



# Consolidated Annual Performance and Evaluation Report (CAPER)

For the 2008 CDBG Program Year  
September 1, 2008 through August 31, 2009

NOVEMBER 2009

City of Grand Junction  
Neighborhood Services Division  
333 West Avenue Building C  
Grand Junction CO 81501





## **THIRD PROGRAM YEAR CAPER**

The third Consolidated Annual Performance and Evaluation Report includes narrative responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The grantee must submit an updated Financial Summary Report (PR26).

### **GENERAL**

#### **Executive Summary**

This Consolidated Annual Performance and Evaluation Report (CAPER) describes the activities undertaken during the program year beginning September 1, 2008 and ending August 31, 2009 using Federal funds granted to the City of Grand Junction by the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG) program. Activities and accomplishments described in this report primarily benefit low-income and moderate-income residents of the City of Grand Junction.

A draft of this report was made available for public review and comment for a 15-day period beginning November 6, 2009. The availability of the report was publicly advertised consistent with the provisions of Grand Junction's Consolidated Plan Citizen Participation Plan. The draft was available to the public in print form at the Office of the City Clerk, the office of the City Neighborhood Services Division and the main branch of the Mesa County Public Library.

#### **AREA BACKGROUND**

Grand Junction became a Metropolitan Statistical Area (MSA) in June 1995 and is wholly contained within Mesa County. The current population of the County/MSA is 139,082, of which, 51,631 live within the city limits of Grand Junction. During the 1990's the area was ranked 12th fastest growing Metro area in the Southwest and 38th in the nation, ahead of Salt Lake City-Provo, Albuquerque and many MSA's in California. With an average rate of 2.48% per annum, the population growth, though strong, is steady and can be attributed to the lifestyle that attracts many people to the area. The growth is forecast to continue over the next 25 years and at a stronger rate than the Denver area. In-migration is the main cause of population increase, typically accounting for over 80% of the population gain in any year. This is expected to continue, as migrants are attracted to the area's superb quality of life.

#### **FUNDS RECEIVED AND EXPENDED**

For the reporting period (2008 Program Year), the City of Grand Junction received \$337,951 in CDBG funds. The City awarded these funds, along with remaining funds from previous years, to seven projects. The projects funded are listed below.

Project 2008-01 The City allocated \$80,000 of the 2008 funds for the Grand Junction Parks and Recreation Department to conduct a feasibility study and conceptual design of senior complex in the vicinity of the current library/senior recreation center/Gray Gourmet area. A consultant was hired and started the study in July 2009. CDBG funds have been expended and the study is expected to be completed and matching funds expended by early 2010.

Age Distribution of Mesa County (Source: U.S. Census 2006 American Community Survey)		
Median Age	37.8	
14 and Under	18.4%	
Aged 15-24	14.2%	
Aged 25-44	26.9%	
Aged 45-64	25.2%	
Aged 65+	15.3%	
Ethnic Diversity (% of population)		
	White	Hispanic
1990	90.21%	7.85%
2000	92.34%	7.63%

Project 2008-02 The Riverside Educational Center (REC) received \$5,000 in 2008 to fund two Americorps employees to be obtained through Mesa State College. REC provides qualifying K-12<sup>th</sup> grade students facing academic and financial challenges a no-cost, after-school tutoring and enrichment program, operated in the historic Riverside School. The two positions provided 288 hours of additional contact hours with students. Funds were expended in October 2008.

Project 2008-03 The St. Mary’s Hospital Foundation Gray Gourmet program was awarded \$20,500 for the purchase of food, personnel and travel to provide and deliver meals to an additional 50 homebound elderly residents. All funds were expended by the end of the 2008 Program Year and the project will be closed out by December 2009.

Project 2008-04: The City awarded the Riverside Task Force (RTF) \$220,900 for acquisition of property(ies) east of the existing campus. Ultimately, the additional area will provide for expansion of the campus to increase facilities/services available to the adjacent low and moderate income neighborhoods. One property was purchased in March 2009 for the price of \$140,000. The remaining 2008 funds will be added to 2009 CDBG funds earmarked for the project with the intention of purchasing one or two more properties.

Project 2008-05: Mesa Youth Services, Inc. (Partners) received a \$100,000 2008 CDBG grant for the acquisition of property at 2818-1/2 North Avenue for purposes of relocating the facilities for the operation of its Western Colorado Conservation Corps (WCCC) program. The property was purchased in October 2008 and all funds were expended.

Project 2008-06: The City awarded the Center for Independence a \$9,500 2008 CDBG grant to assist with capital funds to upgrade dated electrical systems in the kitchen used by the New Horizon Vocational Center program at the 740 Gunnison Avenue facility. The remodel is complete, all funds were expended by June 2009 and the project will be closed out by December 2009.

Project 2008-07: The City earmarked \$108,201 of the 2008 CDBG funds towards construction of a new restroom/shelter in Melrose Park. Construction on the project started in June 2009 and will be completed and all funds expended by December 2009.

**PREVIOUS PROGRAM YEAR PROJECTS COMPLETED IN 2008**

In addition to the projects described above, one other project from a previous Program Year was completed during the 2008 Program Year as summarized below. The project is under the category of Non-Housing Community Development Infrastructure.

Project 2007-11 HomewardBound of the Grand Valley received a \$40,000 grant for the construction of a screen wall to mitigate impacts from its Community Homeless Shelter on the adjacent residential neighborhood. The wall was completed at the end of the 2007 Program Year at a cost of \$32,035. Subsequently, the grant was amended to allow HomewardBound to utilize the balance for additional site amenities and equipment needs. The balance of the funds in the amount of \$7,965 was expended in the 2008 Program Year.

**2008 ACCOMPLISHMENTS 5-YEAR CONSOLIDATED PLAN SUMMARY**

The 2006-2011 Consolidated Plan identifies the City of Grand Junction's 5-year plan to address community objectives. A summary of the Consolidated Plan's 5-year goals, the 1-year estimated accomplishments and the 2008 actual accomplishments appears on the following page.

GRAND JUNCTION

5-YEAR PLAN GOAL: NON-HOUSING COMMUNITY DEVELOPMENT	1-YEAR GOAL	ACCOMPLISHMENT
Conduct Planning Studies	Complete Multi-Use Campus Study in 2009	In Progress Complete March 2010
Maintain/Improve/Develop Public Facilities	Acquire 2 properties for Expansion of Riverside School Campus Expansion	In Progress - One property purchased in March 2009; 2 <sup>nd</sup> purchase in Nov 2009
	Construct New Restroom/Shelter in Melrose Park	In Progress Complete by Dec 2009
Promote and Support Youth Programs	Riverside Educational Center – Hire 2 Americorps Personnel	Complete 2 Americorps Personnel Hired Oct 2008
Support Programs Helping Elderly Persons	Serve meals to 50 additional homebound elderly persons	Complete Served meals to 66 addn'l homebound elderly persons
5-YEAR PLAN GOAL: DECENT AFFORDABLE HOUSING	1-YEAR GOAL	ACCOMPLISHMENT
Provide/Improve shelter for homeless persons	Construct masonry screen wall along south boundary of existing community homeless shelter	Wall completed Nov 2008
5-YEAR PLAN GOAL: CREATE ECONOMIC OPPORTUNITIES	1-YEAR GOAL	ACCOMPLISHMENT
Support efforts of job creation for low-mod income residents	Acquire property for Partners Western Colorado Conservation Corps	Complete Acquired property Oct 2008
	Remodel Center for Independence New Horizon Vocational Center	Complete June 2009

## General Questions

1. Assessment of the one-year goals and objectives:

- a. Describe the accomplishments in attaining the goals and objectives for the reporting period.

**Response:** The goals and objectives for the 2008 Program Year are based on HUD's priority needs identified in the 2006 Five-Year Consolidated Plan. The Five-year plan provided the guidelines for selecting projects and activities to fund during each subsequent program year. The Consolidated Plan outlines three primary goals: 1) Create a Suitable Living Environment; 2) Provide Decent Affordable Housing; and 3) Create Economic Opportunities. Since the City had recently focused CDBG expenditures solely on housing in 2006 and projects for those properties have not yet begun, the City did not receive any housing applications in 2008. Consequently, funding in the 2008 Program Year attempted to address the other two primary objectives, with one project addressing housing for the homeless.

Create a Suitable Living Environment: Projects 2008-01, 2008-02, 2008-03, 2008-04 and 2008-07 as described on the previous pages addressed this goal by improving services and facilities for a variety of low-moderate income populations and neighborhoods. Through these improvements, the overall livability and sustainability of the community is improved as well as the living environment for each resident served by the programs and facilities.

Create Economic Opportunities: Projects 2008-05 and 2008-06 described on the previous pages support economic growth by improving facilities that train low-moderate income persons, provide jobs and/or improve the economic opportunities available to them by readying them for the job market.

Provide Decent Affordable Housing: Project 2007-11 that was completed in 2008 as described on page 5 addressed this goal by improving the existing community homeless shelter to better serve its homeless clients as well as mitigate impacts on the adjacent residential neighborhood.

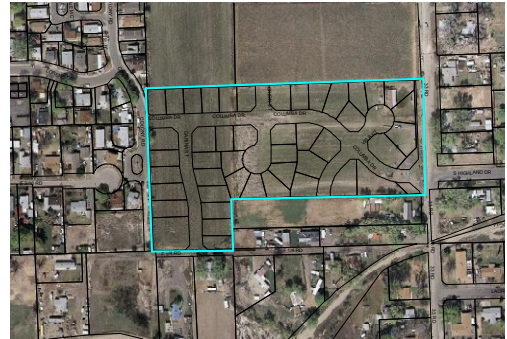
Otherwise, the City did not specifically expend 2008 funds on housing. However, this objective was furthered by other agencies in the community during the 2008 Program Year. Accomplishments are further discussed in the Housing and Homeless sections of this report.

### Grand Junction Housing Authority

- Served a total of 1,650 households, 1,593 children, 378 elderly and 717 disabled
- Completed development of 72 units of workforce housing at Arbor Vista Townhomes
- Placed 10 new households in their own home through the Calling Mesa County Home Program
- Purchased 27 units of existing housing, keeping 15 affordable and 12 units set aside for transitional housing for homeless families

**Housing Resources of Western Colorado**

- Completed 20 self-help housing units in Mesa County
- Provided Housing Counseling services for pre-purchase, financial fitness, credit repair, default and foreclosure
- Continued certification of properties within the City limits through the Grand Junction Police Department Crime Free Multihousing Program



**Habitat for Humanity**

- Completed 4 units, primarily in the Camelot II Subdivision

**Grand Valley Catholic Outreach**

- Served 78,295 meals in Soup Kitchen
- Provide day services for 23,931 homeless individuals
- Housed 98 homeless individuals in emergency housing (families with children)
- Housed 23 chronically homeless individuals in permanent housing

**Homeward Bound of the Grand Valley**

- Provided overnight stays for 1,128 unduplicated persons, including 78 families

- b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.

**Response:**

- Create a Suitable Living Environment - \$236,601
- Create Economic Opportunities - \$109,500
- Provide Decent Affordable Housing - \$40,000

- c. If applicable, explain why progress was not made towards meeting the goals and objectives.

**Response:** Not applicable.

2. Describe the manner in which the recipient would change its program as a result of its experiences.

**Response:** HUD has encouraged grantees to incorporate performance-based standards in project selection and contracting with CDBG funds. As a result, for future program years, the City will be examining ways to relate information gathered for reimbursement requests more directly to actual project accomplishments. All reimbursement requests will still require documentation as proscribed in the appropriate Federal regulations and City policies. In addition, during the 2008 Program Year, the City of Grand Junction continued to



improve its on-site subrecipient monitoring to improve the working relationship with subrecipients and improve project documentation.

3. Affirmatively Furthering Fair Housing:

**Response:** The City of Grand Junction completed an Analysis of Impediments to Fair Housing Study (AI) in 2006, identifying five impediments and several recommendations under each impediment related to local fair housing issues. A summary of these impediments and the actions taken during the 2008 Program Year is provided below.

**IMPEDIMENT 1: Land Development costs continue to be an impediment to fair housing choice.**

**Recommendations:**

1A: The City should take steps to develop land banking and land trusts for future projects.

1B: The City should establish an affordable housing fund financed through developers making payments in lieu of providing required affordable housing on-site and from the City's General Fund.

1C: The City should work in conjunction with the Homebuilder's Association and area homebuilders, service providers and other interested groups and organizations to develop joint venture projects.

**2008 Program Year Actions to Address Impediment 1:**

The City allocated a large portion of its 2005 and 2006 CDBG funding and general fund monies on affordable housing projects by acquiring land for the future use of affordable housing. Several of the acquisitions were accomplished during the 2007 Program Year and construction was completed on one of the projects during 2008. The goal of over 50 affordable units was realized as the project completed (Arbor Vista) provided 72 new one, two and three bedroom apartments. Deed restrictions ensure that the rents will remain relatively affordable for the next 50 years.

**IMPEDIMENT 2: The "not in my backyard" (NIMBY) syndrome is still an impediment to fair housing choice but to a lesser degree than reported in the previous AI.**

**Recommendations:**

2A: The City and housing providers should continue the good efforts to promote awareness of the need of affordable and fair housing through seminars, fair housing forums and public awareness campaigns.

2B: The solicitation of neighborhood input to housing development should be part of the City's Zoning and Development Code.

**2008 Program Year Actions to Address Impediment 2:**

One of the best steps towards mitigating the NIMBY syndrome was completion of an attractive, well-managed affordable housing complex constructed by the Grand Junction Housing Authority at the Arbor Vista Apartments complex. The 72-unit new development can be used as a good example of the type of development that is proposed in future projects.

In addition, the City is also currently undertaking a rewrite of its Zoning and Development Code. The effort will include looking at changing the neighborhood meeting format to provide citizens more opportunity to have input in the proposed development by requiring the developer to show them more detail of the proposal at the neighborhood meeting prior to submittal of the project to the City for review and approval. The Code rewrite is expected to be adopted by mid-2010.

**IMPEDIMENT 3: A lack of affordable housing units, one-bedroom or larger, particularly for very-low and low-income households, large families with children, seniors and persons with disabilities continues to be an impediment to fair housing choice.**

**Recommendations:**

3A: The City should continue the usage of CDBG funding to support affordable housing projects.

3B: Encourage usage of the City's local matching funds for affordable housing development.

3C: Revisit the evaluation of goals, objectives, policies, regulations and fees as to their impact on affordable housing and implement the objectives determined from that evaluation, particularly number 22 goal of Grand Junction's Strategic Plan to implement the results of the Affordable Housing Forum.

3D: The City should have a staff person who is involved exclusively in housing projects whose job would consist of being a liaison with public and private housing providers, serve as a member of the Affordable Housing Partnership, a contact for people with fair housing complaints, and a resource for funding of housing projects. This person could also look into additional funding for security deposits and utility costs.

**2008 Program Year Actions to Address Impediment 3:**

As previously stated under Impediment 1, the City allocated a large portion of its 2005 and 2006 CDBG funding and some general funds for affordable housing by acquiring land for the future use of affordable housing and several of those projects are now under construction. Completion of these projects will provide rental housing and/or home-ownership housing opportunities to very low and/or low-income households. However, due to the current overall economic situation, development of the properties, with the exception of the Arbor Vista project, has not yet progressed.

In addition, the *Grand Valley Housing Strategy* was completed in February 2009 that included a response to recommendation 3C above. The *Housing Strategy* includes a thorough assessment of local market conditions, a detailed forecast of current and future demand across the spectrum of housing needs, and a detailed roadmap for collaborative efforts to address the market needs. An executive summary of the *Grand Valley Housing Strategy* is included as an appendix to this report.

**IMPEDIMENT 4: The lack of transitional housing units, particularly for homeless families and the mentally ill is still an impediment to fair housing choice.**

**Recommendations:**

4A: The City should continue its support of area housing agencies in the pursuit of additional funding, from public and private sources, for the provision of additional transitional housing units. The staff person recommended in recommendation 3D could be

the City contact person to assist in additional funding as well as a resource person on how other cities are handling homelessness.

4B: The area agencies should continue to provide services such as transitional housing, homeless prevention training, health care referrals and housing counseling to homeless persons and families, to assist in the prevention of homelessness.

**2008 Program Year Actions to Address Impediment 4:**

The City of Grand Junction did not take any specific actions to address this impediment with 2008 CDBG funds but Grand Valley Catholic Outreach housed 23 chronically homeless individuals in permanent housing, located 36 homeless individuals (some families with children) in transitional housing and housed 98 homeless individuals in emergency housing (families with children).

**IMPEDIMENT 5: Low income or wage levels are still and impediment to fair housing choice. While this is an impediment that involves private enterprise even more than the City or public agencies, it is one that will need all the effort from the City and public agencies that can be given.**

**Recommendations:**

5A: The City needs to continue to work with the Grand Junction Economic Partnership and the Business Incubator to promote opportunities to develop new businesses or expand existing ones and to improve wage levels for Grand Junction’s residents.

5B: The City and the Grand Junction Economic Partnership should continue to work with area job training agencies to determine if additional training needs exist in the community and can be met through any potential local, state or federal funding sources.

**2008 Program Year Actions to Address Impediment 5:**

While the City did not allocate specific 2008 CDBG funding to address this impediment, it does continue to work with the Grand Junction Economic Partnership (GJEP), the Business Incubator and the Chamber of Commerce to promote opportunities to develop new businesses or expand existing ones and to improve wage levels in the Grand Junction area.

The 2008 GJEP Annual Report includes the following statistics:

- Number of Companies Provided Services: 125

Recruitment Results

- Total Economic Impact: \$14,030,661
- New Capital Investment: \$10,000,000
- New Job Opportunities: 17
- New Average Salary: \$ 36,000

4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

**Response:** No further actions to address

5. Leveraging Resources

- a. Identify progress in obtaining “other” public and private resources to address needs.

**Response:** The City of Grand Junction shares HUD’s goals of using CDBG funds to seed programs and projects that will ultimately prove financially self-sufficient and demonstrate growth in the program or service provided. The City of Grand Junction CDBG criteria for funding projects includes the ability of the applicant to leverage other funding sources to complete a proposed project. In many cases recipients have been able to leverage funding sources by using CDBG dollars for the required local match.

- b. How Federal resources from HUD leveraged other public and private resources.

**Response:** The funds provided through the City’s 2008 CDBG program year have leveraged a substantial amount of other public and private resources despite difficult economic circumstances. These activities leveraged other funds as follows:

Project 2008-01 The City earmarked \$80,000 towards the study of a 3-block area for a multi-use project, focusing on senior services and affordable housing. With these funds, the City was able to match the CDBG funds with a State Department of Local Affairs grant in the amount of \$120,000 towards the project.

Project 2008-02 The Riverside Educational Center used \$5,000 2008 CDBG funds to hire two Americorps personnel to assist with their after school tutoring and enrichment program. The City’s contribution to the project helps the center leverage \$120,000 for other program expenses from other local and statewide funding sources.

Project 2008-03 The Gray Gourmet used \$20,500 2008 CDBG funds towards meals for the elderly (meals on wheels) which leveraged \$600,000 from other funding sources.

Project 2008-04 The Riverside Task Force used \$220,900 2008 CDBG funds to purchase adjoining property for the expansion of its Riverside School campus. Once the land is acquired, the CDBG funds will help Riverside Task Force leverage \$1,200,000 for the ultimate development of the additional property.

Project 2008-05 Mesa Youth Services (Partners) used \$100,000 2008 CDBG funds to purchase property for a new facility for the Western Colorado Conservation Corps. This grant leveraged \$700,000 from other funding sources to close on the property.

- c. How matching requirements were satisfied.

**Response:** The City of Grand Junction does not have matching requirements for CDBG funds.

## Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

**Response:** The City of Grand Junction has three staff members that assist with the oversight and compliance of CDBG Program administration as part of their overall job description that includes other responsibilities within the Neighborhood Services Division. The City held a public open house for the 2008 Program Year in March 2008, inviting local human service and housing agencies to meet and discuss the needs within the community and to participate in the CDBG process. The project selection process for the 2008 Program Year was consistent with the City's 2006 Five-Year Consolidated Plan. During the selection process, activities were evaluated based on a number of criteria including consistency with the priority needs identified in the Five-Year Plan, as well as compliance with CDBG national objectives and the past performance of applicants in complying with program requirements. Throughout the reporting period City staff monitors projects supported with CDBG funds to ensure compliance with the program and comprehensive planning requirements.

The CDBG application process includes solicitation of participation from a number of racial/ethnic minority groups. The following agencies/groups receive a specific invitation to the public open house, most of which do attend and work with staff to develop CDBG grant applications: Child and Migrant Services, Latin Anglo Alliance, Riverside Task Force, Riverside Educational Center and Rock Mountain SER Head Start.

## **Citizen Participation**

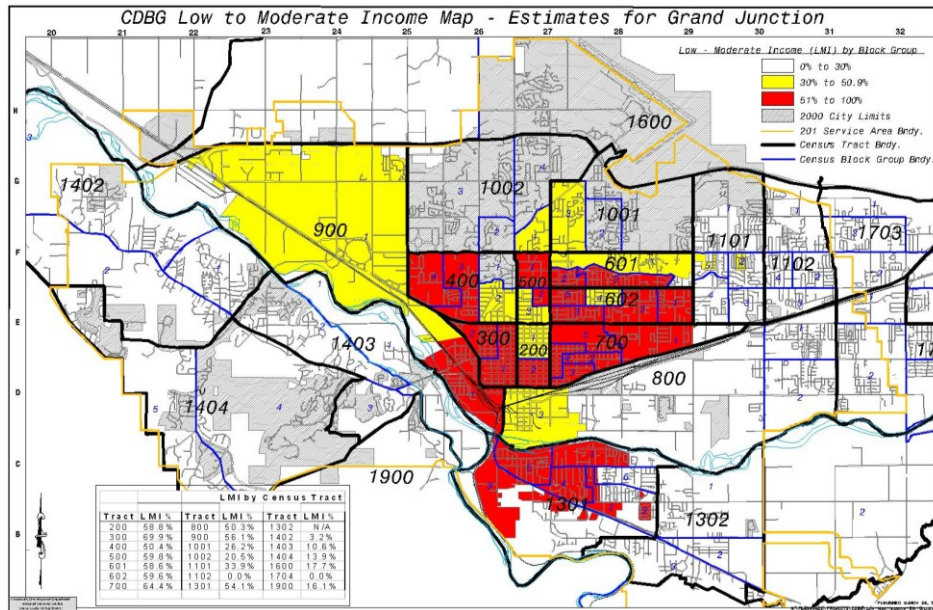
1. Provide a summary of citizen comments.

**Response:** This Consolidated Annual Performance and Evaluation Report (CAPER) for the 2008 Program Year was made available for public review and comment for a 15-day period as specified in the City's Citizen Participation Plan. During this review period copies of this report were available for review or to be reproduced at no cost at the Office of the City Clerk, the Office of the City Neighborhood Services Division and the main branch of the Mesa County Public Library. The availability of this report was made known to the public through an advertisement in the *Daily Sentinel* on November 5, 2009 (attached). No citizen comments were received.

2. In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

**Response:** Expenditure of CDBG funds is directed to areas of low and moderate income concentrations, such as the Orchard Mesa, Riverside, El Poso, Downtown, and Central Grand Junction neighborhoods. These correspond to the red areas shown on the CDBG Low to Moderate Income Map below. In addition, CDBG funding must meet national objective

requirements of serving low and moderate income persons or clientele of presumed benefit.



**Project 2007-11 Homeless Shelter Screen Wall**

- Total CDBG Funds Allocated: \$40,000
- Total Funds Expended in Program Year 2008 \$40,000
- Location – 2853 North Avenue, clients are presumed benefit (Homeless), adjacent neighborhood in Census Tract 700, Block 1, greater than 51% low moderate income households

**Project 2008-01 Multi-Use Campus Study**

- Total CDBG Funds Allocated: \$ 80,000
- Total Funds Expended in Program Year 2008 \$ 0
- Location – NA: Criteria not applicable to planning funds

**Project 2008-02 Riverside Educational Center Americorps Personnel**

- Total CDBG Funds Allocated: \$5,000
- Total Funds Expended in Program Year 2008 \$5,000
- Location – Riverside Neighborhood, Census Tract 900, Block 2, greater than 51% low moderate income households

**Project 2008-03 St. Mary's Gray Gourmet**

- Total CDBG Funds Allocated: \$20,500
- Total Funds Expended in Program Year 2008 \$20,500
- Location – Citywide, presumed benefit clientele within City limits

**Project 2008-04 Riverside Task Force Property Acquisition**

- Total CDBG Funds Allocated: \$220,900
- Total Funds Expended in Program Year 2008 \$140,000

- Location – Riverside Neighborhood, Census Tract 900, Block 2, greater than 51% low moderate income households

**Project 2008-05 Partners Property Acquisition for W CO Cons Corps**

- Total CDBG Funds Allocated: \$100,000
- Total Funds Expended in Program Year 2008 \$100,000
- Location – Citywide, presumed benefit clientele within City limits

**Project 2008-06 Center for Independence Vocational Center Remodel**

- Total CDBG Funds Allocated: \$9,500
- Total Funds Expended in Program Year 2008 \$9,500
- Location – Citywide, presumed benefit clientele within City limits

**Project 2008-07 Melrose Park Restroom/Shelter Relocation**

- Total CDBG Funds Allocated: \$108,201
- Total Funds Expended in Program Year 2008 \$ 36,385
- Location – Orchard Avenue Neighborhood, portions of Census Tracts 601 and 602, 56.9% low moderate income households

## Institutional Structure

1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

**Response:** The City of Grand Junction Neighborhood Services Division serves as the primary administrative agency for the City’s CDBG Program. As part of this responsibility, the Division consistently reviews the performance of subrecipients and monitors the overall program delivery structure to ensure coordination and compliance.

During the 2008 Program Year, the Division continued to administer the CDBG Program by following the City’s Citizen Participation Plan and by following the federal regulations that govern the program. In this role, the City disbursed the 2008 CDBG funds when requested, reviewed their effective use and compliance with federal regulations, and submitted required reports to HUD including this Consolidated Action Evaluation Report (CAPER).

## Monitoring

1. Describe how and the frequency with which you monitored your activities.

**Response:** The City of Grand Junction uses adequate and timely techniques to ensure the community development projects are compliant with CDBG requirements. This includes continued monitoring of sub-recipients for program objectives and performance outcomes and compliance with federal regulations, such as environmental assessments. Labor standards are adhered to when applicable. The City uses telephone, email, mail and site visits to ensure program compliance. During the 2008 Program Year, City staff communicated with subrecipients at least monthly, and sometimes daily or weekly, as projects evolved, got underway and were completed.

2. Describe the results of your monitoring including any improvements.

**Response:** During the 2008 Program Year, the consistent monitoring resulted in timely completion of most projects in order to meet deadlines. Timely response to the subrecipient's needs was required in order to ensure the project was successfully completed. Inasmuch as possible, the City increased its on-site monitoring visits during the 2008 Program Year.

3. Self Evaluation

- a. Describe the effect programs have in solving neighborhood and community problems.

**Response:** CDBG Program funding continues to play a vital role in ensuring the sustainability and operation of numerous programs and activities that have had a beneficial impact on Grand Junction's neighborhoods and community problems. In the 2008 Program Year, CDBG funding has provided park, pedestrian, educational and community infrastructure improvements in low/moderate income neighborhoods or for disabled persons, allowed for studies to improve development patterns in downtown that include a variety of community services and housing, and helped provide improved services to the youth and elderly of the community.

In past years, CDBG has been used to revitalize historic structures, assisted with construction of new affordable housing units and purchased property and equipment for homeless facilities and programs. CDBG funding has also provided program assistance for senior volunteer activities, housing, equipment and services for disabled persons, at-risk youth programs and activities and counseling services for low/moderate income persons. All of these projects have enhanced the quality of life in many areas of the community.

- b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.

**Response:** The City of Grand Junction CDBG Program uses a performance measurement system taken from the 2006 Five-Year Consolidated Plan that lists and describes five-year objectives and strategies for each of the four Consolidated Plan Priority Areas. Each strategy is a specific action item that has been identified through the consolidated planning process as an action that either the City or another agency in the community will implement or complete within the life of the Five-Year Consolidated Plan.

Within the 2008 Program Year, progress was made in meeting the following 2006 Five-Year Consolidated Plan Objectives and Strategies as illustrated on the table that appears on page 6 of the Executive Summary portion of this report.

- Maintain/Improve/Develop Public Facilities
- Promote and Support Youth Programs
- Support Programs Helping Elderly Persons
- Provide/Improve shelter for homeless persons
- Support efforts of job creation for low-mod income residents



- c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.

**Response:** Refer to the specific discussion of housing accomplishments in the Housing section of this report, **beginning on page 19**. By providing the additional housing discussed, low/moderate income persons can begin to or further improve their economic status.

- d. Indicate any activities falling behind schedule.

**Response:** No report – all 2009 activities have been either completed or are well underway.

- e. Describe how activities and strategies made an impact on identified needs.

**Response:** CDBG funding, while limited, continues to play a vital role in ensuring the sustainability and operation of numerous programs and activities that have had a beneficial impact on Grand Junction’s neighborhoods and social problems. CDBG funding has improved public infrastructure and community facilities in low-income neighborhoods, been utilized towards providing new affordable housing, and been vital to providing services for Grand Junction’s most vulnerable populations including food, homeless shelter services, and programs for at-risk youth and seniors. Many of these programs and projects would not be possible or additional funding could not be leveraged without the assistance of CDBG funds.

The specific activities undertaken during the 2008 Program Year that address the needs identified as “medium” or “high” priorities in the 2006 5-Year Consolidated Plan are outlined below. Some activities address multiple higher priority needs and some are ongoing.

**Priority Housing Needs**

- 2008 accomplishments of the Grand Junction Housing Authority, Housing Resources of Western Colorado and Habitat for Humanity described in the Housing section of this report

**Priority Homeless Needs**

- 2008 Accomplishments of Grand Valley Catholic Outreach and the Community Homeless Shelter described in the Homeless section of this report

**Public Facilities/Infrastructure**

- Project 2007-11 Homeless Shelter Screen Wall and Site Improvements
- Project 2008-04 Riverside Task Force Purchased Property for Riverside School Campus Expansion
- Project 2008-05 Mesa Youth Services (Partners) Purchased Property for Relocation/Expansion of Western Colorado Conservation Corps facilities
- Project 2008-06 Center for Independence Horizon Vocational Center Remodel

- Project 2008-07 Construction of new restroom/shelter at Melrose Park
- City of Grand Junction 2008 Capital Improvements
  - Ranchmen’s Ditch Piping
  - Reconstructed 4 Blocks of Colorado Avenue Downtown
  - Water Line Replacements
  - G-1/2 and 26 Road Reconstruction

**Non-Homeless Special Needs/Public Services**

- Project 2008-02 Riverside Educational Center (REC)
- Project 2008-03 Gray Gourmet Program
- Accomplishments of other agencies as described in the Non-Homeless Special Needs section of this report

**Economic Development**

- 2008 Accomplishments of the Grand Junction Economic Partnership listed on page 11 of this report

- f. Identify indicators that would best describe the results.

**Response:** The indicators that best describe the results of the City of Grand Junction 2008 CDBG Program are the performance data for each of the projects completed in 2008 as reported in the Integrated Disbursement and Information System (IDIS).

- g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.

**Response:** Unfortunately the CDBG funding is limited and Grand Junction’s annual allotment is steadily decreasing, while the needs of growing and maturing community are steadily increasing. In this fiscal environment, it is nearly impossible to completely “solve” many of the problems that plague low- and moderate-income persons and neighborhoods. While the lives of many individuals and several neighborhoods have been improved, the growing population of Grand Junction and the surrounding areas ensure ongoing economic and social challenges. As housing and infrastructure are improved in one area, benefiting many area residents, increasing property values and rents force others to move to other housing or neighborhoods with similar challenges to solve.

- h. Identify whether major goals are on target and discuss reasons for those that are not on target.

**Response:** Inasmuch as possible given the limitations described in item g. above, major goals of the City of Grand Junction identified in the 2006 Five-Year Consolidated Plan are on target. With or without the use of CDBG funds, the community as a whole continues to make some progress each year in most areas.

- i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

**Response:** The City of Grand Junction awards CDBG funds annually through an open proposal process. City Neighborhood Services Division staff provide technical assistance to an advisory sub-committee of City Council that recommends to full Council which activities should receive funding each year. City Council makes the final award decision. The technical assistance includes information about accomplishments, timeliness, compliance, and effectiveness of the applicant agencies in their current and past activities.

The availability of CDBG funds has decreased over the past decades, making it difficult for both the City and its subrecipients to aggressively respond to underserved needs. At the same time, competition for federal funding has grown as agencies seek to replace funding from other sources no longer available. Despite the increase in competition for funds, the City has consistently continued funding the same number of agencies in the past several program years, some with smaller award amounts. In order to effectively respond to the needs of its residents, the City strives to fund programs that have demonstrated the capacity to serve the needs of its clients while complying with both financial and programmatic requirements.

## Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

**Response:** Not applicable - the projects undertaken in the 2008 Program Year did not require the need to examine lead-based paint hazards.

## HOUSING

### Housing Needs

\*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe Actions taken during the last year to foster and maintain affordable housing.

**Response:** During previous years as an entitlement community, the City of Grand Junction has supported affordable housing efforts with CDBG funds. In the 2006 Program Year, 80 percent of the 2006 CDBG funds were committed to and a large portion of the 2005 CDBG funds were reallocated for affordable housing efforts. Thus, as the housing projects that were funded in the prior 2 years were being started in 2007, the City did not fund any housing projects in 2008 with CDBG dollars. Instead, use of the City's CDBG funds focused on other community development and services projects.

However, during the 2008 CDBG Program Year, the City did coordinate, applied for funding and is participating in the preparation of a housing strategy for the City of Grand Junction, Mesa County and other communities within the Grand Valley. The purpose of the study is to supplement work prepared in the context of the *City of Grand Junction Comprehensive Plan Update, Strategic Downtown Master Plan*, and the *CHFA Market Overview*. The Housing Strategy will provide a detailed understanding of 1) demographic and psychographic conditions which will impact demand for specific housing product types and supporting land

uses; 2) the political climate (including attitudes) which could influence the applicability of policy and regulating recommendations; and 3) market factors which present both opportunities and barriers to the delivery of products to the market. The *Grand Valley Housing Strategy* is expected to be completed by the December 2008.

## Specific Housing Objectives

1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.

**Response:** The City of Grand Junction did not expend CDBG funds for affordable housing but has supported the other agencies and providers that do specialize in housing. The accomplishments of these agencies is outlined below.

### Grand Junction Housing Authority

#### 2008

- Total households served: 1,650 including the following breakdown:
  - 717 Disabled
  - 25 Black/African American
  - 5 American Indian
  - 17 Asian
  - 4 Native Hawaiian
- Increased affordable housing stock by 92 units
- Increased number of vouchers by 111
- Partnered with Mesa County to hire a Housing Advocate, resulting in a decrease of turnover in the Family Unification Program
- Assisted 175 families to produce security deposits with obtained funding for a security deposit revolving loan fund
- Completed the sale of 30 “public housing” apartments, investing some proceeds in land for future development and earmarking the balance for specific developments
- Expanded Supportive Services division to help housing clients locate, lease, and retain housing in a very tight rental market – vacancy rates of 2% or less
- Commissioned Energy Audits for all GJHA properties to reduce operating costs and carbon footprint
- Partnered with the Governor’s Energy Office and Housing Resources of Western Colorado to replace 91 refrigerators at Ratekin Tower with more efficient models
- Secured commitment to refinance Ratekin Tower Apartments to ensure long-term financial viability
- Raised the Voucher rent limits to better reflect the Grand Valley rental market

#### 2007

- Total households served: 1,593
- Sale of 24 apartments and 6 single family houses to Grand Valley Atrium under HUD's Demolition/Disposition of Public Housing Program
- Began construction on Arbor Vista -- 92 unit development serving

- households with incomes between 30% and 60% AMFI
- Initiating energy Performance Contracting with Johnson Controls at all GJHA facilities, in partnership with City of Grand Junction
- Begin design work on 2 infill development / affordable rental projects:  
Walnut Park Apartments -- working to add 8 ADA accessible apartments  
Bookcliff Squire -- working to add 8 - 12 additional apartments

### **Housing Resources of Western Colorado 2002-2008**

- The Weatherization program of Housing Resources of Western Colorado served 154 households in Mesa County (200 more households in other western slope communities) providing insulation, weatherstripping, additional glass glazing, energy efficient lighting, energy efficient furnaces and refrigerators. HRWC celebrates over 30 years of administering the Weatherization program to the western slope. The demographic makeup of the households served in Mesa County are as follows: 50 seniors, 38 with disabilities, 2 Native Americans, 53 children, 201 other, with a total population served of 344 people, having an average household annual income of \$16, 168. The Weatherization program receives federal, state, county, and corporate funding.
- The U.S.D.A. Rural Development Self Help Program managed by Housing Resources of Western Colorado, with sweat equity from low and moderate income families, built 20 homes during the past year in Mesa County. The homes have three bedrooms two bathrooms, attached insulated two car garages and are energy star certified. All "Self Help" families receive housing counseling services, providing them essential skills in financial management in order to maximize home retention as well as home maintenance skills.
- Housing Resources of Western Colorado provides HUD certified housing counseling to families and individuals on the Western Slope. The program provides 1:1 pre-purchase counseling, Homebuyer Education Seminars, down payment assistance, default and foreclosure counseling, and credit counseling. HRWC is a charter member of the Colorado Foreclosure Hotline, administered by Brothers Redevelopment, Inc, and funded by the Colorado Division of Housing. As a Neighborworks chartered member, HRWC is also related to Project HOPE, a Neighborworks hotline, and has developed and broadcast television PSA's regarding default counseling and foreclosure intervention. In the past year, the Housing Counseling program of HRWC served 211 households.
- Housing Resources of Western Colorado continues to own and manage 176 affordable rental units in multifamily apartments. HRWC has received land from Mesa County, is underwriting the improvements to create a community green space, and will eventually be building affordable housing on land adjacent to the green space.
- Housing Resources of Western Colorado continues to manage a low to moderate income Home Rehabilitation program for residents of Mesa County, with funding from the Colorado Division of Housing. Thirteen homes were rehabilitated, including new roofs, substantial structural improvements, heating systems, new windows and insulation, as well as new plumbing and electrical systems.

In the past 5 years, Housing Resources of Western Colorado estimates the following assistance to homeowner:

- Weatherization for 2,691 homes
- Constructed 165 self-help homes
- Housing counseling for 740 individuals
- Continued to own and rent 176 apartment units
- Completed rehabilitation of 86 homes

### **Habitat for Humanity 2002-2008**

- Between 1992 and 2008, Habitat for Humanity of Mesa County has constructed 44 homes and helped 175 people: 65 adults, 104 children, 3 seniors and 4 disabled individuals
  - Habitat is has completed the Camelot Gardens II subdivision in the City of Grand Junction with a total of 10 homes
  - Started developing the John H Hoffman Subdivision at D and 30 Roads, also in the City of Grand Junction. Upon completion, the \$6.5 million dollar project will include 52 homes. Infrastructure/ground breaking is scheduled for February 2010
  - Habitat has grown from building 2 homes per year to 5 homes per year
  - Celebrated 1-year anniversary of the Habitat for Humanity Home Supply Center/ReStore in its new location at 2936 North Avenue and occupied the new location in October 2008. The Restore is mainly operated by volunteers and allows Habitat to cover affiliate overhead so all donated funds go directly to building homes.
  - Habitat for Humanity Affiliate and ReStore are both registered Colorado Enterprise Zone Projects
  - Annual Volunteer Service Breakdown:
    - Construction Site – 421 per year/6,376 donated hours
    - Store – 1,481 per year/17,379 donated hours
    - Other – 90 per year/350 donated hours
2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.

**Response:** Not applicable – the City of Grand Junction did not expend CDBG funds for Section 215 housing in the 2008 Program Year.

3. Describe efforts to address “worst-case” housing needs and housing needs of persons with disabilities.

**Response:** The City of Grand Junction did not expend CDBG funds for housing needs for persons with disabilities in the 2008 Program Year however, several agencies provided such services and the efforts are described in the Housing and Homeless sections of this report.

### **Public Housing Strategy**

1. Describe actions taken during the last year to improve public housing and resident initiatives.

**Response:** The City of Grand Junction has no public housing but participated in the *Grand Valley Housing Strategy* study that was completed during the 2008 Program Year. The *Housing Strategy* includes a thorough assessment of local market conditions, a detailed forecast of current and future demand across the spectrum of housing needs and a detailed roadmap for collaborative efforts to address the market needs. The executive summary of the report is included as an appendix to this report.

### **Barriers to Affordable Housing**

1. Describe actions taken during the last year to eliminate barriers to affordable housing.

**Response:** Actions that were taken during the 2008 Program Year that help remove barriers to affordable housing are some of the same actions taken regarding the impediments to fair housing choice – refer to discussion starting on page 8 of this report.

### **HOME/ American Dream Down Payment Initiative (ADDI)**

Not Applicable – the City of Grand Junction does not utilize HOME funds.

## HOMELESS

### **Homeless Needs**

1. Identify actions to help homeless persons make the transition to permanent housing and independent living.

**Response:** The City of Grand Junction did not take any specific actions with 2008 CDBG funds to prevent homelessness. However, the City has supported the other agencies and providers that do specialize in services for the homeless. The accomplishments of these agencies is outlined below.

#### **Grand Valley Catholic Outreach (GVCO)**

- GVCO operates two houses capable of housing up to four homeless families on an emergency short-term basis.
- Serve low-income individuals with financial aid to prevent evictions and foreclosure. Approximately 400 evictions a year are prevented.

- Serve low-income individuals to prevent shut off of utilities.
- GVCO operates a Day Center where homeless individuals can do laundry, take showers, store belongings, receive mail etc. Approximately 100 people a day are served.
- GVCO publishes “Almost Home” weekly – a listing of affordable housing in the area. This guide is distributed in offices and public agencies throughout Grand Junction as well as being posted on the GVCO website catholicoutreach.org.
- GVCO completed a project during the 2007 Program Year that provides 22 residential units that are now occupied by homeless or chronically homeless persons.
- 2008 GVCO Statistics
  - Meals prepared and served at Soup Kitchen - 78,295
  - Homeless individuals provided day services (basic amenities) – 23,931
  - Households provided emergency food – 1,081
  - Individuals provided emergency transportation – 58
  - Families provided rental assistance to stop eviction – 420
  - Household provided utility payment assistance – 559
  - Homeless individuals provided preventive medical assistance – 1,251
  - Individuals reached through weekly housing rental listings – 45,946
  - Children received new, hard covered books – 1,120
  - Assisted individuals with obtaining ID and birth certificate documentation - 249
  - Minority clients provided financial assistance – 3,699
  - Disabled clients – provided financial assistance – 2,548

### **Homeward Bound of the Grand Valley Community Homeless Shelter (CHS)**

- 2004 – CHS and Housing Resources of Western Colorado purchased an eight-unit apartment building, the Phoenix Project, to provide permanent supportive housing to Veterans.
- 2005 – CHS started the groundwork to provide daytime shelter for the sick, elderly and for families with small children.
- CHS has steadily increased services over the years as demand has increased. Over the past 5 years, CHS has provided the following number of bednights:
  - 2003-2004 – 21,309 bed nights
  - 2004-2005 – 21,097 bed nights
- 2007 – CHS served a total of 1,262 persons, 117 were children
- 2008 – CHS served 1,128 unduplicated persons, including 78 families with the ethnic breakdown below:
  - 119 Hispanic
  - 921 White
  - 30 Black/African American
  - 2 Asian
  - 31 American Indian/Alaska Native
  - 27 American Indian/Alaska Native and White
  - 3 Black/African American and White
  - 10 Other Multi-racial
- The breakdown of special needs populations served by CHS is as follows
  - 63 % Chronically Homeless
  - 8% Severely Mentally Ill
  - 14% Chronic Substance Abuse



- 6% Other Disability
- 14% Veterans
- 1% Persons with HIV/AIDS
- 6% Victims of Domestic Violence including Children
- 4% Elderly

2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.

**Response:** Not applicable – the City of Grand Junction did not expend CDBG funds for Section 215 housing in the 2008 Program Year.

3. Identify new Federal resources obtained from Homeless SuperNOFA.

**Response:** Not applicable – the City of Grand Junction did not utilize Homeless SuperNOFA funds during the 2008 Program Year.

### **Specific Homeless Prevention Elements**

1. Identify actions taken to prevent homelessness.

**Response:** The City of Grand Junction is supportive of the community's homeless providers. The Colorado Coalition for the Homeless is responsible for the balance of State Continuum of Care for the Grand Junction community. The one-year action plan for the Balance of State Continuum of care includes local activities such as Grand Valley Catholic Outreach's 10-unit Permanent Supportive Housing project and Homeward Bound of the Grand Valley's project of acquiring a new 20-bed family emergency shelter. As these projects are completed, they will be reported through the HMIS system by the Colorado Coalition for the Homeless as part of the 10-year plan to end chronic homelessness. Since CDBG funds are not being used for these projects, there will be no reporting through Grand Junction's Consolidated Plan. Obstacles include lack of sufficient CDBG funding to help fund these and other needed projects that help the homeless population in Grand Junction.

During the 2008 Program Year, the City continued to support the various homeless service providers with letters of support and letters of consistency with the Consolidated Plan as they compete for and request outside funding including other federal and state grants for homeless activities including prevention.

### **Emergency Shelter Grants (ESG)**

**Response:** Not applicable – the City of Grand Junction does not utilize ESG funds.

## NON-HOMELESS SPECIAL NEEDS

### Non-homeless Special Needs

1. Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).

**Response:** No CDBG 2008 Program Year funds were allocated to non-homeless special needs. The City of Grand Junction is supportive of human service agencies that supply services to this population and will support them by providing letters of support and consistency with the Consolidated Plan when they apply for outside funding, including other HUD grants. The primary agency serving this population is the Western Colorado AIDS Project (WestCAP). The specific accomplishments of this agency over the past 5 years and in the 2008 Program Year are listed below.

- Since 2004, WestCAP has provided on-going, housing subsidy for approx 50 people living with HIV. Since then, over 300 clients have received temporary housing assistance which includes help with rent and utilities.
- In 2007 to the present, WestCAP was able to provide additional temporary assistance for rent and/or utilities to approximately 25 people through other grants, including new Ryan White housing funds.
- Secured additional prevention dollars from Colorado HIV and AIDS Prevention Program (CHAPP) state funding through a grant administered by CDPHE.
- Continued the Ryan White Title III grant program for HIV specialty medical care on the western slope. Opened a third specialty care site on the western slope.
- Secured funding in a joint effort with the specialty care clinic to bring rapid HIV testing to a few clinics/providers on the western slope.
- Secured funds through the Colorado Trust for work around cultural competency within the agency and for other providers in different communities.
- Developed relationships with new funders to diversify agency funding stream
- Implemented Hep C testing
- The WestCAP Executive Director currently serves as the Chair of the Colorado HIV Care and Prevention Coalition
- In 2008, WestCAP served 180 care clients and 2,000 prevention clients
- In 2008, WestCAP served 35 individuals for housing assistance through HOPWA and other housing assistance

### Specific HOPWA Objectives

**Response:** Not applicable - the City of Grand Junction does not utilize HOPWA funds.

## COMMUNITY DEVELOPMENT

### Community Development

\*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Assessment of Relationship of CDBG Funds to Goals and Objectives
  - a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.

**Response:** For the 2008 Program Year, the following priorities, needs, goals and specific objectives have been addressed as further discussed in previous sections of this report:

- Create a Suitable Living Environment
- Create Economic Opportunities

Specific 2008 CDBG projects that furthered these goals and were pertinent to Community Development are listed below and were previously described in detail.

- Project 2008-06 Center for Independence New Horizon Vocational Center Remodel
- Project 2008-07 Melrose Park Restroom/Shelter Relocation
- Project 2007-11 Community Homeless Shelter Screen Wall

In addition to these projects, the City accomplished the following Community Development projects through its Capital Improvements Program (CIP) in the 2008 Program Year.

CIP PROJECT	Project Cost	Completed
2008 Asphalt Overlays	\$1,323,560	Oct 2008
G-1/2 and 26 Road Reconstruction	\$1,638,334	Oct 2008
23 Road Sewer Improvement District	\$517,336	Oct 2008
2008 Water Line Replacements	\$1,257,0228	Nov 2008
2008 Alley Improvement District	\$442,977	Nov 2008
23 1/2 Road Extension	\$288,130	Dec 2008
2008 New Sidewalks	\$115,607	Dec 2008
2008 Curb Gutter Sidewalk Replacemt	\$325,713	Dec 2008
West Bound Decel Lane North Ave	\$27,568	Mar 2009
Tiara Rado Back 9 Sewer Replacement	\$19,320	Mar 2009
Monument Road Bridge	\$826,818	April 2009
2009 Interceptor Rehabilitation	\$182,030	April 2009
29 Rd & I-70B Irrigation Package	\$342,713	April 2009
KREX Storm Sewer Outfall	\$10,993	April 2009
Ranchmen's Ditch-Phase IIB	\$5,700,000	May 2009
Colorado Avenue Reconstruction	\$3,444,400	May 2009
Colorado Ave Landscaping/Irrigation	\$188,739	May 2009
22 Road Bridge	\$125,583	May 2009
Purdy Mesa Flow Line Replacement	\$398,121	May 2009
Blichmann Storm Drain Improvements	\$18,560	July 2009
2009 Water Line Replacements	\$344,466	July 2009
2009 Alley Improvement District	\$414,745	July 2009
Persigo Sludge/Grease Line Rehab	\$242,389	August 2009
2009 Manhole Adjustment Project	\$17,035	August 2009

- b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.

**Response:** Not applicable. The City did not utilize CDBG funds to further this goal but other housing agencies did make progress in this area as previously discussed in the Housing section of this report.

- c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.

**Response:** With the exception of CDBG funds allocated for the Multi-Use Campus Study, all of the 2008 Program Year projects benefited low and moderate income persons.

2. Changes in Program Objectives

- a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

**Response:** Not applicable – the City of Grand Junction did not make any changes in program objectives during the 2008 Program Year.

3. Assessment of Efforts in Carrying Out Planned Actions

- a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.

**Response:** In addition to the CDBG funds discussed in this report during the 2008 Program Year resources were obtained from a variety of other public and private sources to address priority needs identified in the 2006 Five-Year Consolidated Plan. Sources of additional funding included:

- City of Grand Junction General Fund
- State of Colorado
- Operating budgets of subrecipient organizations
- Various private foundations, corporations and individuals

- b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.

**Response:** The City of Grand Junction maintains a public request for applications process to identify activities that will be funded each program year. This process is open to all who wish to submit applications and project selections are made on the basis of the recommendations of Neighborhood Services and other City staff and a City Council sub-committee. Neighborhood Services staff provide technical assistance to all applicants who request it. This technical assistance includes advice on how to formulate a proposed activity that will be eligible under the applicable program regulations and consistent with the City of Grand Junction's Consolidated Plan. As a result, nearly all projects that are proposed are found to be consistent with the Consolidated Plan. Applicants seeking certification that their activities are consistent with the Consolidated Plan are not discriminated against on any basis and certification is provided in a fair and impartial manner.

- c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.

**Response:** The City of Grand Junction maintains an open and highly transparent process for administering the CDBG program/Consolidated Plan. The City of Grand Junction does not hinder the implementation of the Consolidated Plan through any action or willful inaction. As this report and those submitted in prior program years illustrate, Grand Junction has made consistent and significant progress toward meeting published accomplishment goals and objectives.

- 4. For Funds Not Used for National Objectives
  - a. Indicate how use of CDBG funds did not meet national objectives.
  - b. Indicate how did not comply with overall benefit certification.

**Response:** Not applicable – the City of Grand Junction did not utilize any CDBG funds that did not meet national objectives during the 2008 Program Year.

- 5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property
  - a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.
  - b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.
  - c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.

**Response:** Not applicable – the City of Grand Junction did not undertake any activities that involved displacement or relocation during the 2008 Program Year.

- 6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons
  - a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.
  - b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.
  - c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.

**Response:** Not applicable – the City of Grand Junction did not participate in any activities that impacted low/mod job development during the 2008 Program Year.

- 7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit

- a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.

**Response:** Not applicable – the City of Grand Junction did not participate in any activities that did not fall within one of the categories of presumed limited clientele and/or low and moderate income benefit during the 2008 Program Year, except for the Multi-Use Campus Study which is exempt from this requirement.

8. Program income received
  - a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.
  - b. Detail the amount repaid on each float-funded activity.
  - c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.
  - d. Detail the amount of income received from the sale of property by parcel.

**Response:** Not applicable – the City of Grand Junction did not have any program income during the 2008 Program Year.

9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:
  - a. The activity name and number as shown in IDIS;
  - b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
  - c. The amount returned to line-of-credit or program account; and
  - d. Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.

**Response:** Not applicable – the City of Grand Junction did not have any reimbursements for expenditures that were disallowed during the 2008 Program Year.

10. Loans and other receivables
  - a. List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.
  - b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.
  - c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.
  - d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.
  - e. Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.

**Response:** Not applicable – the City of Grand Junction did not have any loans or other receivables during the 2008 Program Year.

11. Lump sum agreements

- a. Provide the name of the financial institution.
- b. Provide the date the funds were deposited.
- c. Provide the date the use of funds commenced.
- d. Provide the percentage of funds disbursed within 180 days of deposit in the institution.

**Response:** Not applicable – the City of Grand Junction did not have any lump sum agreements during the 2008 Program Year.

12. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year

- a. Identify the type of program and number of projects/units completed for each program.
- b. Provide the total CDBG funds involved in the program.
- c. Detail other public and private funds involved in the project.

**Response:** Not applicable – the City of Grand Junction did not participate in any housing rehabilitation activities during the 2008 Program Year.

13. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies

- a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

**Response:** Not applicable – the City of Grand Junction does not have any HUD-approved neighborhood revitalization strategies.

## Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

**Response:** During the 2008 Program Year the City of Grand Junction participated in the following actions to reduce the number of poverty level families:

- Collected data regarding poverty levels and local demographics to better identify the problem and monitor trends including: point in time homeless survey, Mesa County Human Services data, School District 51 data including free and reduced lunch statistics and Grand Junction depth of poverty data.
- The community continued discussions towards formation of an Anti-Poverty Coalition

### **CUMMULATIVE COMMUNITY ACCOMPLISHMENTS 2004-2008**

During the past five years, a period covered by portions of both the City's 2001 and 2006 Five-Year Consolidated Plan, much has been accomplished in providing services and opportunities for the low and moderate income citizens of Grand Junction. City staff asked various providers of public services to report on their major accomplishments during 2004 through 2008.

Although the City did not hear from every agency, many responded and, if not included in previous discussion, are included below.

#### **Mesa Developmental Services**

- MDS continues to weather budget cuts and maintain high quality services . Budget cuts have necessitated some layoffs and downsizing in non-direct care provider jobs, which has created extra work for almost all administrative and support services staff (clerical, accounting, case management, ancillary support services, etc.)
- Have implemented a number of technological efficiencies to cut costs and streamline process. We continue to move towards a paperless operational system.
- We had an increase in Children served in Early Intervention from the record recorded in 2007 of 121, to 187 in fiscal year 2008/2009. This represents a 63% increase and is even more significant since our numbers served now are almost double what they were for several years running prior to 2006.
- Added four host homes for an increase of 17% and a total of 28.
- Added an additional lawn and grounds maintenance crew (vocational employment program for some of our clients) for a total of three.

#### **School District 51**

- Created and implemented a program to address the Federal requirements of Title X No Child Left Behind
  - The REACH program, Resources, Education and Advocacy for Children Who are Homeless, is now a nationally recognized model program
- Served approximately 500 students and their families each year, stabilizing their school lives by providing assistance, transportation, tutoring, etc. and by partnering with human service agencies, businesses, and individuals who provide goods, services, and monetary support
- Partnered with the Grand Junction Housing Authority and the Workforce Center to secure a grant through the Division of Housing to house 50 families with school-aged children identified as homeless under SD 51 program
- Partnered with the Tree House organization and multiple agencies to open the Tree House Youth Shelter which remained open for 18 months and served over 200 students, but closed due to inability to secure funding
- Serve over 100 high school aged homeless students per year through the REACH program alone, many of whom are not in the custody of a parent or guardian and have no place to sleep
- With ARRA funding and McKinney-Vento, have added an after school on-site tutoring program at some of the local high schools, elementary and middle schools
- Added outreach/intervention program to assist homeless high school seniors with seeking higher education after completion of high school



**Mesa Youth Services (Partners)**

**2004**

- Assets of the Foundation reached \$342,000
- Partners served as the prime sponsor for the Build A Generation/Drug Free Community Support Program
- Partners served as the fiscal agent for the Club Mid after school program in cooperation with School District 51 and Mesa County Department of Human Services

**2005**

- 63 new partnerships were matched during the course of the year, to bring the new total to 150 partnerships matched through the One-to-One Mentoring program
- The Western Colorado Conservation Corps of Partners trained and employed 634 young adults who completed over 35,000 hours of field work and 11,200 hours of environmental, life skills and remedial education training
- 35 youth earned AmeriCorps Education Awards exceeding \$20,000 for college tuition

**2006**

- Conservation Corps accepted as a Qualified Enterprise Zone
- Continued with Minors in Possession (MIP) and Victim Empathy courses
- Concluded Strategic Plan, meeting all goals and objectives in the three-year period
- Continued partnership with Sylvan Learning Center and offered scholarships for academic assistance from the learning center
- Participated in formation of the Meth Task Force and serve as the fiscal agent for the Task Force Director

**2007**

- Youth referrals from courts and schools have increased by 50% and the waiting list for youth to be partnered with an adult mentor is at a record high of 100
- Conservation Corps increased the number of youth and young adults served by 45% in the last 2 years – served 120 youth, compared to 65 in 2004

**2008**

- Purchased property for new location for Conservation Corps operations

**Hilltop Community Resources, Inc. (Hilltop)**

- Latimer House and Tri-County Resource Center provided Shelter for 342 women and children and answered 5,443 crisis line calls
- B4 Babies and Beyond, in collaboration with Rocky Mountain Health Plans and St. Mary's Hospital, provided pre-natal care, parenting classes and health insurance to 1,075 pregnant women and 856 children
- Over 200 children, 80 of which had special needs, received quality child care at the Kiddin' Around Learning Center

- Hilltop adopted a business goal of sustainable buildings and programs, undertaking an aggressive campaign to build green and to operate its business in the greenest way
- Youth programs including Tandem Facilities, Opportunity Center School Program, Residential Youth Services, the Robert A. Brown Center, Hilltop's Experiential Learning Project (H.E.L.P.) and Get Real provided education and support to 1,948 young people
- 101 brain-injured persons were provided housing at the Life Adjustment campus
- Hilltop completed 18 additional cottages at The Commons. Rent from these units supports many of Hilltop's other programs
- 128 families received in-home parenting lessons, peer group support and community resources and referrals through Hilltop's Family First program
- The Professional Services Division provided assistance to 7,645 individuals to help them find and retain employment in the community

### **St. Mary's Health Facilities**

- 2004 – Multistory parking structure opens for patients and visitors
- 2005 – Announced the Century Project to construct a 12-story addition to the main hospital that will add patient rooms and new surgical suites. The project is nearing completion
- Community Benefit: Traditional Charitable Care (charges) free or discounted health services provided to persons who cannot afford to pay:
  - 2004 - \$31.3 million
  - 2005 - \$17.4 million
  - 2006 - \$33.2 million
  - 2007 – \$32.4 million
  - 2008 - \$33.7 million

### **Colorado West Regional Mental Health Center**

The largest accomplishment that Colorado West has achieved during the past five years was the opening of our new psychiatric hospital facility in 2005 (Colorado West Psychiatric Hospital). This involved several other stakeholders in the community that include St. Mary's Hospital, Mesa County government and Hilltop Community Resources. This was a major project that involved planning with these entities over a three-year time span. The hospital opened Dec 2005 and today operates as a 32 bed free standing psychiatric hospital licensed by the Department of Public Health and Environment.

During this same time frame Colorado West consolidated our Child and Family Programs with our Adult Services in one location on the same campus as the hospital facility (515 28-3/4 Road). The detox beds and mobile crisis response team also operate out of this same location, which makes it truly a one stop site for mental health and substance abuse services.

### **The Tree House**

#### **2004**

- Opened Teen Bistro for high school/college aged youth
- Began Suspension Program with School District 51 tutoring suspended students
- Began Bring the Grannies Program – intergenerational program pairing seniors with middle school youth
- Began Steppin' Up, a program funded by Healthier Mesa County. 10-week sessions offer healthy snack, meal preparation, exercise, yoga and other healthy activities for youth

#### **2005**

- Formed partnership with Hilltop Community Resources and other local agencies to establish a Homeless Youth Shelter. During 14 months of operation, transitioned 197 young people off the streets into successful, productive environments

#### **2006-2007**

- Continue to forms partnerships with local organizations to provide proactive programming to address needs of area youth

#### **2008**

- Added a third school site in which to operate the Kids Kabana middle school after school program. The program had already served 332 individual youth in the first 6 months of school.

#### **Center for Independence (CFI)**

- 2004 – 344 total cases served
- 2005 – 389 total cases served
- 2006 – 291 total cases served 230 (Grand Junction only, opened satellite office in Montrose)
- 2007 – 260 total cases served; 211 in Mesa County and 49 out of County
- 2008 – 328 total cases served; 281 in Mesa County and 47 out of County

### **Other Narrative**

No other narrative necessary





# Grand Valley Housing Strategy

Grand Valley, Colorado

## Executive Summary

*Prepared by:*



LELAND CONSULTING GROUP

*In Association With:*

**RRC Associates, Inc. – Chris Cares  
JCRC – James Coil**

30 April 2009

*The existing housing market in the Grand Valley may be active, but it is not producing the desired results and benefits that can be the product of a deliberate and unified regional housing strategy.*

**Grand Valley Housing Strategy**

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*Preface*

The *Grand Valley Housing Strategy* is the product of a public-private initiative to create long-term, sustainable solutions for housing challenges in the Grand Valley. Grand Valley jurisdictions, in partnership with private and nonprofit entities, are seeking to address barriers to housing investment, while also capitalizing on market opportunities and attending to product voids through development of a comprehensive housing strategy.

*Purpose and Objectives*

The purpose of the *Grand Valley Housing Strategy* is not to provide solutions for the peaks and valleys in the region's housing cycle, but rather to strengthen its base and, in so doing, make it better able to weather fluctuations that are inevitable in the Grand Valley. To this end, it has been designed to provide a framework for monitoring market conditions, while also providing appropriate responses and

recommendations, and keeping all of the public and private partners involved in the process.

The objectives of the *Strategy* are to:

- Document those housing issues that present the most significant challenge for the respective participating communities (see Preface);
- Document and monitor economic and market conditions;
- Understand the spectrum of needs and desires;
- Determine why the market can't or won't respond; and
- Develop solutions to barriers and strategies for advocates to work together.

The project's end goals are:

- To build community awareness;
- To enhance the efficiency of the delivery of services (time is money);
- To increase certainty and predictability for the development community;
- To provide incentives for private investment in key areas;

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- To create a platform for trusted partnerships; and
- To build a sustainable framework from which to focus on the Grand Valley’s range of housing needs, to monitor the housing market, to track progress toward meeting the housing needs, and to make strategic adjustments in response to changing conditions.

*Grand Valley Housing Issues*

During the strategy process, stakeholder and leadership input, together with market and financial analyses, brought to the forefront several key issues that require innovative solutions and policy reform. Among those issues identified by members of the housing delivery system including property owners, developers (for profit and non-profit), real estate brokers, lenders, institutional and community leaders, and others were:

- Fluctuations in growth rates;
- Private sector reluctance to invest and reinvest in Grand Valley cities and towns;
- Limited resources necessary to fill financial gaps associated with the construction of select housing product types;

- Few locations, appropriately-zoned, that can accommodate mixed-use developments and / or higher densities;
- Lack of program offerings for existing home owners desiring to finance improvements to owner-occupied units;
- Community resistance to density;
- Limited code enforcement;
- Desire for enhanced environmental sustainability;
- Concentrations of mobile home parks;
- Homelessness; and
- Migrant housing.

Given the depth and complexity of several of these issues, not all of them have been addressed in this housing strategy. Rather, key issues, especially those that have been determined to most significantly impact the ability of the region to address the diversity of need in the Grand Valley, are considered and strategies advanced in the list of *Recommendations* presented on the following page. A schedule for these strategic actions and the entities involved in addressing them is presented in greater detail in the *Strategies* section of the full report.

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Recommendations

*Improve the Process*

1. Streamline Entitlement Process; Cultivate and Promote a “Pro-Business” Philosophy
2. Encourage Density Bonus Programs – develop, improve and promote
3. Complete Cost-Benefit Analysis; Analyze Jurisdictions’ Codes for Provisions Which Impose Costs that Exceed the Public benefit
4. Coordinate Planning Efforts and Policy Documents; Agree on Growth Assumptions; Monitor Progress in Meeting Demand
5. Develop Turn-Key Plans for Private Development to Speed Approvals

*Community Outreach*

6. Develop Design Standards for Higher Density Mixed-Use Development, via a public input process
7. Quantify the Community Benefits of Increased Density vs. Costs associated with “Doing Nothing”, i.e., increased costs of sprawl
8. Survey Housing Preferences to Determine Receptivity to Product Variety; Hold Workshops to Address Concerns Related to Higher Density Development

*Maximize Public and Non-profit Resources to Leverage Private Investment*

9. Research and Develop Creative Incentive Programs for Affordable Housing Development, including – rebate of sales taxes, infrastructure investment, reduced development fees, as well as other innovative solutions (may be based on relative affordability)
10. Acquire Land in Strategic Locations and Ready it for Development – the use of existing non-profit entities is strongly encouraged
11. Work with Local and Regional Lenders to Fund Loan Pools
12. Create an Equity-Sharing Program for Low- and Moderate-Income Home Ownership
13. Establish and Capitalize a Local Housing Trust Fund – with a dedicated revenue source to leverage private investment

*Focus, Monitor and Adjust Over Time*

14. Appoint a Valley-Wide Task Force to Implement the Recommendations -- charge it with continually monitoring market conditions and sharing them with members of the delivery system and community

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*Market and Economic Conditions*

Because the market continues to exhibit high levels of volatility, adoption of a long-term housing strategy for the Grand Valley will be essential. The dramatic price increases seen in recent years have slowed significantly, but housing is not yet affordable to many Grand Valley residents. Among the indicators considered in the context of this effort are those related to: job levels, industry growth, home prices, and housing attainability. Some of these are summarized in the discussion below and all are presented in greater detail in the full report.

- Job growth continued in 2008, despite slowing at the national level. The local economy added a total of 2,800 nonfarm jobs during the past year, at a growth rate of 4.5 percent.
- Despite the fact that Garfield County reported the highest levels of drilling activity, the majority of residents working in this industry in 2008 lived in Mesa County. (65 percent of mining workers in the Piceance Basin report their residence is Mesa County.)
- From 2004 through 2007, median sale price increases in the double digits was the norm. In 2008, the median price was

up 2.9% from one year earlier, representing a slowdown in price gains, but providing a stark contrast to the 10 percent decline at the national level.

- The median single family sales price in the Planning Area was up to \$224,900 in the first quarter of 2009 almost double its 2001 level and 37 percent higher than the national median of \$164,600.
- Residential sales activity peaked in 2006 at just over 4,000 units, but was down 8% in 2007. This decline accelerated to 23 percent in 2008. Fewer than 2,900 homes were sold in the past year.
- The Planning Area had a relatively more affordable housing market than both the U.S. and Denver in the early part of the current decade. Since then, the Planning Area single family home affordability index<sup>1</sup> dropped to below 100. More dramatic price declines will push the Denver and U.S. affordability indices to their highest levels in the past 8 years, while the Grand Valley's index will remain close to its low point.
- Rental vacancy rates in the Planning Area were at 3.1 percent in the fourth quarter of 2008. This is the first time they have been above 3 percent since the third quarter of 2005.
- New construction of apartment units has been virtually dormant with only 237 attainable units delivered in the last 10 years. The largest new apartment projects in Mesa

<sup>1</sup> A measure of relative affordability derived from comparing median home price to median income.

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County were Low Income Housing Tax Credit developments.

- As of the first quarter of 2009, over 1,300 families were on waiting lists with the Grand Junction Housing Authority (GJHA), most with incomes under \$10,000 and only able to afford rents of \$200 to \$300 per month.
- The American Community Survey indicates that between 2005-2007, about 43% of renters in Mesa County paid more than 30 percent of their household incomes for gross rent. Among households with incomes less than \$35,000, 65% paid more than 30 percent of income for rent.
- A little over half of renters in Mesa County are not eligible for affordable housing programs, but many still fall short in their ability to pay market rents, or the level of rents which would support new multifamily construction. At 80 percent of AMI (Area Median Income), households can only afford rents below \$800 per month.

*What are the Region's Needs?*

For the purpose of the *Grand Valley Housing Strategy*, projected household growth was analyzed along with historical patterns of single- and multi-family development to arrive at an estimated demand for new housing in the Planning Area of approximately 16,700 units over the next 10 years, or

approximately 1,670 units annually. Note: Growth assumptions are consistent with those used in the Grand Junction Comprehensive Plan Update 2009.

Approximately 4,400 units (or nearly 26%) of the Planning Area's 10-year demand could be in the form of rental units, or approximately 440 units annually. Attached ownership housing (condominiums and townhomes) appears to be underrepresented in the Valley compared to other communities of its size. Of the 12,310 units of ownership demand, approximately 20% could be delivered in the form of an attached product (assuming policy and regulatory support and developer capacity) based on demographic and consumer preferences. This translates into demand for approximately 2,480 attached ownership housing units in the Planning Area over the next 10 years, or approximately 250 units annually.

More detail regarding demand by price point and housing product type are summarized below:

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- Fifty-one percent of all demand for attached ownership units will be for units priced between \$150K and \$250K. 45% of all demand for detached ownership units will be for product in this price range.
- Future demand for 1,280 units at rents below \$375, combined with existing demand for at least 1,300 units (number of families on waiting list with GJHA) at this level, suggests a significant deficit at this point in the Grand Valley for the foreseeable future.
- Over the next 10 years, there will be demand for 2,200 units, or 50% of all rental demand, priced below \$625.
- Provision of rental housing to households below Area Median Income (AMI) is primarily left to advocacy agencies including the Grand Junction Housing Authority, Housing Resources of Western Colorado, and other non-profit developers.
- More than 1,300 units in the Planning Area are eligible for rehabilitation, but funding for this improvement activity is extremely limited.<sup>2</sup>
- Increased demand for rental units, as well as townhouse / condo units will require higher densities than are now

<sup>2</sup> Using county assessor GIS data, parcels were screened as rehab candidates if they were one of several multi-family account types constructed prior to 1985. A comprehensive field survey of each of several aggregated parcels was conducted in Oct 2008 to determine property type, construction material, overall condition, estimated occupancy, and notes on surrounding properties.

typically built / approved in the market. Assuming an average density of 16 to 18 units per acre for rental units and 12 to 14 units per acre for attached ownership units, the Planning Area will require the following acreages with appropriate zoning designations.

	Density (units / acre)	Acres
Single Family	1 to 10	2,420
Townhome / Condo	12 to 14	190
Rental	16 to 18	260
		2,870

- 16,700 new units by 2018 will require 2,870 acres
- More than 70% of this acreage (2,100 acres with 5,100 lots) is already in the municipal or county development pipeline, however:
  - Over 90 percent of the acreage in the pipeline has a density of 5 units per acre or less.
  - The pipeline already contains more than enough product at 0 to 2 and 3 to 5 units per acre.
  - Land for developments at 5 or more units per acre is well short of demand.
- 6,000 to 7,000 lots / units are in various stages of processing - most in developments of less than 5 units to the acre.

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- A typical lot cost of \$75,000 to \$80,000, at a density of 3 units per acre, creates an \$80K gap between the cost of development and a sale price of \$250,000.
- At current land and construction costs, there is a 40 percent gap between the costs of delivering apartments priced at rents of \$1.10 per square foot. (Note: As of the first quarter of 2009, market rents were averaging \$0.85 per square foot.)

*Why the Shortage?*

Experience has proven that when market opportunities exist (as borne out by the demand analysis presented above), yet development doesn't happen, or it doesn't happen in a meaningful and responsive way, barriers exist. Low rental vacancy rates, yet declining permit activity alone suggests that barriers are hindering the free market from being able to address demand in a strategic and equitable way. Specific explanations for why the market has not responded to demand came through input gained from representatives of the community during a series of small group meetings held over several days in October 2008. Broad categories of barriers to investment and reinvestment (expressed as both

perceptions and reality) in the housing market, identified by these groups, included those listed below.

- Availability of multi-family zoned land;
- Disparities between the cost of construction (including land costs) and value of development;
- Escalating government and special district fees and extended application processing times;
- Uncertainty around the rezoning process;
- Limited availability of private equity;
- Inexperience among local builders in delivering a greater range of product types;
- Perceived competition among for-profit and non-profit builders;
- Resistance to higher density development;
- Inconsistent interpretation of building codes and the costly delays this creates;
- Out-dated code provisions and inappropriate application (based on product type and project location);
- Size of the market that effectively limits competition ("small builder delivery system");
- Expense of retooling for new products among builders familiar with a specific product type; and

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- Lack of experience among lenders and appraisers associated with mixed-use developments.

A more detailed discussion about impediments to investment and the input of stakeholders in the process is presented in the full report.

*Conclusion*

A comprehensive housing strategy seeks to align demand with supply, effectively allowing for greater movement within the market while also responding to fluctuations in market conditions over the near- and long-term.

Successful implementation of the *Grand Valley Housing Strategy* will be dependent not on the existence of this document, but rather on committed leadership from the public and private sectors. Without trust and participation from multiple interests, the *Strategy* will soon be obsolete. Without exception, all of the participants in the process stated four essential elements for success:

- Acknowledgement of the challenges;
- Political will;
- Community outreach and education; and
- Consideration of the consequences of doing nothing.

The *Grand Valley Housing Strategy* is intended to assist the housing advocacy partners that funded and participated in its preparation, with the tools to serve and guide growth and development of housing for the near- and long-term. The recommendations presented herein were developed with input from the Steering Committee and guidance from the Consultant Team. The information is designed to provide for thoughtful consideration and sound decision-making. Finally, it is the recommendation of the authors of this report that the information contained herein be reviewed and updated often, as conditions change and strategies are advanced.