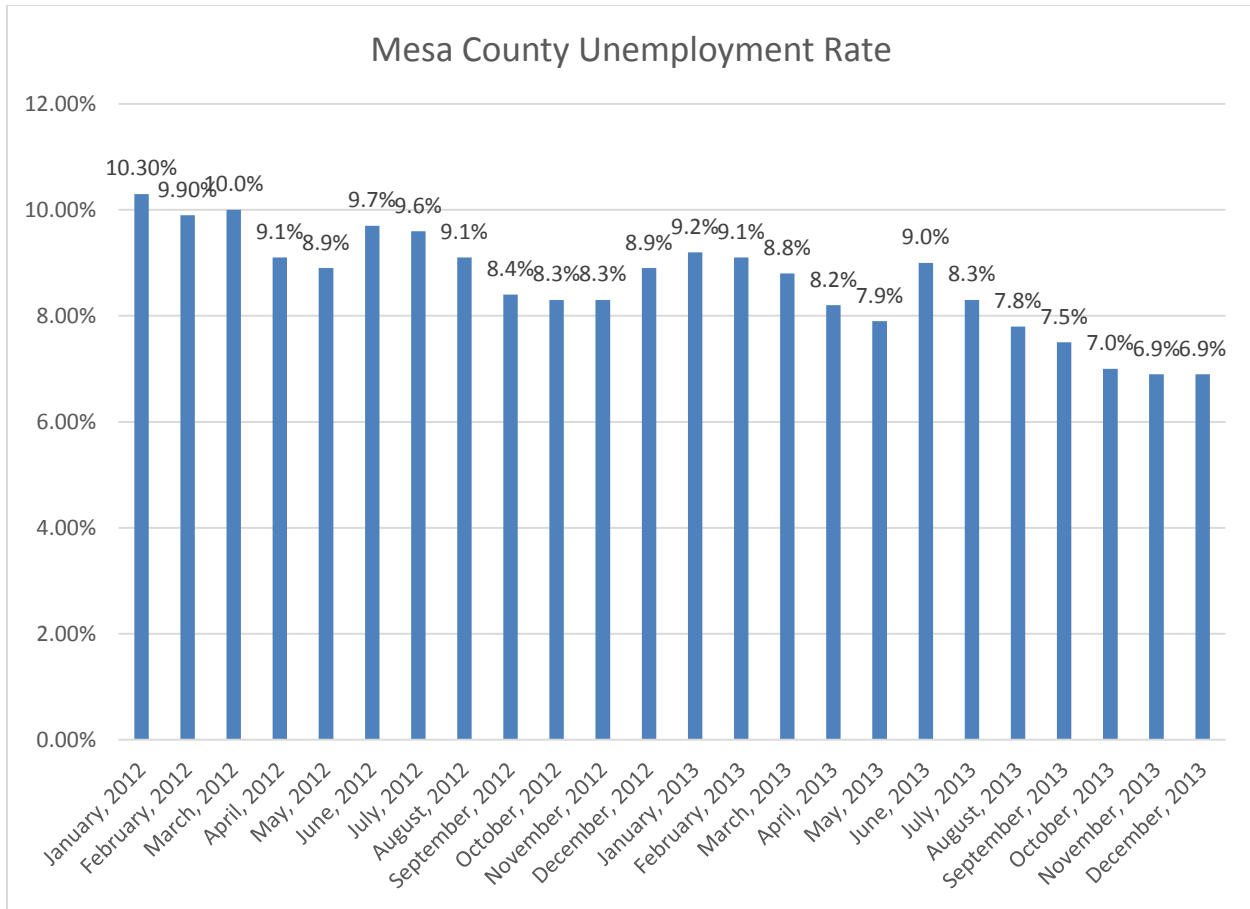
	<b>CBD</b>	<b>Greater Dtn. East</b>	<b>Greater Dtn. North</b>	<b>Downtown District</b>
<b>Number</b>				
Total Population	147	2,110	1,215	3,472
White	129	1,784	1,043	2,956
Hispanic or Latino	19	350	213	582
Other Races	18	326	172	516
<b>Percent</b>				
Total Population	100%	100%	100%	100%
White	88%	85%	86%	85%
Hispanic or Latino	13%	17%	18%	17%
Other Races	12%	15%	14%	15%

Source: 2010 U.S. Census, Summary File 1

## The Mesa County Economy

In the past two years:

- The labor force in Mesa County has shown some seasonality and variation by month but appears to be largely stabilized at about 78,300 workers.
- The number of persons employed has grown by about 3,200.
- The unemployment rate has dropped significantly to 6.9% as of December 2013, just slightly higher than the state average of 6.2%.



Source: Colorado Department of Labor and Employment, Labor Market Statistics

### Downtown Employment

Approximately 7,000 employees work in Grand Junction’s Downtown District, which equates to 11.4% of Mesa County employment. Of these, about 3,100 employees or just over 5% of all employees working in the county, work within the CBD.

#### 2013 Employment Estimates

	CBD	Downtown District	Mesa County
# of Employers	403	928	11,241
# of Employees	3,110	6,987	61,083
Percent of County	5.1%	11.4%	100.0%

Source: ESRI/City of Grand Junction

The Downtown District compared to the county as a whole has:

- About the same percentage of retail employees;

- A disproportionately high number of employees in the finance/insurance/real estate and government sectors;
- Relatively fewer persons employed in the broad category of services.
- Less diversity with relatively fewer holding other jobs – agriculture, mining, transportation, manufacturing, construction, communication, wholesale trade.

**2013 Employment Estimates by Sector**

	<b>CBD</b>	<b>Downtown District</b>	<b>Mesa County</b>
<b>Employees by Sector</b>			
Retail	537	1,116	10,376
Fin/Ins/RE	338	666	3,394
Services	1,091	3,217	27,205
Government	565	845	3,462
Other	579	1,143	16,646
Total	3,110	6,987	61,083
<b>Distribution by Sector</b>			
Retail	17.3%	16.0%	17.0%
Fin/Ins/RE	10.9%	9.5%	5.6%
Services	35.1%	46.0%	44.5%
Government	18.2%	12.1%	5.7%
Other	18.6%	16.4%	27.3%
Total	100.0%	100.0%	100.0%

Source: ESRI/City of Grand Junction

## II. Housing Inventory

This section describes housing that now exists in the Downtown District and identifies sites for additional units including owner/renter mix, occupancy levels, the condition of homes, redevelopment and infill opportunities and major opportunity sites.

### Number of Housing Units

As of 2010, a total of 2,043 housing units were located within the entire Downtown District. Only 115 units, or 5.6% of the total, were within the CBD. About 60% were within the Greater Downtown East area and 34% were in Greater Downtown North.

While most the housing units within Greater Downtown appear to have been built prior to 1970, a townhome development at the southeast corner of Teller and 7<sup>th</sup> is very attractive and appears to be fully occupied. It is an example of the scale and density that could be appropriate for market rate ownership housing in the downtown area.

While relatively few seniors live within the Downtown District, Ratikin Tower at 875 Main is a 6-story building offering 107 one-bedroom apartments for seniors. It is fully leased with a waitlist for units. This attractive property demonstrates the appropriateness of living downtown for seniors.

### Owner/Renter Mix

Overall, renter-occupied units outnumber owner-occupied units 2 to 1 within the Downtown District. This is the inverse of the owner/renter mix city wide where 62.4% of all housing units were owner occupied in 2010. Nearly all of the units (92%) within the CBD were renter occupied. The homeownership rate is highest in the Greater Downtown North area (38%).

**Downtown Grand Junction Housing Inventory, 2010**

Number	CBD	Greater Dtn. East	Greater Dtn. North	Downtown District
Housing Units	115	1,226	702	2,043
Vacant	16	100	70	186
Occupied	99	1,126	632	1,857
Owner Occupied	8	337	243	588
Renter Occupied	91	789	389	1,269
<b>Percent</b>				
Housing Units	100%	100%	100%	100%
Vacant	14%	8%	10%	9%
Occupied	86%	92%	90%	91%
Owner Occupied	8%	30%	38%	32%
Renter Occupied	92%	70%	62%	68%

Source: 2010 Census, Summary File 1

---

## Occupancy Levels/Vacancy Rates

The vacancy rate was 9% in 2010, which was higher than the rate for Grand Junction of 7.1%, but not bad considering it was at the depth of the Recession. The vacancy rate was highest in the CBD (14%) and lowest in Greater Downtown East (8%).

Based on the windshield survey, occupancy levels seem very high within Greater Downtown. Few units appeared to be vacant. For-rent signs outnumber for-sale signs by about 2 or 3 to 1. This is in line with the owner/renter mix in the area. While some of the for-rent units were vacant, the for-sale units appear to be largely occupied.

From the windshield survey, it was difficult to tell if units on upper floors within the CBD are occupied or vacant. Focus group participants indicated high occupancy levels among units within the CBD.

## Condition of Homes

### *Greater Downtown Area*

Generally, homes in the center of the area around the North 7<sup>th</sup> Street Residential Historic District are in very good to excellent condition whereas homes along the periphery of the area interspersed with commercial buildings are typically in poor condition. The condition varies in between with homes that have been well maintained and renovated within the last 10 to 20 years adjacent to homes with deferred maintenance and no signs of significant improvements since originally constructed. Homes in good or excellent condition outnumber homes in fair or poor condition. On most blocks other than those along the northern, eastern and southern boundaries, only one or two homes appear to need major repair.

Few improvements were underway in November; one home is being re-roofed and some plumbing/mechanical work was being done on one unit, which may have been part of a larger remodel job.

The apartment buildings interspersed throughout the area are mostly in fair or poor condition. It appears most were constructed in the 1950's or 60's on lots originally platted for single family homes. Some apartment buildings on Belford appear to be well maintained. Most of the single family homes that have been converted into apartment units tend appear to be in fair condition.

### *Central Business District*

The residential units in the CBD are mostly located on upper floors above commercial space. They appear to be in good to excellent condition. The single family homes and small apartment buildings south of Grand are in poor to fair condition. Most of the homes near 1<sup>st</sup> Street appear to need significant repairs. The units for formerly homeless persons located in three buildings behind City Market are the exception – they appear to be in very good condition.



---

## Redevelopment and Infill Opportunities

Within Greater Downtown, the interspersed apartment buildings represent an opportunity for redevelopment. However, redevelopment done that is compatible with adjacent homes and sensitive to neighborhood character could result in fewer units. The buildings with small units crammed onto single family lots distract from the neighborhood and ideally should be replaced with fewer units that more closely resemble adjacent homes. An exception could be the apartment buildings along Chipeta Ave. between 3<sup>rd</sup> and 5<sup>th</sup>. These sites would potentially accommodate more units.

There are very few infill opportunities within Greater Downtown. Only a few residential lots appear to be vacant of any structures. Several additional lots have only small accessory structures with potential for additional development. But combined, it appears that no more than 10 to 20 additional units could be built on infill lots within the residential areas.

The alleys potentially present opportunities for infilling with accessory units. There are many dilapidated structures in the alleys, however, making it inappropriate to increase the number of residential units without some significant clean up and code enforcement.

## Major Opportunity Sites

- The Whitehall site at 6<sup>th</sup> Street and White Avenue is well suited for residential redevelopment with residential units to the north and vacant property/underutilized parking lots to the south and west. These adjacent properties could be developed for residential use if the burned-out Whitehall structure is reconstructed. It is now an impediment to redevelopment in the area.
- The “Library Site” at 5<sup>th</sup> Street and Chipeta Avenue appears ideal for residential development with single-family homes to the north, apartments mixed with single family to the west, the Gray Gourmet meals on wheels facility, library offices and Senior Recreation Center to the east, and the new Central Library to the south.
- The eastern half of the lot containing the R5 High School between 7<sup>th</sup> and 8<sup>th</sup> just south of Grand appears to be an opportunity site since it is underutilized for parking.
- There are several sizable vacant lots east of 7<sup>th</sup> on White and Main. There are no obvious impediments to the development of these lots for residential or mixed uses.
- The Southwest area between Colorado and Ute and 2<sup>nd</sup> and 3<sup>rd</sup> Streets has significant potential. Moving the I-70 Business Loop one block south would reduce noise but could make ground floor retail/commercial space less viable. Overhead power lines will need to be placed underground. Positioning of residential units should be done to take advantage of views of the Colorado National Monument to the south. Multi-story buildings would be compatible in the area.

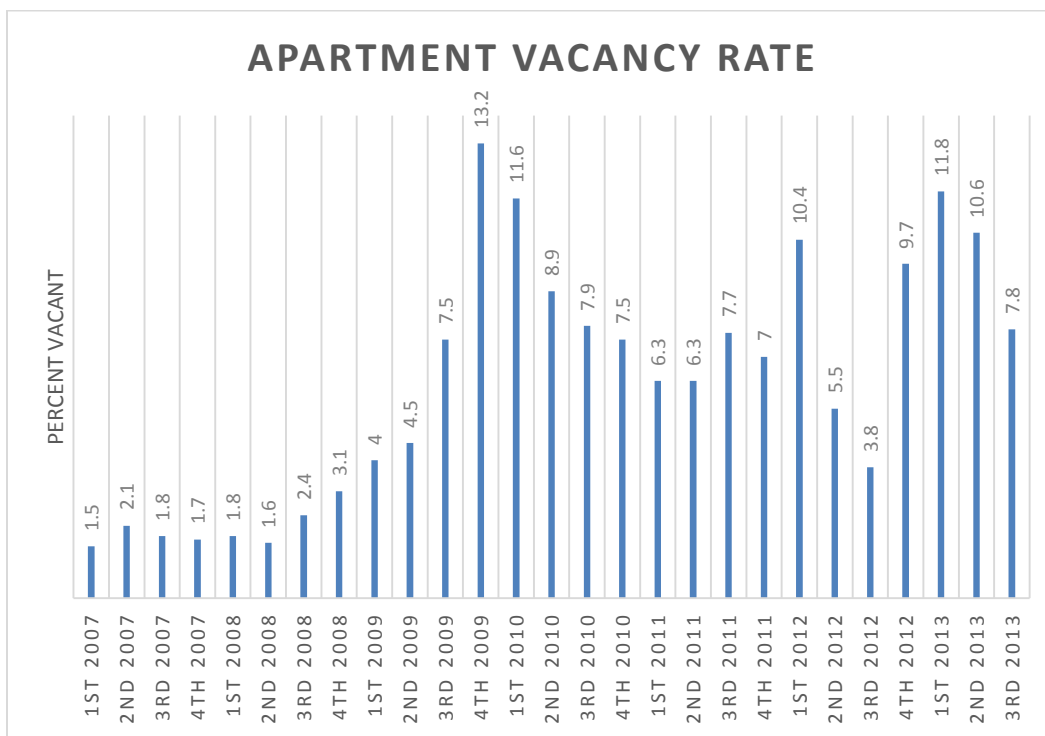
### III. Rental Market Analysis

This section of the report examines rents and rental vacancies in the Grand Junction area. It provides information from the Colorado Division of Housing Multifamily Rent and Vacancy Survey. Since the reliability of this survey has declined in recent years with a drop in the number of units covered from over 1,800 in 2010 to only 810 units as of the third quarter of 2013, input from rental property managers gained through a focus group is used for interpretation and insight.

#### Vacancy Rates

The rental market in the Grand Junction area has been slowly recovering from the Recession when vacancy rates soared to double digits. Vacancies peaked in late 2009 and have since generally declined but still exceed the very low levels of 2007 and 2008.

Property managers report that current vacancy rates are generally lower than the 7.8% last reported by the Colorado Division of Housing’s quarterly survey. An overall vacancy rate of 5% is more accurate. The exception is among new properties that have not yet achieved full occupancy levels.



Source: Colorado Division of Housing; Multifamily Vacancy and Rent Survey

Vacancies vary by unit type.

- One-bedroom units are typically the easiest to lease and have historically had the highest occupancy levels. The popularity of one-bedroom units is fueled by the desire among single renters to live without roommates and the lower cost they offer for couples.
- Two-bedroom apartments with two bathrooms are harder to lease than two-bedroom units with only one bathroom; renters are cost conscious and tend to be unwilling to pay the higher rent for a second bathroom.
- Three-bedroom apartment are difficult to lease since families and other larger households typically opt to rent single-family homes or duplexes/townhomes.

**Vacancies by Unit Type**

Vacancy Rates	2nd Qtr 2013	3rd Qtr. 2013
Efficiency	0%	2.8%
1 BR	7.2%	4.6%
2 BR/1 BA	12.6%	10.1%
2 BR/2BA	12.4%	23.5%
3 BR	9.2%	2.5%
<b>All</b>	<b>10.6%</b>	<b>7.8%</b>

Source: Colorado Division of Housing; Multifamily Vacancy and Rent Survey

The “shadow” market (single family homes and other units built originally for ownership) supplies about 25% of the rental inventory in the Grand Junction area according to property managers. These units tend to be larger than apartments, often having three bedrooms and yards. They provide a competitive alternative to apartment living, especially for three-bedroom apartments. The shadow market has not decreased in size with the slow recovery of the ownership market but rather is still growing due to a combination of factors:

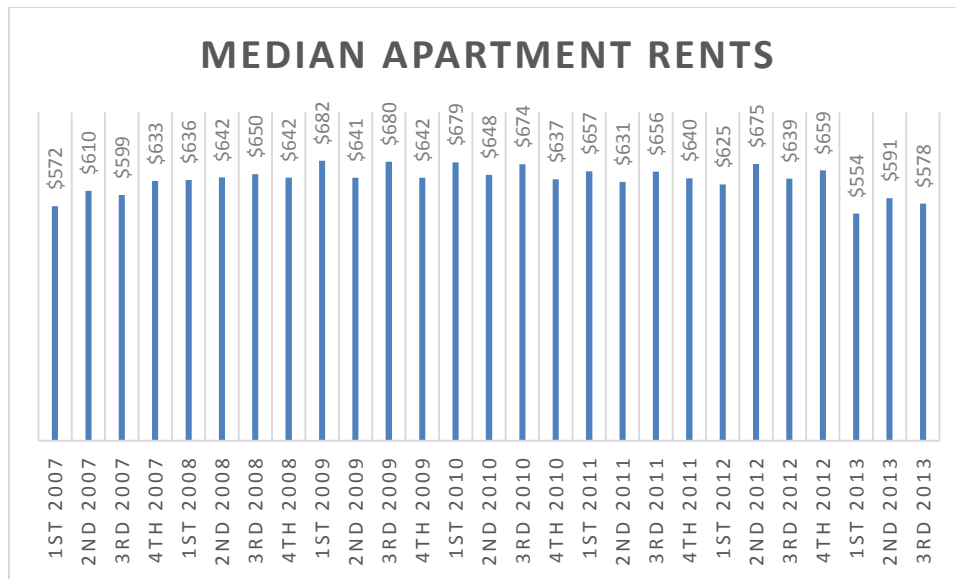
- Many owners have still been unable to sell their homes and anticipate that it will be at least another year before they can obtain acceptable prices;
- Foreclosed properties are being purchased by inventors for rental income; and
- “Fix and Flip” properties that were on the market have been purchased and are now being converted into rentals.

When the ownership market improves, the shadow market inventory will shrink and the overall rental market will tighten.

The completion of two new apartment properties with 48 units each had a noticeable impact on the ability to lease other properties, an indication of the market’s softness. Property managers report they noticed a decrease in their occupancy levels when the new apartments were delivered to the market in two consecutive years.

## Rents

Rents have remained stagnant for several years. Property managers report rents are not keeping up with the increasing costs of property operations and repairs. Rents are higher, however, than the averages shown by the Division of Housing’s survey since it includes some apartment complexes where rents are subsidized/controlled. Market rents now start in the mid \$600 per month range with an average of around \$800 per month for all types of units combined.



Source: Colorado Division of Housing; Multifamily Vacancy and Rent Survey

The following table showing rents by unit type show extensive variation in rates between two quarters, bringing into question the reliability of the State’s survey. As such the survey should not be used to monitor rents as development of housing in the Downtown District moves forward.

### Average Apartment Rents

Unit Type	2nd Qtr 2013	3rd Qtr. 2013
Efficiency	\$246	\$246
1 BR	\$471	\$444
2 BR/1 BA	\$665	\$475
2 BR/2BA	\$589	\$830
3 BR	\$584	\$817
<b>All</b>	<b>\$591</b>	<b>\$578</b>

Source: Colorado Division of Housing; Multifamily Vacancy and Rent Survey

Rents for the two new apartment properties in Grand Junction are a good indicator of market rents for new units. At Rya Suites, one-bedroom units rent for \$870 to \$950 per month. At Peppermill, one-bedroom apartments rent for \$775 per month.

## Downtown Rents

Based on the rents charged for existing units in the downtown area, property managers suggest the appropriate rent range to target for new rental units is roughly \$1,000 to \$1,200 per month.

## Renter Profile

The profile of renters in the Grand Junction area varies by the type of unit rented, the age of the units and rent rates.

- Overall, 70% to 80% of renter households are moving within the Grand Junction area; 20% to 30% are moving into the area from elsewhere; this varies depending upon what is happening with jobs;
- About 50% of *apartment* renters are singles, living alone or with roommates, roughly 40% are families and about 10% are empty nesters;
- At Rya Suites, which is one of the newest and the most expensive *apartment* property in Grand Junction, about 70% are young professionals and 30% are empty nesters; and
- Families rent about 90% of *single-family* home rentals.

## Planned Projects

Two apartment projects are being planned for development in Grand Junction:

- Meridian Park – 150 units, Class B, market rate apartments are planned for a site on Orchard Mesa across from the fairgrounds and east of the City Market; the project is still under review at the City; and
- Sundance Village– Scenic Development, a Utah-based developer, is considering a site near the mall between 24 and 24 ½ Road (the Homestead Site); the City has not received an application.

These projects should be monitored to determine their impact on the overall rental market in the Grand Junction area. If both are constructed, it is likely that rents will continue to remain flat.

---

## IV. Ownership Market Analysis

This section of the report examines the homeownership market in the Grand Junction area as a whole then focuses on home sales and listings in the Downtown District.

### Market-Wide Trends

The Grand Junction area real estate market has been recovering slowly from the Recession. While sales volume suggests 2013 was a flat year, data supplied by the Bray Report, input from realtors in a focus group and MLS searches reveal some noticeable changes:

- The number of residential sales was almost identical in 2013 as in 2012 (2,596 compared with 2,599).
- The median price, however, rose from \$163,000 in 2012 to \$173,500 in 2013, a gain of 6.4%.
- The “toxic” inventory of foreclosed/bank owned homes has largely been absorbed.
- The recent slow increase in interest rates is spurring some to purchase who have been waiting to buy.
- Confidence in the market by middle-income buyers seems to be returning.
- Foreclosures have fallen over 50% from their peak in 2010; in 2013 foreclosures were filed on 786 residential units.
- The inventory of homes listed for sale is up from 2012 but much smaller than in 2010, and holding steady at five to six months.
- The inventory has been depleted in several categories; opportunities to find bargains and “fix and flip” properties have largely disappeared.
- The lowest price range at which buyers have much choice in terms of product and location is around \$150,000 to \$165,000.
- Units priced under \$200,000 are the quickest to sell; homes on small acreage suitable for families are the most sought after product.

### Buyer Profile

Most buyers tend to be in their 30's or 40's and moving up from smaller homes in the area. There are some first-time buyers but not a large percentage overall. There are relatively few buyers moving in from elsewhere since in-migration is largely job driven, and there has been little job growth in the Grand Junction area. Of those who are new to the area, many are self-employed and tend to have work that is not location dependent. There is interest by empty nesters and retirees but the type of low maintenance, secure, “lock and leave” type of housing they seek is not generally available. Younger residents (the millennial generation) seem to be more interested in renting although their parents may purchase units for them to live in as an investment.



## Variation in Price by Area

The Redlands and North submarkets tend to command the highest prices (\$128 and \$123 per square foot, respectively). The Downtown District is within the Grand Junction City submarket area, where the median price per square foot was \$100 in 2013, lower than in much of Mesa County. Realtors report, however, that homes in the Downtown District may be able to command price premiums but there is too little sale activity to quantify it.

### Median Sales Price per Square Foot, 2013

Area	Price/SF	Area	Price/SF
Clifton	\$80	North	\$123
Collbran/Mesa	\$104	NW/Loma/Mack	\$106
De Beque	\$101	Orchard Mesa	\$104
EOM/Palisade	\$111	Redlands	\$128
Fruita	\$125	Southeast	\$104
Glade Park	\$127	West	\$30
GJ City	\$100	Whitewater/Gateway	\$116
Northeast	\$106		

Source: The Bray Report, December 2013

## Product Types

Single-family homes dominate sales activity in the Grand Junction area. Buyers who are looking for alternative types of homes do not distinguish between condominiums and townhomes; they seek low maintenance and tend to be unconcerned about the technical differences among the various types of attached units. Loans are more difficult to obtain for condominiums, however as compared to townhomes that include title to the underlying land.

## Downtown District Trends

The real estate market in the Downtown District recovered more quickly than elsewhere in the Grand Junction area. Prices have largely returned to pre-Recession levels, and the inventory of homes listed for sale is low.

Realtors attribute the superior performance of real estate in the Downtown District to the area's unique attributes. Downtown properties tend to have character and charm. There is a special sense of community in the Downtown District which now seems to be of greater interest among buyers than in the past when Grand Junction was rural then transitioned to suburban. Downtown is now appealing and trendy. Main Street is attractive and a draw for the entire area.

### Downtown District Home Sales

	# of Sales	Avg. Price	Avg. Price/SF	Avg Bdrms	Avg, Size
2012 Sales	3	\$128,967	\$90	3.0	1,388
2013 Sales	45	\$155,088	\$103	2.56	1,537
Active Listings- Jan '13	17	\$190,606	\$114	2.88	1,782

Source: MLS complements of REMAX 4000

Between 2012 and 2013 in the Downtown District:

- The number of sales jumped dramatically, from 3 to 45 (1400%).
- The average price per unit rose just over 20%.
- The average price per square foot increased 14%.

Concerning the 17 for-sale listings as of January in the Downtown District:

- Asking prices average 23% more than the average 2013 sales price on a per-unit basis and 11% higher per square foot.
- The inventory as of mid-January equaled 4.7 months, better than the average of 5 to 6 months county wide.

Housing that has been developed within the CBD has largely been high end, historic conversions with prices exceeding \$500,000. Most of these units at prices over \$500,000 have not been purchased yet have been successfully rented with few vacancies.

Realtors suggest that the price point for housing to sell in the CBD is much lower - \$150,000 to \$300,000. This range would be affordable for middle-income households and empty nesters who want to downsize.

## VI. Demand for Downtown Housing

The section of the report examines and quantifies the demand for downtown housing by focusing on survey responses indicating a 4 or 5 level of interest in moving to the CBD and/or Greater Downtown area on a scale where 1 equals not interested, 3 equals neutral/no opinion and 5 equals very interested.

### Interest in Living Downtown

There is a high level of interest in living downtown. Of persons surveyed:

- 38% are interested in living in the CBD. Of these, 84% would also consider living in the Greater Downtown area; and
- 42% are interested in living in the Greater Downtown area. Of these, 79% would also consider the CBD.

#### Interest in Living Downtown

	Central Business District	Greater Downtown
1=Not interested	37%	33%
2	7%	7%
3=Neutral/no opinion	18%	19%
4	18%	21%
5=Very interested	20%	21%
TOTAL	100%	100%
Average	2.8	2.9
# responding 4 or 5	387	427

These responses should be considered in light of the self-selection aspect of the survey. While all persons were encouraged to respond to the survey even if they had no interest in living downtown, disinterested persons were probably less likely to complete the survey.

### Factors Influencing Interest in Living Downtown

As tables in the appendix show, interest in living downtown:

- Does not appear to be significantly correlated to type of job held;
- Is higher among persons already living in the Central or Greater Downtown Areas;
- Is slightly correlated to length of residency with greater interest among newer residents;
- Is higher among persons who currently live in multi-family units;

- Is particularly strong among persons in the 25 to 35 age range;
- Is higher among singles; and
- Appears related to household income. Persons interested in living in the Downtown District have lower incomes than others (a median of \$70,000 among persons interested in living in the CBD and a median of \$65,000 for persons interested in Greater Downtown compared with an overall median of \$75,000).

There is a slight correlation between where people work and their interest in living downtown. Persons working in Central Grand Junction, the CBD, the Greater Downtown area and the North area are more likely to want to live downtown than persons working elsewhere in Mesa County. Interest is highest among employees working in the Central area of Grand Junction where the hospital and Colorado Mesa University are located.

**Interest in Living Downtown by Where Work**

	OVERALL	Central	Greater Downtown	CBD	North	Elsewhere
1=Not interested	37%	32%	34%	34%	32%	45%
2	7%	6%	5%	10%	6%	7%
3=Neutral/no opinion	18%	18%	20%	17%	19%	14%
4	18%	22%	23%	16%	14%	16%
5=Very interested	20%	22%	17%	23%	29%	19%
Total	100%	100%	100%	100%	100%	100%
Total Interested	38%	44%	40%	39%	43%	35%
Average	2.8	3.0	2.8	2.8	3.0	2.6

Note: Responses for interest in living in CBD and Greater Downtown merged for this table.

**Quantifying Demand**

Housing demand is dynamic and will be influenced by numerous factors including rental market conditions, the availability and prices of homes for sale, interest rates, job growth or lack thereof, and the ability to produce units that are desired and affordable. Furthermore, demand will change over time as housing is developed downtown and the mix of uses shifts from being dominated by retail, restaurant and office uses to an increased residential presence and sense of neighborhood.

Because of the inexact and fluid nature of demand for housing in downtown Grand Junction, two approaches are used to quantify demand that provide a range bracketed by conservative and aggressive estimates.

1. **Demand from Survey Respondents.** This is a very simple and conservative approach that considers only the 387 survey responses received indicating an interest in living in the CBD

within the next five years. A total of 427 responses were received indicating interest in living in the Greater Downtown area. To satisfy this demand would involve development of about 75 to 85 units per year over the next five years.

- Applying Survey Results to Employment Estimates.** The survey produced a sample that represents a larger population. The survey indicated that 40% of those who work in the Downtown District are interested in living downtown. By applying this percentage to the 6,987 employees that work in the Downtown District, then dividing by 1.7 employees per households, it follows that there is potential demand for up to 1,640 units within the next five years, or about 325 units per year. This is an aggressive estimate that has not been adjusted for the self-selection aspect of the survey’s distribution. Current market conditions do not support the development of this many units; this estimate should be viewed more as long-range potential.

Capturing potential demand will require a mix of housing at various price ranges. The range of estimates above represent total demand. The free market will be unable to respond to all of this demand; development will not be financially feasible for lower income households without subsidies. Housing programs financed with Federal and State subsidies typically serve households with incomes no greater than 80% of the Area Median Income (AMI), the HUD definition of low income. Since the prices at which development of housing downtown will be economically feasible are unknown, households with incomes greater than 80% AMI will be assumed to comprise the demand for market housing.

The following table provides the AMI distribution for households interested in living downtown. It shows that about 75% of the demand for downtown housing is generated by households that have incomes above 80% AMI.

**AMI Distribution – Interested in Living Downtown**  
*Shading denotes income levels the market needs to serve.*

	<b>CBD</b>	<b>Greater Downtown</b>
50% or less AMI	15%	15%
50.1% - 80% AMI	8%	13%
80.1% - 100% AMI	13%	11%
100.1% - 120% AMI	10%	13%
More than 120% AMI	54%	48%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

Source: Survey

### Potential for Senior Housing

Responses from surveys that indicated at least one member of the household was age 65 or older were examined for insight into the demand for senior housing. Overall, seniors tend to have slightly lower

interest levels than others in living in either the CBD (27%) or Greater Downtown (36%); however, the senior population in Mesa County is significant and growing. Housing to specifically serve this population would fit well within the Downtown District given that the attributes of the area (good sidewalks, availability of services and shopping) are highly valued by retirees.

**Interest in Living Downtown - Households with Member Age 65+**

	<b>CBD</b>	<b>Greater Downtown</b>
1=Not interested	48%	43%
2	2%	4%
3=Neutral/no opinion	22%	18%
4	13%	21%
5=Very interested	14%	15%
	100%	100%
Average	2.4	2.6

There are many types of senior housing ranging from independent living where design features accommodate the mobility challenged to options that offer various services and levels of care. It is a unique market that requires in-depth analysis beyond the scope of this study to understand. As part of this assessment, the performance of age-restricted housing in the Grand Junction area (occupancy levels, rents and trends) should be evaluated.

**Influence of Downtown Characteristics on Demand**

Most of the characteristics that are integral to downtown influence interest in living downtown. The availability of public transit and the presence of churches downtown are the only ones that have little influence. These survey findings suggest that:

- The safety of sidewalks and intersections should be maintained or enhanced as development/redevelopment occurs;
- Restaurants and retail shops should be encouraged to remain or locate in downtown;
- Parks and trails should be maintained/improved;
- The City Market needs to remain downtown; and
- The historic neighborhood character should be preserved.



### Influence of Downtown Characteristics on Interest in Living Downtown

*1 = Not Influential; 5 = Very Influential*

	Interested in CBD	Interested in Greater Downtown
Wide sidewalks and safe intersections	4.3	4.2
Proximity to restaurants	4.3	4.1
Nearby parks and trails	4.2	4.1
Convenience to all areas of the community	4.2	4.1
The full-service City Market	4.0	3.9
The historic neighborhood character	4.0	4.0
Proximity to retail	4.0	3.8
Being in the city center	3.9	3.7
Bicycle friendly	3.9	3.9
The urban character	3.9	3.7
Ability to walk to work	3.9	3.8
Availability of services (medical, financial, etc )	3.8	3.7
Public transit	2.9	2.9
Downtown churches	2.6	2.7

### Impediments to Demand

Concern about safety is the primary impediment to living downtown. All focus group participants and many survey respondents mentioned the presence of homeless persons and transients in the downtown area as a significant concern. Drug dealing and use was also mentioned through far less frequently than discomfort and fear from homeless persons.

Others reasons for not being interested in living downtown include:

- Noise from events, nightlife and the recorded raptor sounds played to discourage pigeons;
- Dogs on the sidewalks and at the Farmer's Market;
- Inability to have private yards; and
- The high price of existing units in the Central Business District.

## VII. Downtown Housing – Product Type and Design

This section of the report focuses on survey findings from persons interested in living downtown supplemented with input from realtors and rental property managers. It provides information and recommendations on neighborhood preferences, unit type, owner/renter mix, bedrooms, affordability/pricing and tradeoffs needed to plan future housing developments.

### Neighborhood Preferences

Employees interested in living downtown have strong preferences for diverse neighborhoods with a variety of housing, a mix of housing with retail and services, being able to walk or bike to work and smaller, lower maintenance yards. The Downtown District embodies these attributes. Future downtown developments should provide a mix of housing types and sizes and possibly include commercial space on site. Access should be pedestrian friendly rather than car dominated. Sites should not be consumed by large yards.

**Neighborhood Preferences**

	Interested in CBD	Interested in Greater Downtown
Similar size/priced homes OR	35%	42%
Diversity in housing - various types & price levels	65%	58%
A residential area - just homes OR	18%	28%
A mix of housing, retail shops, services	82%	72%
Driving a car to work & for errands OR	18%	20%
Being able to walk/bike to work & for errands	82%	80%
Neighbors that are similar OR	28%	30%
Diversity in the population	72%	70%
Large yards OR	30%	37%
Smaller, lower maintenance yards	70%	63%

Source: Survey

The ranking of the importance of various location and neighborhood attributes suggests that:

- Concerns about crime and safety, particularly stemming from the homeless population, need to be addressed when developments are planned. This was also emphasized in all focus groups.
- Safe, well lit, sidewalks and crosswalks are important on site and in proximity to future developments.
- Units should be designed such that there is privacy, avoiding things like windows facing each other. Each should have private outdoor space if possible. Buildings should be positioned to

take advantage of views. When determining pricing, units with good views can be charged premiums.

- Some solution for vagrancy in the parks in the Downtown District is needed.

**Importance of Location/Neighborhood Attributes**

*1 = Not Important; 5 = Very Important*

	Interested in CBD	Interested in Greater Downtown
Safety/security	4.6	4.6
Pedestrian friendly - sidewalks, crosswalks	4.4	4.4
Privacy from neighbors	4.2	4.3
Nearby parks and trails	4.2	4.2
Ability to walk to shops and services	4.1	4.0
Private outdoor yards	4.0	4.0
Views	4.0	3.9
Proximity to work	3.8	3.8
Low maintenance	3.9	3.8
Quality of schools	3.7	3.7
Bicycle commuting	3.5	3.5
Common outdoor areas	3.2	3.1
Proximity to public transit	2.9	2.8

Source: Survey

**Ownership/Rental Mix**

Survey results indicate there is immediate demand for both for sale and rental housing.

- Two-thirds of the employees interested in living downtown, in either the CBD or Greater Downtown area, now own their homes.
- If they moved downtown, just over half would want to buy within the first two years. This would increase to two-thirds within three to five years and to nearly 80% within five to 10 years.
- The percentage who are uncertain about owning or renting is relatively high.

While interest in ownership outweighs interest in rental housing, almost all residents now living within the CBD rent. The proven success of rental units suggests that the emphasis initially should be more focused on rental housing but that ownership opportunities should be developed simultaneously or soon.

**Interest in Moving Downtown by Want to Own or Rent**

		Interested in CBD	Interested in Greater Downtown
Within 2 years	Own	52%	50%
	Rent	31%	33%
	Other/don't know	17%	17%
	TOTAL	100%	100%
In 3 to 5 years	Own	67%	67%
	Rent	12%	12%
	Other/don't know	21%	21%
	TOTAL	100%	100%
In 5 to 10 years	Own	79%	78%
	Rent	3%	4%
	Other/don't know	18%	18%
	TOTAL	100%	100%

Source: Survey

**Unit Type**

Variety in terms of unit type would be responsive to market preferences. While small, detached bungalows rated highest in terms of interest among the six choices offered in the survey, they rated only 1/10<sup>th</sup> of a point higher than flats and lofts among persons interested in living in the CBD. Townhomes and live/work units also received fairly high ratings. Developing many accessory apartments (garage, basement or attic) is not advisable, however, given survey responses.

**Type of Housing Desired**

*1 = Not Interested; 5 = Very Interested*

	Interested in CBD	Interested in Greater Downtown
Bungalows - small detached houses	3.9	3.9
Flats - single story traditional full-height walls	3.8	3.8
Lofts - single story open floor plan	3.8	3.6
Townhomes - 2 or 3 stories	3.4	3.3
Live/work	3.3	3.3
Garage, basement or attic apartment	2.4	2.4

There were no significant differences in interest levels by income although low income respondents were more likely than persons with upper incomes to rate most of the options higher, especially bungalows. This suggests that preferences were not influenced by affordability.

There also is very little difference in interest in the various types of units according to whether the respondent wants to rent or own downtown.

Focus group participants suggested that secure mid-rise buildings with elevators (like Horizon Towers), single-story units without interior stairs and low maintenance features providing for “lock and leave” lifestyles would be popular.

### Amenities/ Home Features

The design features that downtown housing should incorporate include:

- Energy efficiency in heating, cooling and appliances;
- Outdoor/green space: private and common areas (balconies, courtyards and rooftop terraces) to entertain, garden, have dogs and enjoy views;
- Secure covered/garage parking; off street parking with controlled access;
- Upscale interior finishes -- granite countertops, stainless appliances and dual sink vanities;
- Ample storage for bicycles and other recreational equipment;
- In-unit washers and dryers (full size stackable appliances);
- Walk-in closets;
- On-site exercise facilities, possibly including a pool that could serve multiple residential developments through a membership;
- Sidewalks making it safe and easy for pedestrians to come and go from their homes; and
- Pet friendly policies and outdoor space.

#### Importance of Home Features

*1 = Not Important; 5 = Very Important*

	Interested in CBD	Interested in Greater Downtown
Energy efficient heating/cooling	4.4	4.4
Quality of interior finish	4.4	4.3
Extra storage	4.3	4.3
Secure off-street parking	4.2	4.3
Pets allowed	4.2	4.2
Private garage	4.1	4.1
Energy star appliances	4.0	4.0
Private exterior entrance	3.8	3.8
Home office	3.4	3.4
One-story design	3.0	3.1
Multi-level design	2.5	2.5
Elevator	2.1	1.9

Source: Survey

## Bedrooms

Most of the persons interested in living downtown indicated they need two or three bedrooms. The average was just under three.

### Number of Bedrooms Needed

	Interested in CBD	Interested in Greater Downtown
1	6%	5%
2	40%	39%
3	45%	45%
4	8%	9%
5 or more	2%	2%
TOTAL	100%	100%
Average	2.9	2.9
Median	3.0	3.0

Source: Survey

Those interested in renting downtown are more likely to need one-bedroom units than are persons who are interesting in owning.

### Bedrooms Needed by Desire to Own or Rent Downtown

	Within 2 Years			In 3 to 5 Years		
	Own	Rent	Don't Know	Own	Rent	Don't Know
1	1%	11%	3%	2%	22%	5%
2	41%	45%	40%	39%	46%	43%
3	50%	35%	42%	49%	25%	42%
4	8%	6%	11%	9%	1%	8%
5 or more		2%	3%	1%	6%	2%
Total	100%	100%	100%	100%	100%	100%
Average	2.7	3.0	3.0	2.8	4.0	2.7
Median	3.0	2.0	3.0	3.0	2.0	3.0

Source: Survey. Note: Responses for interest in living in CBD and Greater Downtown merged for this table.

The composition of the households interested in living downtown provides insight into the number of bedrooms needed. It suggests that many survey respondents indicated they may want more bedrooms than they actually need. For example, 24% of the persons indicating they want to rent for the first two years they live downtown live alone yet only 11% indicated they need just one bedroom.



### Household Composition by Desire to Own or Rent Downtown

	Within 2 Years			In 3 to 5 Years		
	Own	Rent	Don't Know	Own	Rent	Don't Know
Adult living alone	11%	24%	19%	13%	17%	23%
Couple, no child(ren)	49%	31%	36%	45%	31%	32%
Couple with child(ren)	29%	23%	29%	30%	18%	25%
Single parent w/ child(ren)	3%	8%	4%	4%	3%	9%
Unrelated roommates	4%	9%	3%	3%	21%	3%
Immediate & extended family members	4%	6%	9%	4%	10%	8%
	100%	100%	100%	100%	100%	100%

Source: Survey. Note: Responses for interest in living in CBD and Greater Downtown merged for this table.

When considering the size of units to develop downtown, it should be noted that around 30% of the households interested in living downtown include at least one child. This is surprising given that only 15% of the households now living in the Downtown District include children, and only 2% in the CBD.

### Affordability and Pricing

Housing units that have been developed in the CBD have mostly been high-end historic conversions, listed for prices that have not been acceptable, and few units have sold although these units have successfully rented for rates higher than average in the Grand Junction area. Realtors indicated that prices in the \$150,000 to \$300,000 range would be marketable.

Survey results support that this price range would be affordable for most of the households interested in living downtown. It shows that over half could afford homes that rent for \$1,485 or more per month or that could be purchased for prices at or above \$250,000, assuming they spend 30% of their income on their housing payment.

### Affordable Rents and Purchase Prices by AMI

AMI	Max. Income*	Affordable Rent	Purchase Price**	AMI Distribution***
>120%	≥\$59,401	≥\$1,485	≥\$250,000	54%
120%	\$59,400	\$1,485	\$250,000	10%
100%	\$49,500	\$1,238	\$205,000	13%
80%	\$39,600	\$990	\$165,000	8%
50%	\$24,750	\$619	\$100,000	15%

\*Income for 2-person households.

\*\*Assumes 5% down, 4.5% interest for 30-year, fixed rate mortgage.

\*\*\*For persons interested in living in the CBD.

Many buyers are not interested in spending the maximum for which they could qualify when buying a home, particularly empty nesters who are downsizing and preparing for retirement. Examining what they currently pay for housing provides insight into what they might be willing to pay. The average monthly payment among those interested in buying downtown is around \$1,000 per month. For those who would like to rent, the average rent paid is now about \$895. Approximately 15% who are interested in buying downtown have no mortgage.

### Rent/Mortgage Payments by Own/Rent

	Within 2 Years			In 3 to 5 Years		
	Own	Rent	Don't Know	Own	Rent	Don't Know
No rent/mortgage	15%	5%	13%	14%	2%	10%
Average Payment	\$1,016	\$894	\$936	\$993	\$854	\$914
Median Payment	\$1,000	\$850	\$940	\$1,000	\$800	\$925

Source: Survey. Note: Responses for interest in living in CBD and Greater Downtown merged for this table.

### Tradeoffs

Persons interested in living downtown were asked about their willingness to compromise and consider the following tradeoffs:

- **Location** – would consider downtown locations other than your top choice
- **Price** – would pay slightly more to live downtown than elsewhere for a similar home
- **Size** – would buy or rent a smaller home in order to live downtown
- **Type** - would consider a home with shared walls, like a townhome instead of a house

Survey results reflect flexibility but also a high degree of uncertainty. Location is the trade off most likely to be considered. Price is the one with the smallest degree of flexibility although 25% of those interested in living downtown indicated they would pay slightly more in order to live there.

### Would Consider Trade Off

	Location	Price	Size	Type
Yes	43%	25%	37%	38%
Maybe	50%	44%	40%	39%
No	7%	31%	23%	24%
TOTAL	100%	100%	100%	100%

Source: Survey. Note: Responses for interest in living in CBD and Greater Downtown merged for this table.

## Architecture

A variety of architectural styles would be appropriate for downtown housing. There should not be an attempt to create a “theme” in the Downtown District. Victorian, modern and “industrial chic” would be all compatible with the existing historic and newer buildings. Residential development on the north side of the CBD should be sensitive to the scale and charm of the adjacent older neighborhood.

## Desired Downtown Improvements

In order to enhance the downtown living experience and provide services/facilities that now require travel by car, the following were suggested by focus group participants:

- A liquor/wine store;
- A hardware store;
- An improved connection for bikes and pedestrians with Colonais Park and the Riverfront Trail system;
- A park within walking distance that is safe and suitable for dog walking and children to play; and
- An outdoor amphitheater for concerts and other events.

**Appendix**  
**Supporting Tabulations**

<b><i>Where Now Live</i></b>	OVERALL	Interested in Central Business District	Interested in Greater Downtown
North	18%	15%	16%
Redlands	18%	17%	15%
Central	12%	14%	18%
Orchard Mesa/East Orchard Mesa	12%	10%	10%
Greater Downtown Area	9%	15%	13%
Northeast	10%	9%	8%
Southeast	4%	4%	6%
Clifton	3%	5%	6%
Fruita	5%	3%	2%
Central Business District	3%	4%	3%
Palisade	2%	2%	1%
Rural Mesa County	2%	2%	1%
Northwest	2%	1%	1%
Other	1%	1%	1%
TOTAL	102%	101%	101%

<b><i>Length of Residency</i></b>	OVERALL	Interested in Central Business District	Interested in Greater Downtown
More than 10 years	67%	60%	61%
5 up to 10 years	16%	18%	17%
1 up to 3 years	8%	10%	11%
3 up to 5 years	5%	6%	6%
Less than 1 year	4%	6%	5%
TOTAL	101%	100%	100%

<b><i>Current Residence Type</i></b>	OVERALL	Interested in Central Business District	Interested in Greater Downtown
Single-family detached house	83%	76%	76%
Duplex, triplex or townhouse	7%	11%	11%
Apartment or condominium	6%	8%	8%
Mobile home	1%	3%	2%
Other	2%	2%	3%
TOTAL	100%	100%	100%

<b>Where Work</b>	OVERALL	Interested in Central Business District	Interested in Greater Downtown
Central	30%	32%	34%
Greater Downtown Area	32%	30%	30%
Central Business District	29%	29%	28%
North	12%	12%	13%
Northeast	10%	6%	8%
Northwest	7%	7%	7%
Orchard Mesa/East Orchard Mesa	5%	5%	7%
Redlands	6%	5%	4%
Palisade	4%	5%	5%
Southeast	4%	5%	4%
Clifton	4%	4%	5%
Fruita	4%	2%	3%
Rural Mesa County	3%	3%	4%
TOTAL	152%	145%	152%

Total exceeds 100% due to multiple responses.

<b>Household Composition</b>	OVERALL	Interested in Central Business District	Interested in Greater Downtown
Adult living alone	14%	17%	18%
Couple, no child(ren)	42%	37%	36%
Couple with child(ren)	30%	27%	29%
Single parent with child(ren)	4%	7%	5%
Unrelated roommates	4%	7%	6%
Immediate and extended family members	6%	4%	5%
TOTAL	100%	100%	100%

<b>Age of Respondent</b>	OVERALL	Interested in Central Business District	Interested in Greater Downtown
18 - 24	2%	4%	5%
25 - 34	20%	25%	27%
35 - 44	18%	21%	21%
45 - 54	21%	19%	16%
55 - 64	26%	22%	21%
65 - 74	10%	8%	9%
75 or older	2%	1%	2%
TOTAL	100%	100%	100%
Average	48.5	45.5	45.0
Median	50.0	44.0	43.2

<b>Employees in Household</b>	OVERALL	Interested in CBD	Interested in Greater
-------------------------------	---------	-------------------	-----------------------

			Downtown
1	32%	34%	34%
2	60%	58%	58%
3	7%	6%	7%
4	1%	1%	1%
TOTAL	100%	100%	100%
Average	1.7	1.7	1.7
Median	2.0	2.0	2.0

<i>Household Income</i>	OVERALL	Interested in CBD	Interested in Greater Downtown
None	1%	1%	1%
Under \$25,000	8%	8%	9%
\$25,000 - \$49,999	18%	20%	24%
\$50,000 - \$74,999	23%	24%	23%
\$75,000 - \$99,999	20%	18%	18%
\$100,000 - \$124,999	14%	14%	11%
\$125,000 - \$149,999	4%	3%	3%
\$150,000 - \$174,999	6%	4%	4%
\$175,000 - \$199,999	1%	1%	1%
\$200,000 - \$224,999	2%	3%	2%
\$225,000 - \$249,999	%	%	%
\$250,000 - \$499,999	3%	4%	3%
\$500,000 - \$999,999	%	%	%
TOTAL	100%	100%	100%
Average	\$86,089	\$85,395	\$79,988
Median	\$75,000	\$70,000	\$65,000

**AMI – Interested in Living Downtown by Currently Own or Rent**

	Own	Rent
50% or less AMI	5%	27%
50.1% - 80% AMI	9%	15%
80.1% - 100% AMI	10%	14%
100.1% - 120% AMI	11%	16%
>120% AMI	64%	28%
TOTAL	100%	100%
Average	\$92,594	\$64,666
Median	\$80,000	\$50,000

**AMI by Want to Own or Rent Downtown**

	Within 2 years			In 3 to 5 years		
	Own	Rent	don't know	Own	Rent	don't know
50% or less AMI	3%	21%	17%	7%	18%	21%
50.1% - 80% AMI	6%	25%	5%	7%	29%	12%
80.1% - 100% AMI	12%	12%	10%	13%	9%	11%
100.1% - 120% AMI	14%	8%	11%	11%	15%	15%
>120% AMI	65%	34%	57%	62%	28%	41%
	100%	100%	100%	100%	100%	100%
Average	\$102,570	\$60,537	\$83,004	\$92,624	\$58,233	\$77,346
Median	\$80,000	\$49,956	\$75,000	\$75,000	\$50,000	\$60,000

**Currently Own or Rent by Interest in Downtown**

	Interested in CBD	Interested in Greater Downtown
Own	67%	67%
Rent	30%	31%
Other	3%	2%
TOTAL	100%	100%

**Interest in Type of Unit by AMI**

Unit Type	50% or less AMI	50.1% - 80% AMI	80.1% - 100% AMI	100.1% - 120% AMI	More than 120% AMI
Lofts	3.9	3.4	3.3	3.3	3.5
Flats	4.0	3.8	3.5	3.6	3.6
Accessory apartment	2.8	2.6	2.4	2.5	2.3
Townhomes	3.4	3.4	3.1	3.6	3.2
Bungalows	4.3	4.1	4.1	3.7	3.6
Live/work	3.4	3.5	3.3	3.6	3.2

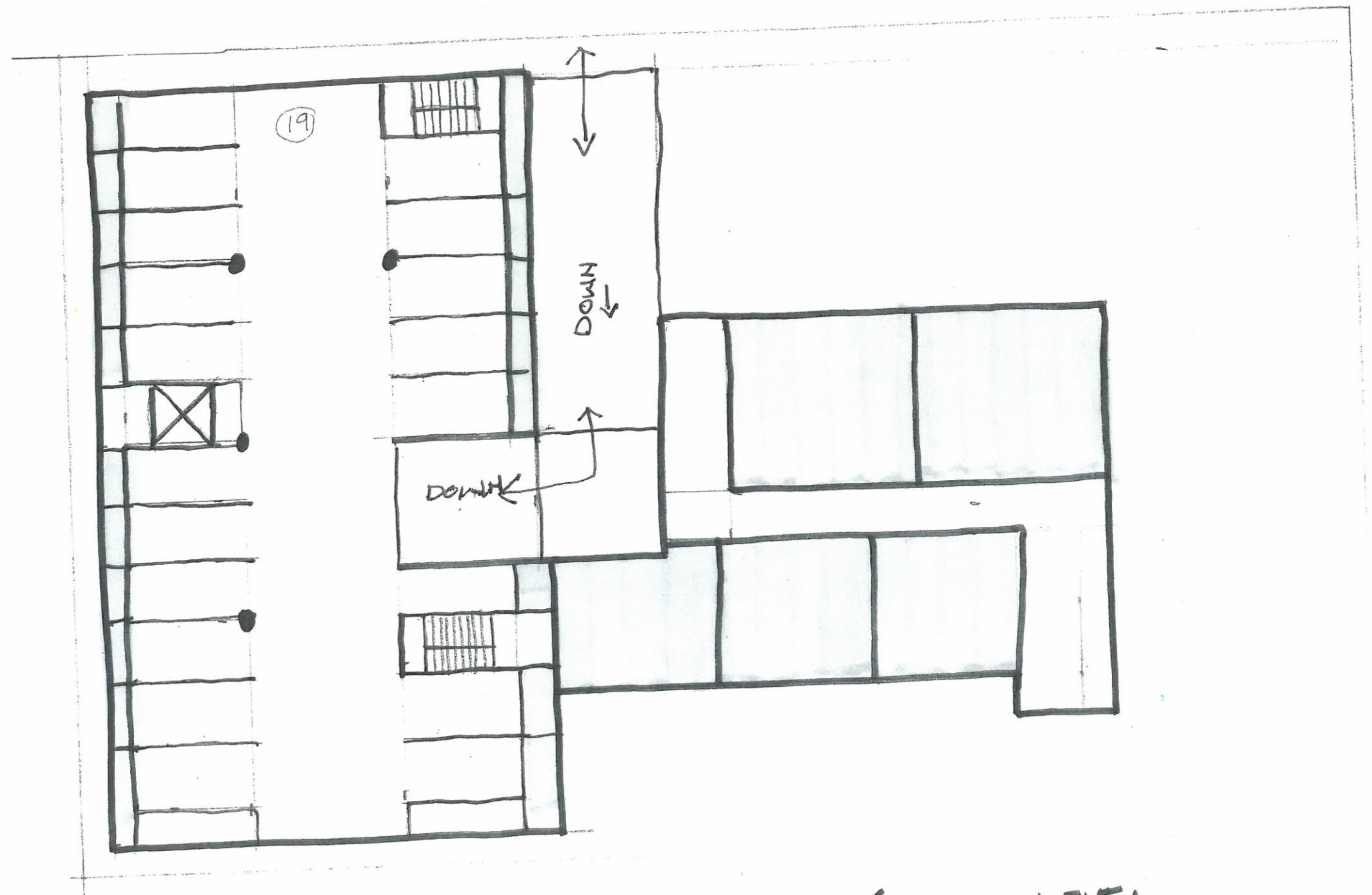
### Interest in Type of Unit by Want to Own or Rent Downtown

	Within 2 Years			In 3 to 5 Years			In 5 to 10 Years		
	Own	Rent	Don't Know	Own	Rent	Don't Know	Own	Rent	Don't Know
Lofts	3.5	3.7	3.5	3.5	3.8	3.5	3.5	3.9	3.5
Flats	3.7	3.8	3.6	3.7	4.2	3.5	3.7	4.3	3.6
Accessory apartment	2.3	2.5	2.6	2.3	2.7	2.6	2.4	2.4	2.5
Townhomes	3.0	3.5	3.1	3.1	3.7	3.1	3.3	2.8	3.1
Bungalows	3.7	3.7	3.6	3.7	3.9	3.5	3.7	4.0	3.5
Live/work	3.3	3.1	3.1	3.3	3.4	3.0	3.3	3.6	3.0

### Housing Payment by Want to Own or Rent Downtown

	Within 2 Years			In 3 to 5 Years		
	Own	Rent	Don't Know	Own	Rent	Don't Know
No rent/ mortgage	15%	5%	13%	14%	2%	10%
Under \$500	4%	8%	7%	5%	10%	8%
\$500 - \$749	11%	25%	12%	12%	26%	19%
\$750 - \$999	17%	23%	24%	19%	32%	20%
\$1,000 - \$1,249	26%	20%	17%	24%	17%	18%
\$1,250 - \$1,499	7%	10%	11%	9%	1%	12%
\$1,500 - \$1,749	9%	8%	6%	7%	10%	8%
\$1,750 - \$1,999	4%	1%	7%	4%	1%	4%
\$2,000 - \$2,499	4%	%	3%	3%		1%
\$2,500 - \$2,999	2%			2%		
\$3,000 - \$3,999	%			%		
\$4,000 or more	1%			%		
	100%	100%	100%	100%	100%	100%
<b>Average</b>	\$1,016	\$894	\$936	\$993	\$854	\$914
<b>Median</b>	\$1,000	\$850	\$940	\$1,000	\$800	\$925





UNDER GROUND / GARDEN LEVEL



GROUND LEVEL

10

11

13

7

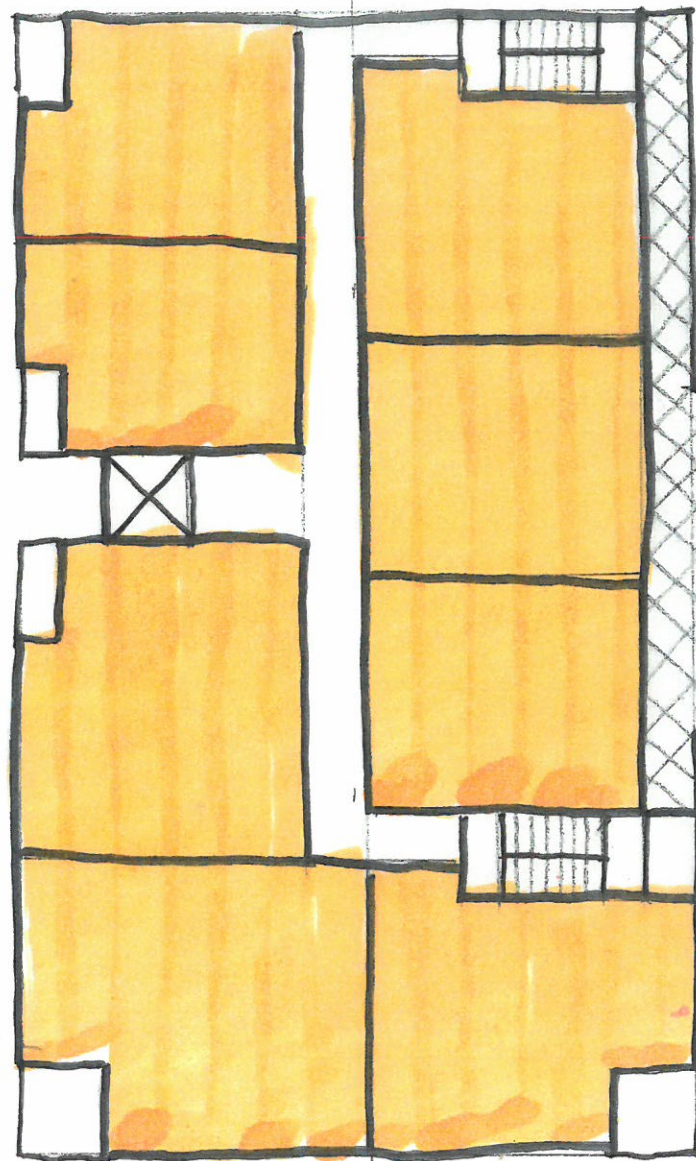
8

1600

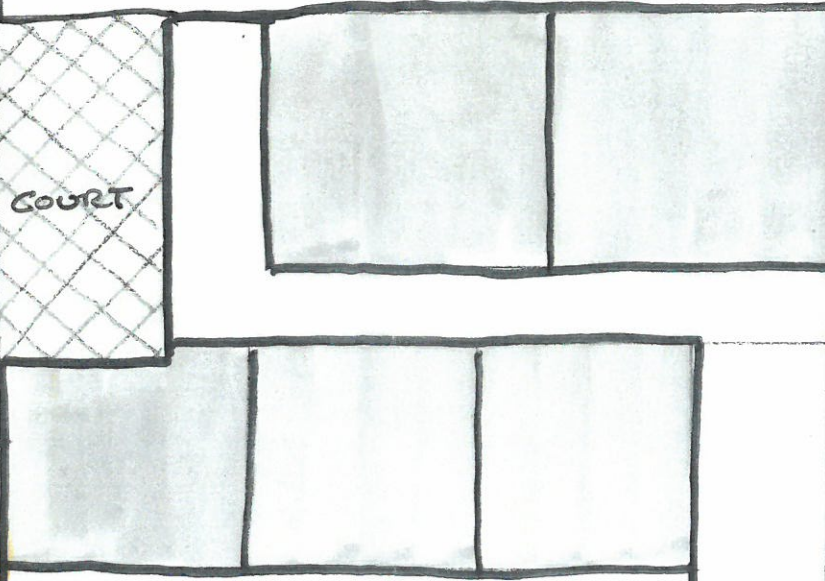
2100

Ramp

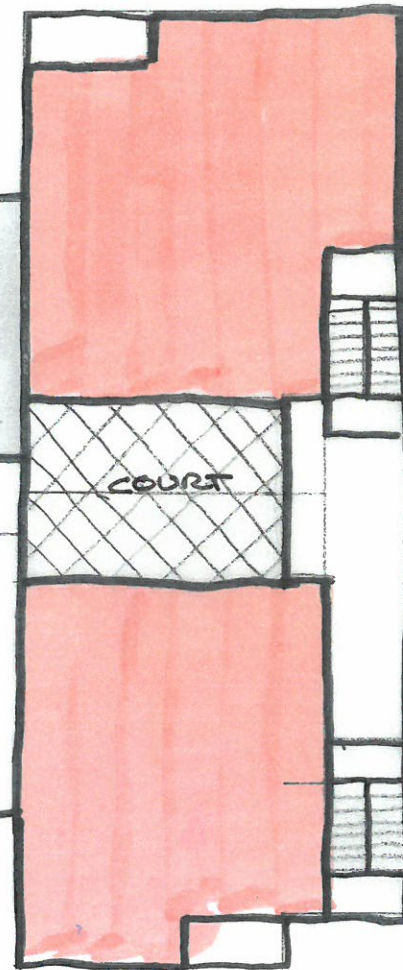




2ND, 3RD, 4TH LEVEL



2ND, 3RD LEVEL



2ND, 3RD LEVEL

PROGRAM

- 43 DWELLING UNITS / 750%
  - 24 FLATS / 22,800 SF
  - 15 APTS 9,750 SF
  - 4 LOFTS 4,600 SF
- 3,700<sup>sq</sup> NON-RESIDENTIAL
  - 1,600<sup>sq</sup> EMPLOYMENT
  - 2,100 LIVE/WORK
- 68 PARKING SPACES / 1.75 UNIT
  - 19 SPACES
  - 7 SPACES
  - 8 SPACES
  - 21 ON STREET SPACES