

**CITY OF GRAND JUNCTION
COLORADO**

**CONSOLIDATED PLAN FOR 2000
ANNUAL UPDATE AND ACTION PLAN**

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM



MAY/JUNE 2000

GRAND JUNCTION, COLORADO CONSOLIDATED PLAN FOR 2000 ANNUAL UPDATE

EXECUTIVE SUMMARY

I. ACTION PLAN

The update to the Consolidated Plan includes an Action Plan constituting an application for funds under the Community Development Block Grant Program (CDBG) in the amount of \$489,000.

In 1996, the City developed its five-year Consolidated Plan and submitted it to the US Department of Housing and Urban Development for approval. This plan was approved by HUD and the City began its first program year as an entitlement city on September 1, 1996.

This document is the annual update to the City's five-year Consolidated Plan for the annual CDBG Program. In addition to the application for federal assistance, this document contains the Action Plan, which outlines the projects, which will be funded with CDBG funds for the City's 2000 Program Year.

II. CITIZEN PARTICIPATION

The City's Citizen Participation Plan outlines the requirements of citizen involvement. These requirements have been met through public notices and public meetings. On March 8, 2000 a public meeting was held to solicit citizen input on community needs and priorities and discuss the CDBG Program. At this meeting applications for CDBG funds were made available and the process for the City's 2000 Program Year was explained and discussed. Notices of this meeting were mailed to relevant organizations in the City and a notice was published in the local daily newspaper.

A second public meeting was held at the regularly scheduled City Council meeting of May 17. At this meeting a public hearing was held to receive input regarding the City's needs and the proposed use of CDBG funds. The City Council discussed the proposed projects and received testimony regarding these projects. A motion was made and a vote was taken indicating how the 2000 Program Year funds would be allotted.

III. COMMUNITY PROFILE

Grand Junction is located on the Western Slope of Colorado in Mesa County, situated along Interstate 70, approximately 30 miles east of the Utah border. The Population of Grand Junction is approximately 45,000 and the population of Mesa County is approximately 115,000. Large urban areas continue to develop adjacent to the City limits in unincorporated Mesa County.

Grand Junction continues to experience population growth, which creates challenges for service providers. The City also continues to grow in its role as the regional trade, services, and transportation and health care hub for Western Colorado and Eastern Utah.

Since 1980, Mesa County's economy has shifted from a mining-based economy to one based on services and unearned income (transfer payments such as social security, rents, dividends, interest, etc.). The retail and service sectors now provide over 52% of Mesa County's jobs. These retail and service jobs, on average, are among the lowest paying jobs in the County along with jobs in the agriculture, forestry and fishing sectors.

IV. HOUSING & COMMUNITY DEVELOPMENT NEEDS

A. CONDITIONS

The 1990 US census reported a total of 36,250 occupied housing units in Mesa County. For the most part, the County's housing stock is in good condition. No statistics exist as to the number of units in substandard condition. The Energy Office has also been designated as a Community Housing Development Organization (CHDO) and participates in the HOME Program.

B. HOUSING NEEDS

The City of Grand Junction and Mesa County lack an adequate supply of rental housing affordable to those households earning less than 30% of the median family income. According to the 1990 census, 50% of the renter population resides in the City of Grand Junction. The majority of renter households (70%) earned less than the median family income.

In 1990, the median family income for the City of Grand Junction was \$23,799. The percent of the population below the poverty line for the City was 22%. The most prevalent housing problem experienced was excess cost burden or paying more than 30% of gross monthly income for housing costs.

C. HOUSING MARKET CONDITIONS

During the past several years Grand Junction has experienced fairly strong population growth. Generally, construction of new housing units has kept pace with the growth of households. Since 1990, the City of Grand Junction and Mesa County have issued close to 9,000 residential building permits. Of this total, 66% were single family units, 32% were mobile homes and 2% were multi-family units. February 2000 vacancy rates were estimated at 5.4% in the area.

D. AFFORDABLE HOUSING NEEDS

The current housing stock in the City is not meeting the needs of low and moderate-income households. The Grand Junction Housing Authority reports that it cannot accommodate all the people seeking housing assistance. Many families pay more than half of their monthly gross income for housing costs. In 1990, 3,243 Mesa County households were paying more than half of their monthly gross income for housing. This included 2,052 renters and 1,367 owners. In 1997, 45.4% of the Grand Junction population was at or below 150% of poverty qualifying them for assisted housing.

E. HOMELESS NEEDS

The community has several agencies working to prevent homelessness and provide shelter for the homeless. The actual number and demographics of homeless

persons in the City is difficult to determine. It is believed, however, that there is a need for additional assistance in this area. During the 1999-2000 Winter season, the Community Homeless Shelter provided a total of 3,077 bed/nights to 190 men and 17 women, in its 19-bed facility.

Several agencies in Grand Junction provide services that are used by homeless persons. These agencies include the Grand Valley Catholic Outreach, Colorado West Mental Health Center, Mesa Developmental Services, The Center for Independence, The Salvation Army and The Western Colorado Aids Project.

F. Public and Assisted Housing Needs

The Grand Junction Housing Authority is the primary provider of assisted housing in the City of Grand Junction. In May 2000, the Grand Valley had 1,968 units assisted through various subsidy programs. Of these, 1,030 units were provided by the Grand Junction Housing Authority with the remaining 938 units provided by private sector companies and non-profit organizations. There is, however, still a shortage of assisted housing for needy families.

G. Barriers to Affordable Housing

During the past several years there has been little development of affordable housing in Grand Junction and Mesa County. Cost remains the biggest barrier to providing affordable ownership and rental housing.

Another barrier to affordable housing is the inability of people to pay for housing because of low paying jobs. Many of the jobs in the Grand Junction area are low wage and/or part-time jobs that offer limited benefits and limited availability of affordable daycare. The average wage rate of the families receiving assistance from the Grand Junction Housing Authority is \$5.07 per hour.

H. Fair Housing

The City adopted its Analysis of Impediments to Fair Housing Choice in August 1999. The Analysis of Impediments to Fair Housing Choice contains findings and recommendations that include:

- Land development costs with the single largest impediment being the rapidly escalating costs of raw land.
- The “not in my backyard” (NIMBY) syndrome.
- The 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.
- The lack of transitional housing units, particularly for homeless families and the mentally ill.
- Low income or wage levels.

I. Lead-Based Paint

According to the Mesa County Health Department there is no available data that shows how many houses in Grand Junction contain lead-based paint. The Health Department has not identified this as a major problem in the City. The Comprehensive

Housing Affordability Strategy (CHAS) estimates that there are 18,745 housing units in Mesa County that may contain lead-based paint.

I. Community Development Needs

The major planning document for the City of Grand Junction is its Growth Plan. This plan was adopted in 1996 after an extensive public participation process. The Growth Plan identifies the City's vision for the future and is used to help the City achieve its future goals and objectives.

The City also adopts a two-year operating budget and a ten-year capital improvement plan. The capital improvement plan contains major capital projects and identifies funding resources and a timeline for construction of these projects. Community development needs are addressed in the ten-year capital plan as well as in the City's operating budget. These two documents are used to help the City address its various community development needs.

V. HOUSING & COMMUNITY DEVELOPMENT STRATEGY

A. Vision for Change

Grand Junction's vision is to use its resources to help provide a framework for a livable and sustainable community where people will have good jobs, affordable housing and a safe and healthy living environment. The City encourages economic development that creates jobs at a variety of pay levels and skills. Grand Junction is working towards a desirable living environment for all its citizens. The City is helping to develop a community that provides opportunities for all of its citizens to have adequate education, jobs and housing.

B. Housing Priorities

Several different groups in the City have identified housing as a priority need for the community. The City's support of affordable housing has been through the creation and operation of the Grand Junction Housing Authority. The City recognizes that adequate housing is very important to all residents. The Grand Junction Housing Authority currently serves 1,030 low-income households. The City of Grand Junction supports the Housing Authority and has funded a major housing project with CDBG funds. The City has committed \$205,000 in CDBG funds for acquisition/construction of a new homeless shelter.

C. Non-Housing Community Development Priorities

The City has identified its top priorities in this area as infrastructure upgrades and improvements, parks development and improvements and economic development. Millions of dollars of needed improvements have been identified for streets, public facilities and other infrastructure. The City prioritizes these needs in its ten-year capital improvement program. For the 2000 fiscal year the City has budgeted over \$11.7 million for capital improvements. Many of these improvements will be in the area of public works and utilities. Additional improvements and developments to the City's park system have also been identified as a high priority.

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D. Anti-Poverty Strategy

One of the best ways for the City to reduce the number of persons in poverty is to provide good, stable jobs that pay a livable wage. The City's strategy to help with this goal is to support various economic development efforts. Each year the City contributes \$300,000 to its economic development fund. The Mesa County Economic Development Corporation (MCEDC) to attract new businesses and industry has used the bulk of these funds to the area. The MCEDC wage policy is to increase average wage levels, at which incentives are paid, a level that would enable an employee to rent a modest two-bedroom apartment at HUD's Fair Market Rents for Grand Junction. The City will continue this practice of making this appropriation.

E. Housing and Community Development Resources

The City of Grand Junction receives approximately \$489,000 from the US Department of Housing and Urban Development as a Community Development Block Grant entitlement city. Each year these funds go toward housing and/or non-housing community development projects. The Energy Office is a local CHDO and can be the recipient of HOME funds. The Grand Junction Housing Authority receives the majority of housing assistance funds received in the City of Grand Junction.

F. Coordination of Strategic Plan

The City of Grand Junction is the main entity responsible for coordinating the implementation of the City's Consolidated Plan. The City does, however, work with other agencies to implement various elements of the plan. These agencies provide services that are not provided by the City. Some of the agencies the City works with include the Grand Junction Housing Authority, the Grand Valley Catholic Outreach, the Marillac Clinic, Habitat for Humanity, the Salvation Army, Colorado West Mental Health, The Energy Office and Mesa Developmental Services.

VI. ONE YEAR ACTION PLAN – 2000 PROGRAM YEAR

A. Description of Key Projects

During the May 17, 2000 City Council meeting the City Council formally voted to fund the following projects with Community Development Block Grant funds during the 2000 Program Year which begins September 1, 2000.

1. GRAND VALLEY CATHOLIC OUTREACH HOMELESS DAYCENTER ACQUISITION \$130,000: This will fund the entire purchase price of the existing building the day center is currently occupying.
2. THE LINDEN BUILDINGS REHABILITATION PROJECT \$55,000: This project is to rehab existing market rate units for conversion to permanently affordable units. CDBG dollars will be used for rehabilitation and for temporary/lost rent (relocation costs) during the rehabilitation period and will leverage \$ 191,500 in other funds.
3. RIVERSIDE DRAINAGE IMPROVEMENTS PHASE II \$200,000: Phase I was funded with 1999 CDBG program year funds. Phase II will complete the project.

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4. HEADSTART CLASSROOM/FAMILY CENTER ADDITION AND REMODEL PROJECT \$104,000: CDBG funds will be used to add a 400-sq. ft. addition to the existing facility. Upgrading the facility and adding a small addition will allow for the creation of a 1500 sq. ft classroom, new additional office space, upgrading accessibility in front of the building and to the bathrooms, adding new exterior siding, replacing windows and doors, etc.

B. Locations

The City of Grand Junction plans to spend CDBG funds in various locations throughout the community. All the projects funded are located in low/mod income areas and will serve low/mod income persons.

C. Monitoring

Generally the City monitors its programs by requiring subrecipients to report their activities on either a monthly or quarterly basis. City personnel randomly visit project site locations to determine compliance with project goals and requirements. On public works projects (i.e. street and infrastructure improvements) the City already has in place extensive monitoring procedures to ensure contractors are completing each project as planned and engineered. For federally funded projects, Labor Relations/Davis Bacon monitoring is done.

D. Matching Funds

The City of Grand Junction does not require matching funds when selecting projects to be funded, however, due to the availability of funding, a recipient who can demonstrate additional funding is available from other sources ranks higher in the selection process.

**CITY OF GRAND JUNCTION
CONSOLIDATED PLAN FOR 2000
ANNUAL UPDATE AND ACTION PLAN**

MAY/JUNE 2000

I. INTRODUCTION

In 1995, the federal government established the Grand Junction Metropolitan Statistical Area (MSA) and designated the City of Grand Junction as the central city in this MSA. This designation qualified Grand Junction as a Community Development Block Grant (CDBG) Entitlement Community for federal fiscal year 1996.

In 1996, the City developed its five-year Consolidated Plan and submitted it to the U.S. Department of Housing and Urban Development for approval. HUD approved this plan and the City began its first Program Year as an entitlement city on September 1, 1996. The City received an allotment of \$484,000 for its first Program Year. These funds were awarded to three projects. In the 1997 Program Year the City received \$477,000 in CDBG funds and used this money to fund three different projects. The 1998 Program Year received \$469,000 and funded five projects. In 1999, the City received \$472,000 and funded five projects.

This document is the Annual Update to the City's five-year Consolidated Plan for the CDBG Program. In addition to the application for federal assistance, this document contains the Action Plan that outlines the projects that will be supported with CDBG funds for the City's 2000 Program Year.

II. CITIZEN PARTICIPATION

The City's Citizen Participation Plan outlines the requirements of citizen involvement. These requirements have been met through public notices and public meetings. On March 8, 2000 a public meeting was held to solicit citizen input on community needs and priorities and discuss the CDBG Program. At this meeting applications for CDBG funds were made available and the process for the City's 2000 Program Year was explained and discussed. Notices of this meeting were mailed to relevant organizations in the City and a notice was published in the local daily newspaper.

Applications were made available to all groups interested in applying for CDBG funds and City staff met with various groups. Six weeks of time was given for these applications to be completed and returned to the City. The City received the following applications and requests for 2000 CDBG funds:

Summary of 2000 Program Year Requested CDBG Activities

- 1. Catholic Outreach Homeless Day Center** - The request is to fund the purchase of the building by Catholic Outreach to ensure a permanent location for this important service.
Funds being requested are \$97,500
Minimum requested \$80,000
- 2. Energy Office Affordable Housing Rehabilitation Project (The Linden Buildings)** - This project is to rehab existing market rate units for conversion to permanently affordable units. CDBG dollars will be used for rehabilitation and for temporary/lost rent (relocation costs) during the rehabilitation period. A \$191,500 grant from the Colorado Division of Housing for acquisition of these units located from 1838 to 1848 Linden Avenue is contingent upon receiving this CDBG grant.
Funds being requested are \$55,000
Minimum requested \$55,000
- 3. Energy Office Affordable Housing Acquisition and Preservation Project (Project 91)** This project is to acquire 91 affordable units and preserve them as permanent affordable rental housing.
Funds being requested are \$200,000
Minimum requested \$125,000
- 4. City of Grand Junction Projects**

 - Riverside Neighborhood Drainage Improvements Phase II. Phase I was funded with 1999 CDBG program year funds. **Total funds being requested are \$200,000.**
Minimum requested \$200,000
 - Two Rivers Convention Center Elevator **Total funds being requested are \$85,000.**
Minimum requested \$85,000
- 5. Colorado West Mental Health Adult 27-10 Facility** – CDBG funds are being requested to acquire a building for use as a 27-10 facility. A 27-10 facility is a temporary holding facility for individuals with mental illness, substance abuse problems, or psychiatric problems.
Funds being requested are \$100,000
Minimum requested \$50,000
- 6. Hilltop Community Resources, Inc. Kiddin’ Around Child Care Center** – Funding from CDBG would allow Hilltop to remodel and update the Kiddin’ Around ChildCare Center at 2897 North Avenue. The existing childcare center is part of Mesa County’s Workforce Center which assists parents entering the workplace with employment and training opportunities by providing quality affordable childcare.
Total funds being requested are \$44,414
Minimum requested \$44,414
- 7. Rocky Mountain Mutual Housing Association, Inc. Grand Manor Apartments Rehabilitation/Renovation Project** – funds being requested to renovate the existing 111 unit Grand Manor Apartments, 2828 Orchard Avenue. Grand Manor is for Low/Moderate Income residents.
Total funds being requested are \$250,000
Minimum requested \$100,000
- 8. Mesa Youth Services, Inc. PARTNERS Education and Recreation Center Project** – CDBG funds will be used to purchase a new facility at 607 S. 7th Street which will be used to provide human services to youth from high risk environments, their families and juvenile offenders.
Total funds being requested are \$150,000
Minimum requested \$100,000

9. Rocky Mountain SER Western Slope Head Start Program Upgrade of Riverside Classroom & Family Center Project – CDBG funds will be used to add a 400-sq. ft. addition to the existing facility. Upgrading the facility and adding a small addition will allow for the creation of an additional 1500 sq. ft classroom, new additional office space, upgrading accessibility in front of the building and to the bathrooms, adding new exterior siding, replacing windows and doors, etc.

Total funds being requested are \$115,000
 Minimum requested \$90,000

GRAND TOTAL REQUESTED \$1,296,914
 MINIMUM REQUESTED \$929,414

A committee of the Grand Junction City Council met on May 8, 2000, and reviewed these applications and made a funding recommendation to City Council for the 2000 Program Year.

2000 CDBG PROGRAM YEAR SUMMARY OF REQUESTS AND RECOMMENDED FUNDING

WHO	WHAT	FUNDS REQUESTED	MINIMUM REQUESTED	CC SUBCOMMITTEE RECOMMENDATION
1. Homeless Day Center	Acquire existing building	\$97,500	\$80,000	\$130,000.00
2. The Linden Buildings	Rehab existing duplexes	\$55,000	\$55,000	\$55,000.00
3. Project 91	Acquire 91 units	\$200,000	\$125,000	
4. Riverside Drainage II	Phase II of drainage project	\$200,000	\$200,000	\$200,000.00
5. Two Rivers Elevator	New Elevator	\$85,000	\$85,000	
6. Adult 27-10 Facility	Acquire a building	\$100,000	\$50,000	
7. Hilltop Child Care Center	Renovation/remodel	\$44,414	\$44,414	
8. Rocky Mtn - Grand Manor Apts.	Renovation/remodel	\$250,000	\$100,000	
9. Partners Education/Rec Center	Acquire a building	\$150,000	\$100,000	
10. Head Start Classroom/Family Center	Addition/remodel	\$115,000	\$90,000	\$104,000.00
	TOTAL	\$1,296,914	\$929,414	\$489,000.00

FUNDS AVAILABLE = \$489,000

A second public meeting was held at the regularly scheduled City Council meeting of May 17. At this meeting a public hearing was held to receive input regarding the City's needs and the proposed use of CDBG funds. The City Council discussed the proposed projects and received testimony regarding these projects. A motion was made and a vote was taken indicating how the 2000 Program Year funds would be allotted. Another public hearing was held during the City Council meeting of June 7, 2000. The purpose of the hearing was to receive testimony regarding the City's Consolidated Plan for 2000 Annual Update and Action Plan. There was no public testimony received. Also, there was a thirty day public review and comment period for the Annual Update of the Consolidated Plan and no additional public comment was received.

III. COMMUNITY PROFILE

Grand Junction is located on the Western Slope of Colorado in Mesa County, situated along Interstate 70, approximately 30 miles east of the Utah border. Grand Junction is in a valley in which the Colorado and Gunnison Rivers intersect. The population of Grand Junction is approximately 45,000 and the population of Mesa County is approximately 115,000. Large urban areas continue to develop adjacent to the City limits in unincorporated Mesa County. The urban area served by Grand Junction is much larger than the population figure implies.

Grand Junction continues to experience population growth, which creates challenges for service providers. Both population levels and economic indicators continue in an upward trend. The City also continues to grow in its role as the regional trade, services, and transportation and health care hub for Western Colorado and Eastern Utah. Economic growth is expected to continue in the near future and population is expected to grow at approximately 2% per year. Mesa County's unemployment rate remains at a fairly low level.

Since 1980, Mesa County's economy has shifted from a mining-based economy to one based on services and unearned income (transfer payments such as social security, rents, dividends, interest, etc.). The retail and service sectors now provide over 52% of Mesa County's jobs. These retail and service jobs, on average, are among the lowest paying jobs in the County along with jobs in the agriculture, forestry and fishing sectors.

Tourism continues to play an important role in the City's economy. One study shows that tourism is directly or indirectly responsible for 17% of the jobs and 11% of the income in Mesa County. Additionally, tourists pay directly or indirectly one-third of the sales taxes generated in the region.

IV. HOUSING & COMMUNITY DEVELOPMENT NEEDS

A. CONDITIONS

The 1990 US census reported a total of 36,250 occupied housing units in Mesa County. For the most part, the County's housing stock is in good condition. No statistics exist as to the number of units in substandard condition. The Energy Office (a non-profit organization that provides housing rehabilitation) defines the term substandard conditions as "any housing unit which does not meet Housing Quality Standards as defined by HUD in the Section 8 Rental Assistance Program, which would include inadequate sanitation, structural hazards, hazardous electrical wiring, plumbing, or mechanical equipment". The Energy Office has a annual programs to rehabilitate, 20 homes in the past year and weatherize homes, 115 last year in the Grand Junction area. All homes rehabilitated when completed meet HQS standards. Under the weatherization program any known HQS deficiencies are dealt with but a full inspection of the home is not always done.

The Energy Office has also been designated as a Community Housing Development Organization (CHDO) and participates in the HOME Program.

B. HOUSING NEEDS

The City of Grand Junction and Mesa County lack an adequate supply of rental housing affordable to those households earning less than 30% of the median family income. According to the 1990 census, 50% of the renter population resides in the City of Grand Junction. The majority of renter households (70%) earned less than the median family income.

In 1990, the median family income for Mesa County was \$27,637. The percent of the population below the poverty line was 15%. Median family income for the City of Grand Junction was \$23,799. The percent of the population below the poverty line for the City was 22%. Approximately 27% of Mesa County households reported experiencing one or more housing problems defined as any of the following: excess cost burden, physical inadequacy or overcrowding. The most prevalent housing problem was excess cost burden or paying more than 30% of gross monthly income for housing costs. Overall, renter households experienced a higher rate of housing problems (39%) than owner households (20%) did.

C. HOUSING MARKET CONDITIONS

During the past several years Grand Junction has experienced fairly strong population growth. Generally, construction of new housing units has kept pace with the growth of households. Since 1990, the City of Grand Junction and Mesa County have issued close to 10,900 residential building permits. Of this total, 69% were single family units, 29% were mobile homes and 2% were multi-family units.

Residential Building Permits 1990-1999						
PERMIT TYPE	UNINCORP MESA COUNTY	% of Total	GRAND JUNCTION	% of Total	TOTAL	% of Total
One Family	4,999	63%	2,445	85%	7,444	69%
MobileHome	2,799	35%	336	12%	3,135	29%
Two Family	174	2%	67	2%	241	2%
Multi-Family	8	0%	33	1%	41	0%
Total	7,980	100%	2,881	100%	10,861	100%

Residential Building Permits 1999						
PERMIT TYPE	UNINCORP MESA COUNTY	% of Total	GRAND JUNCTION	% of Total	TOTAL	% of Total
One Family	722	67%	356	85%	1,078	72%
MobileHome	329	30%	53	13%	382	25%
Two Family	30	3%	4	1%	34	2%
Multi-Family	0	0%	6	1%	6	0%
Total	1,081	100%	419	100%	1,500	100%

Mobile homes made up 11% of the Total County housing inventory in 1990. That number is now up to approximately 14%. During the last few years the ratio of mobile homes to single family homes has increased.

The Grand Junction rental market has shown a steady increase in average rental rates. The Colorado Division of Housing conducts a Multi-family Housing Vacancy and Rental Survey semi-annually. The February 2000 survey indicates that the average rent in Grand Junction in the first quarter of 1996 was \$425.81. By the first quarter of 2000, the average rent had increased to \$481.55; a 13.1% increase over 4 years. It is believed that manufactured housing helps keep rents from skyrocketing.

February 2000 also showed a 5.4% vacancy rate. A 5% vacancy rate is generally considered an indication of a healthy rental market.

D. AFFORDABLE HOUSING NEEDS

The current housing stock in the City is not meeting the needs of low and moderate-income households. The average price of single family residential property in 1997 was \$114,552, and in 1999 that average price increased to nearly 132,000. In 1990, 1,381

Mesa County households received housing assistance of some form. In 1996, an estimated 1,614 households received some form of housing assistance. The Grand Junction Housing Authority reports that it cannot accommodate all the people seeking housing assistance. Most existing housing assistance programs serve only very low-income families. Few programs have guidelines broad enough to serve low and moderate-income families. In Mesa County 86% of the housing assistance units are restricted to serve only the very low-income households. Single individuals without children typically do not receive any housing assistance unless they are elderly or disabled.

Many families pay more than half of their monthly gross income for housing costs. In 1990, 3,243 Mesa County households were paying more than half of their monthly gross income for housing. This included 2,052 renters and 1,367 owners.

Various studies and task forces have recognized the need for more affordable housing in Grand Junction. This is a recurring problem, which tends to get worse as the cost of housing keeps increasing. Large households are especially vulnerable, as their wages do not provide a sufficient income for adequate housing.

Nearly 38% of Mesa County renter households earn incomes below 50% of the area median income, but less than 20% of the rental units are affordable to these very low-income families.

E. HOMELESS NEEDS

The community has several agencies working to prevent homelessness and provide shelter for the homeless. The actual number and demographics of homeless persons in the City of Grand Junction is difficult to determine. It is believed, however, that there is a need for additional assistance in this area. On December 15, 1998 a community emergency night shelter for men was opened to serve the overnight needs of homeless men. Between its opening and April 30, 1999, this facility had over 2,000 overnight stays and served 146 different individuals. Between October 1, 1999 and March 31, 2000, the Community Homeless Shelter provided a total of 3,077 bed/nights to 190 men and 17 women, in its 19 bed facility. The shelter averaged 17 guests per night, but very often the shelter was filled to capacity. A total of 128 people were turned away. The demographic make-up of those homeless served last year included 35% Veterans, 71% Caucasian, 23% Hispanic and 16% that were currently employed. The Community Homeless Shelter is a joint venture of

- St Matthews Episcopal Church
- The Salvation Army
- Grand Valley Catholic Outreach
- Mesa County Department of Human Services
- More Than Words Ministry
- Grand Junction Housing Authority

The City's Consolidated Plan prioritizes the needs for the homeless as the following:

1. Transitional Housing, which includes supportive services to assist families with life skills, counseling, budgeting, problem-solving, stress management, self esteem management, assistance with daycare and parenting classes, employment training and preparation, job seeking assistance, alcohol and drug rehabilitation and educational assistance.
2. Day Center for homeless persons to shower, wash clothes, make and receive telephone calls and have lockers available for storage of personal items.
3. Assistance in the prevention of homelessness by providing one time emergency rental assistance and security deposit assistance.
4. Single room occupancy for homeless individuals moving toward self-sufficiency.
5. Emergency shelters for families, homeless single dads and victims of domestic violence.

The Consolidated Plan also identified a need for transportation, childcare assistance, job counseling and jobs that pay a self-supporting wage.

Several agencies in Grand Junction provide services that are used by homeless persons. These agencies include the Grand Valley Catholic Outreach, Colorado West Mental Health Center, Mesa Developmental Services, The Center for Independence, The Salvation Army and The Western Colorado Aids Project.

One of the main areas of support for the homeless comes from the Homeless Day Center that is operated by the Grand Valley Catholic Outreach. This project has received CDBG funding for three straight years since its opening. The Homeless Day Center provides a place where the homeless can shower, wash clothes, get a haircut and make telephone calls and receive calls and messages from prospective employers. This center is the only one of its kind in Grand Junction and Mesa County. Since the Center first opened in 1997, it is estimated that over 600 of the people served by the Center have found employment. The Colorado Coalition for the Homeless also provides services for the homeless.

F. Public and Assisted Housing Needs

In May 2000, the Grand Valley had 1,968 units of housing assisted through various subsidy programs. Of these, 1,030 units were provided by the Grand Junction Housing Authority with the remaining 938 provided by the private sector companies and non-profit organizations.

This inventory includes 916 dwellings inside the City of Grand Junction, 226 dwelling units outside the City limits, and 826 rental Assistance Vouchers that may be used to offset rent on a unit inside or outside the City limits. Approximately 71% of GJHA's Vouchers are used inside the City of Grand Junction; the remaining Vouchers are used to assist units outside Grand Junction. Currently Grand Junction residents are served by a total of 1,515 subsidized units. Mesa County residents living outside Grand Junction are

served by a total of 442 subsidized units. Eleven GJHA Vouchers are in use by families who have moved outside of Mesa County.

Assessing the total need for assisted housing in Grand Junction is difficult. An Estimate of Poverty Levels in Mesa County – 1997, prepared for The Marillac Clinic and prepared by The Research Bureau, revealed some alarming statistics. In 1997, Grand Junction had a total of 19,061 individuals, or 7,830 households were living below 150% of the poverty level. At the time, this was 45.4% of the City’s population of 42,033. If one were to assume that the same numbers of households are in poverty in 2000, it would indicate an affordable housing gap in Grand Junction of some 6,315 units (7,830 – 1,515 = 6,315).

The Grand Junction Housing Authority owns and manages 268 housing units. In addition to this, the Housing Authority is now able to assist a total of 772 households under the Section 8 Rental Assistance Program. This is an increase of 280 over the previous year. There is, however, still a shortage of assisted housing for needy families. The Housing Authority has the capacity to serve 1,030 households but as of March 31, 2000 there were 939 unduplicated names on the Housing Authority’s waiting list. Out of this total, 540 are one and two person households.

A total of 64 subsidized apartments at the Maurice Arms Apartments have been moved out of the HUD subsidized programs by the new owners. To protect the interests of the low-income tenants HUD has provided the Housing Authority with 58 new vouchers. Tenants may rent in-place or located a different apartment in the private rental market.

SECTION 8 RENTAL ASSISTANCE PROGRAM: APRIL 2000

Certificates	138
Domestic Violence	38
Vouchers	337
Mainstream for Disabilities	82
Families being displaced from Maurice Arms Apts.	58
Family Unification	86
Incoming Portable Vouchers	23
TOTAL	762*
GJ Housing Authority properties	268
GRAND TOTAL	1,030

(*This is a decrease of 10 over 1999)

G. Barriers to Affordable Housing

During the past several years there has been little development of affordable housing in Grand Junction and Mesa County. Cost remains the biggest barrier to providing affordable ownership and rental housing. The cost to develop housing affordable to low and moderate income households has made such development unattractive to the private sector. City policies concerning housing development in general may be barriers to the development of affordable housing but such policies have not been the major factor

prohibiting construction. The cost of land, materials and labor has been the primary barrier.

Another barrier to affordable housing is the inability of people to pay for housing because of low paying jobs. Many of the jobs in the Grand Junction area are low wage and/or part-time jobs that offer limited benefits and limited availability of affordable daycare. While the number of working families in the GJHA's public housing development increased from 32% in 1996 to 93% in 1999, these families' average income increased only \$2,000 over the same time period. This more families are working, but are not earning enough to become self-sufficient. The average household income at this development in 1999 was \$11,888 annually, or \$5.72 per hour. The average wage rate (October 1999) of the families receiving assistance from the Grand Junction Housing Authority is only \$4.95 per hour.

H. Fair Housing

The City adopted its Analysis of Impediments to Fair Housing Choice in August 1999. The Analysis of Impediments to Fair Housing Choice Study identified the following impediments to fair housing choice.

- Land development costs with the single largest impediment being the rapidly escalating costs of raw land.
- The “not in my backyard” (NIMBY) syndrome.
- The 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.
- The lack of transitional housing units, particularly for homeless families and the mentally ill.
- Low income or wage levels.

I. Lead-Based Paint

According to the Mesa County Health Department there is no available data that shows how many houses in Grand Junction contain lead-based paint. The Health Department has not identified this as a major problem in the City. The Comprehensive Housing Affordability Strategy (CHAS) estimates that there are 18,745 housing units in Mesa County that may contain lead-based paint. If we extrapolate from that and assume that approximately 36% of the County's population is within the City of Grand Junction then one “estimate” of the number of housing units in the City that may contain lead-based paint is 6,748.

The Mesa County Health Department deals with lead-based paint as this issue presents a health hazard to citizens. The Grand Junction Housing Authority has information that it makes available to residents concerning this potential problem.

I. Community Development Needs

The major planning document for the City of Grand Junction is its Growth Plan. This plan was adopted in 1996 after an extensive public participation process. The Growth Plan identifies the City's vision for the future and is used to help the City achieve its future goals and objectives.

The City also adopts a two-year operating budget and a ten-year capital improvement plan. The capital improvement plan contains major capital projects and identifies funding resources and a timeline for construction of these projects. Community development needs are addressed in the ten-year capital plan as well as in the City's operating budget. These two documents are used to help the City address its various community development needs.

V. HOUSING & COMMUNITY DEVELOPMENT STRATEGY

A. Vision for Change

Grand Junction's vision is to use its resources to help provide a framework for a livable and sustainable community where people will have good jobs, affordable housing and a safe and healthy living environment. The City encourages economic development that creates jobs at a variety of pay levels and skills. Grand Junction is working towards a desirable living environment for all its citizens. The City is helping to develop a community that provides opportunities for all of its citizens to have adequate education, jobs and housing.

Grand Junction has adopted a Growth Plan that defines a set of values for the community. These values cover goals such as maintaining community character, supporting job growth and economic development, providing for affordable housing, providing adequate transportation, addressing public education and planning for future growth.

The City is implementing this Growth Plan through the recent adoption of the new Grand Junction Zoning and Development Code and Zoning Map. The City's goal is to improve the living environment for all citizens by implementing the objectives that are identified in the Growth Plan.

B. Housing Priorities

Several different groups in the City have identified housing as a priority need for the community. The City's support of affordable housing has been through the creation and operation of the Grand Junction Housing Authority. The City recognizes that adequate housing is very important to all residents. The Grand Junction Housing Authority currently serves 1,030 low-income households. The City of Grand Junction supports the Housing Authority and has funded a major housing project with CDBG funds and has

committed \$205,000 of CDBG towards acquisition/construction of a new homeless shelter.

In January 1998 the Grand Junction Housing Authority began a homebuyer education program in partnership with HUD and CHFA. This is the only ongoing program of its kind in Mesa County. Completion of this three-part course provides prospective buyers with a comprehensive understanding of the complexities and processes of purchasing a home. Many of the graduates of the HomeBuyer Education Program also qualify for special mortgage financing through CHFA or FHA. This program saves an average of \$395 for each homebuyer at a closing for a FHA or CHFA loan. A total of 759 students have been served since its inception and it is estimated that these students have saved a total of \$304,000 in closing costs. GJHA has also added mortgage default counseling service, helping homeowners avoid foreclosure, when possible.

The following have been identified as priority objectives for affordable housing:

- Increase the supply of ownership opportunities available to low and moderate income homebuyers. Adding to the supply of affordable homeownership opportunities will benefit both the homebuyers and those still in the rental market.
- Increase the supply of affordable rental housing. Acquisition of existing market rate units for conversion to permanently affordable units, rehabilitation of deteriorating houses and preservation of existing affordable rental housing inventory are likely to be the most cost effective ways to increase the affordable housing stock.
- Remove substandard housing conditions. Rehabilitation of deteriorating housing has the potential to provide quality affordable housing and to revitalize neighborhoods. Demolition of dilapidated houses misplaced in non-residential areas can lead to more appropriate development.

There are several other agencies in Grand Junction that plays a role in affordable housing. The City has assisted some of these agencies such as the Energy Office and Habitat for Humanity and will consider future assistance. The Energy Office is a private non-profit 501 (C) 3 and is also designated as a Community Housing Development Organization (CHDO). As a CHDO the Energy Office is eligible for special HOME set-aside funds to help further affordable housing. The Energy Office also administers the Colorado Division of Housing Low/Mod Housing Rehabilitation Program and the Colorado Office of Energy Conservation Low-Income Residential Energy Conservation Program for all jurisdictions in Mesa County. Each year the City of Grand Junction contributes \$4,000 from its general fund to the Energy Office's rehabilitation program.

Habitat for Humanity is a private, non-profit 501 (C) 3 corporation dedicated to the elimination of substandard housing and the provision of new housing units in Mesa County. This organization builds housing using volunteer labor, donations or materials and "in-kind" services. Completed houses are sold to very low or low-income families at cost with a 20-year interest free mortgage. Mortgage payments are used to finance additional houses. The City used CDBG funds during its first year as an entitlement city to help Habitat purchase four residential lots.

C. Non-Housing Community Development Priorities

The City has identified its top priorities in this area as infrastructure upgrades and improvements, parks development and improvements and economic development. Millions of dollars of needed improvements have been identified for streets, public facilities and other infrastructure. The City prioritizes these needs in its ten-year capital improvement program. For the 2000 fiscal year the City has budgeted over \$11.7 million for capital improvements. Many of these improvements will be in the area of public works and utilities.

Additional improvements and developments to the City's park system have also been identified as a high priority. The City has listed over \$40 million of needs in this area. These needs range from several neighborhood parks in various parts of the City to a recreation center providing activities for both young and old. Each year the City budgets funds for parks improvements and actively seeks other sources of funding such as grants.

Another high priority area for the City is economic development. The City believes that one of the best ways to help low and moderate income people is to provide good jobs with good wages. The City will continue its support in this area by making an annual contribution of \$300,000 to its economic development fund.

D. Anti-Poverty Strategy

One of the best ways for the City to reduce the number of persons in poverty is to provide good, stable jobs that pay a livable wage. The City's strategy to help with this goal is to support various economic development efforts. Each year the City contributes \$300,000 to its economic development fund. The bulk of these funds have been used by the Mesa County Economic Development Corporation to attract new businesses and industry to the area. The City will continue this practice of making this appropriation.

The mission statement of the Mesa County Economic Development Council reads: "The mission of the Mesa County Economic Development Council is to create quality jobs for the citizens of Mesa County. To ensure a viable diverse economy and solid tax base, MCEDC shall recruit and develop manufacturing, national service and other industries that provide base jobs and long-term employment for our community." To accomplish this goal the MCEDC focuses on recruiting financially solvent companies. In October 1999, the Board of Mesa County Economic Development Council increased its minimum standard for considering job-based incentives for prospective new employers. Previously, MCEDC has considered paying job-based incentives to employers paying an average of 175% of the minimum wage, or \$9.01 per hour. MCEDC raised the standard to \$10.08 per hour, a rate that would enable an employee to rent a modest two-bedroom apartment at HUD's Fair Market Rents for Grand Junction.

E. Housing and Community Development Resources

The City of Grand Junction receives approximately \$489,000 from the US Department of Housing and Urban Development as a Community Development Block Grant entitlement city. Each year these funds go toward housing and/or non-housing community development projects. The Energy Office, not the City of Grand Junction, is a local CHDO and can be the recipient of HOME funds.

The Grand Junction Housing Authority receives the majority of housing assistance funds received in the City of Grand Junction. The Housing Authority receives grants and funds from several different federal and state sources including the Section 8 Program. This past year there was a decrease of 10 Section 8 certificates from the previous year.

Within the Section 8 federal program a community receives a fixed funding level, not a service level, therefore an increase in rental rates affect everyone and diminishes the impact and effectiveness of Section 8 assistance. For example, if the average rental rate is \$475, a \$250,000 grant will serve 44 households for one year. However, if the average rental rates increase to \$550, a \$250,000 grant will only serve 38 households.

There are other non-profit organizations in the City, which receive various grants and funds to help them pay for the services they provide.

F. Coordination of Strategic Plan

The City of Grand Junction is the main entity responsible for coordinating the implementation of the City's Consolidated Plan. The City does, however, work with other agencies to implement various elements of the plan. These agencies provide services that are not provided by the City. Some of the agencies the City works with include the Grand Junction Housing Authority, the Grand Valley Catholic Outreach, the Marillac Clinic, Habitat for Humanity, the Salvation Army, Colorado West Mental Health, The Energy Office and Mesa Developmental Services.

The City has met with various non-profit agencies in the community to discuss how the various efforts can be coordinated. It is recognized that there is some duplication of effort and additional coordination is possible. The City of Grand Junction is willing to work with these agencies and provide assistance to help increase the coordination effort.

VI. ONE YEAR ACTION PLAN – 2000 PROGRAM YEAR

A. Description of Key Projects

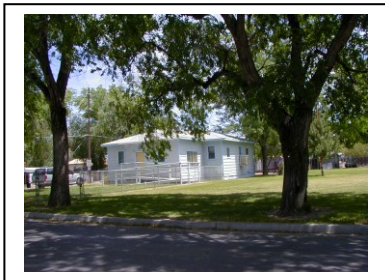
During the May 17, 2000 City Council meeting the City Council formally voted to fund the following four projects with Community Development Block Grant funds during the 2000 Program Year which begins September 1, 2000.

1. GRAND VALLEY CATHOLIC OUTREACH HOMELESS DAYCENTER ACQUISITION \$130,000: This will fund the entire purchase price of the existing building the day center is currently occupying.



2. THE LINDEN BUILDINGS REHABILITATION PROJECT \$55,000: This project is to rehab existing market rate units for conversion to permanently affordable units. CDBG dollars will be used for rehabilitation and for temporary/lost rent (relocation costs) during the rehabilitation period and will leverage \$ 191,500 in other funds.

3. RIVERSIDE DRAINAGE IMPROVEMENTS PHASE II \$200,000: Phase I was funded with 1999 CDBG program year funds. Phase II will complete the project.



4. HEADSTART CLASSROOM/FAMILY CENTER ADDITION AND REMODEL PROJECT \$104,000: CDBG funds will be used to add a 400-sq. ft. addition to the existing facility. Upgrading the facility and

adding a small addition will allow for the creation of a 1500 sq. ft classroom, new additional office space, upgrading accessibility in front of the building and to the bathrooms, adding new exterior siding, replacing windows and doors, etc.

B. Locations

The City of Grand Junction plans to spend CDBG funds in various locations throughout the community. All the projects funded are located in low/mod income areas and will serve low/mod income persons.

C. Monitoring

Generally the City monitors its programs by requiring subrecipients to report their activities on either a monthly or quarterly basis. City personnel randomly visit project site locations to determine compliance with project goals and requirements. On public works projects (i.e. street and infrastructure improvements) the City already has in place extensive monitoring procedures to ensure contractors are completing each project as planned and engineered. For federally funded projects, Labor Relations/Davis Bacon monitoring is done.

D. Matching Funds

The City of Grand Junction does not require matching funds when selecting projects to be funded, however, due to the availability of funding, a recipient who can demonstrate additional funding is available from other sources ranks higher in the selection process.