

**GRAND JUNCTION
CITY COUNCIL WORKSHOP SUMMARY**

JANUARY 5, 2004

The City Council of the City of Grand Junction, Colorado met on Monday, January 5, 2004 at 7:04 p.m. in the City Hall Auditorium to discuss workshop items. Those present were Harry Butler, Cindy Enos-Martinez, Bruce Hill, Bill McCurry, Gregg Palmer and President of the Council Jim Spehar. Councilmember Dennis Kirtland was absent.

Summaries and action on the following topics:

1. **AFFORDABLE HOUSING ISSUES UPDATE & DISCUSSION:**

Affordable housing is one of the goal areas in City Council's Strategic Plan and has been discussed on several occasions during the year. This report and update summarizes much of the work that has taken place during the year regarding affordable housing.

Councilmember Hill attended a Colorado Housing Now Conference in October and he updated the Council on that conference. He listed three primary workshops that he attended. His perspective of the affordable housing work done in this community and how the City has cooperated with surrounding communities is that it is very positive and proactive. The public-private partnerships fit well with some of the future plans of the City, specifically on the Jarvis property.

David Varley, Assistant City Manager, reviewed the report and related the work being done with the Housing Authority as set forth in the Strategic Plan. He then deferred to David Thornton for a complete review of the report. Mr. Thornton referred Council to the items where Staff needs Council direction. First, there are the criteria for selecting appropriate sites for affordable housing. Secondly, for the Council to address the list of possible barriers in the City Code for affordable housing. Thirdly, there are a number of incentives being suggested for the building of affordable housing that Staff would like Council to consider.

Council President Spehar inquired if the smaller lot size means a few lots within a subdivision or a subdivision of smaller lots. He also questioned how such a lot would be marketed. Mr. Thornton responded that that detail has not been determined.

Councilmember Palmer asked about density bonuses and why the current provisions have not been used. Mr. Thornton explained that if a developer were developing at the high end of density and proposed some affordable housing units, a one-for-one additional unit could be obtained.

Councilmember Hill asked about TEDS exceptions. Mr. Thornton reviewed the problems with the Linden project but expressed it was specific to the project and the process was not “broken”.

Council President Spehar expressed that many of these suggestions are “textbook” solutions but not practical solutions and won’t truly make a dent in the problem. The City needs to either create enough of an incentive or create requirements for affordable housing within developments. Then the challenge will be to keep the units affordable through restrictions.

Councilmember Palmer inquired if developers have been asked what it will take for them to participate in affordable housing. Mr. Thornton said many of them see the barrier as being the cost of development.

Mr. Varley explained that the report stayed within the scope of the objectives and perhaps those objectives should be expanded and other options be looked at.

Councilmember Hill suggested the City work with a developer to develop a template on how it might work.

Bill Whaley, Colorado Division of Housing, said the development community needs all of these tools. The City needs to have a level playing field for any projects to occur.

Dan Whalen, Director of Housing Resources, suggested that every multi-family housing unit that comes available needs to be purchased and rehabilitated. Otherwise, they go to the private sector. Building the smaller, 1200 square-foot homes cannot be built in most subdivisions. Housing Resources is trying not to have all of these homes go up in the Clifton area, but rather they try to spread them around.

Council President Spehar asked why Private Activity Bonds are not being used. Mr. Whalen said it has not been a big enough pool until recently.

Jody Kole, Housing Authority, said she shares the perspective that more units are needed. The income range they are trying to serve doesn’t meet the requirements of the Private Activity Bonds. They need to target the right tools for the specific market. There is little land zoned for higher density. Council President Spehar agreed, noting a large-scale change the Council made to the area from 24 Road to 24 ½ Road, north of F ½ Road negated the previous high-density zone designation.

Gabe De Gabriele, Habitat for Humanity, said they will building six to eight units in the next year. He referred to Camelot Gardens, where lots were at \$10,000. In Camelot II, lots are now \$25,000. In the next ten years,

they anticipate a lot cost of \$35,000. Their homes are held in the affordable market for twenty years. He suggested partnerships with other groups and the City. His organization tries to spread the homes around rather than building a "Habitat neighborhood".

Councilmember Enos-Martinez shared the activity of a housing organization she works with, ComAct, and they partner with Housing Resources because a private developer is not an affordable option for them. They have built a few houses over the years in an attempt to address the need.

City Manager Kelly Arnold suggested that he sit down with Gabe De Gabriele and compare the fees to see what is affecting the increase he referenced. Mr. De Gabriele said the difference is the cost of raw land combined with fees that raised the costs. He noted the CDBG monies will be used that will help reduce the costs.

Mr. Arnold advised that the County Administrator suggested this topic be included on the agenda for the next City-County dinner meeting.

Council President Spehar asked if there is anything the City could do to make the Private Activity Bonds more attractive. Ron Lappi, Administrative Services Director, answered that due to the lower interest rates, there is not much incentive. Pooling the funds with the County might be a good idea. However, he noted that the two entities may still have to add other incentives.

Action summary: It was suggested that the City Council needs to take the lead and be a partner. The information regarding incentives needs to be disseminated. Mr. Arnold suggested some work be done with the County in advance of the next City-County meeting. The Council agreed.

The Council President called a recess at 8:36 p.m.

The meeting reconvened at 8:45 p.m.

2. **FRIENDLY NATIVE/HOSPITALITY TRAINING PROGRAM**

DISCUSSION: VCB Executive Director Debbie Kovalik updated the City Council on a work program that includes hospitality training and information to those in contact with tourists and business travelers. The goal is to get the information to those who have contact with visitors. She noted that the friendliness of the community is mentioned frequently by visitors.

Ms. Kovalik chronicled the history of VCB hospitality. She then outlined the challenges and opportunities. Lastly, Ms. Kovalik discussed the

specific program for 2004 as “Grand Junction Loves Company” and the conference being held during National Tourism Week (May 8-15). Kickoff for the campaign will be May 12th.

Councilmember Palmer asked if there are materials that can be made available for folks even after the week of the conference. Ms. Kovalik said yes and the VCB can even come to an organization and present the information.

Action summary: Council thanked Ms. Kovalik for the presentation and approved of the program.

3. **STRATEGIC PLAN UPDATE:** City Manager Arnold reviewed the update and noted that the annual update discussion will begin at 3:00 p.m. on January 21st, in the City Hall break room. He referred Council to the Action Step on Design Standards and noted that he would like to address this in the meeting on the 21st. Next, the Community Policing status will be presented completely in a full report from the Police Chief. Regarding Efficient Transportation, further discussion and amendments to the funding strategies will be reviewed. The future funding from the State is not promising.

Action summary: The update was accepted by Council.

ADJOURNMENT

The meeting adjourned at 9:19 p.m.