



Consolidated Annual Performance and Evaluation Report (CAPER)

For the 2006 CDBG Program Year
September 1, 2006 through August 31, 2007

NOVEMBER 2007

City of Grand Junction
Neighborhood Services Division
2549 River Road
Grand Junction CO 81501



First 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 Executive Summary narratives are optional.

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, 2006 and ending August 31, 2007 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 16, 2007. The availability of the report was public 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.

FUNDS RECEIVED AND EXPENDED

For the reporting period (2006 Program Year), the City of Grand Junction received \$348,286 in CDBG funds. The City awarded these funds to three projects. The projects funded are the following:

Project 2006-1 The City will utilize a portion of the 2006 funds (up to 20% as allowed by HUD) towards administration costs for the program to include the salary of a new technical position to assist with program administration. CDBG funds in the amount of \$69,656 were allocated for this purpose. To date, the City of Grand Junction has expended approximately \$22,000 of these funds. The remainder was initially budgeted for salary that will no longer be needed. Much of the remainder of the 2006 administration funds will be reallocated to a new capital improvements project. A plan amendment will be completed in order to reallocate the funds.

Project 2006-02 The Grand Junction Housing Authority (GJHA) utilized \$178,630 2006 CDBG funds towards purchase of 6.6 acres located on the northwest corner of 28-1/4 and F Road (see aerial photograph site location map on following page). The purchase was finalized in May 2007. The funds will be drawn down from HUD in January 2008. The property will be developed by the Grand Junction Housing Authority for multifamily affordable housing units.



2006-02 GJHA Property Acquisition for Affordable Housing Development

Project 2006-03 Grand Valley Catholic Outreach (GVCO) was awarded \$100,000 2006 CDBG funds towards construction of 22 multifamily housing units for low-income and chronically homeless individuals and a resident manager apartment. The complex of 3 structures is presently under construction at 217 White Avenue (see aerial photograph site location map below). The project is being constructed and will continue to be operated by Grand Valley Catholic Outreach.

NOTE: While this project will still be completed by Grand Valley Catholic Outreach, the City of Grand Junction will be completing a Plan Amendment to transfer CDBG funds from this project to a public infrastructure project. Consequently, this project is not included in further discussion of 2006 Program Year CDBG funds.



2006-03 GVCO Housing for the Homeless Development Site

GRAND JUNCTION

In addition to the projects established in 2006, a portion of the 2005 Program Year funds was reallocated to the following project during the 2006 Program Year:

Project 2005-07 The Grand Junction Housing Authority (GJHA) utilized \$120,000 of 2005 CDBG funds reallocated from the City's Neighborhood Program towards purchase of 0.87-acre property located at 1262 and 1282 Bookcliff Drive (see aerial photograph site location map below. The purchase was finalized in May 2007. The property will be developed by the Grand Junction Housing Authority for multifamily affordable housing units.



2005-07 GJHA Property Acquisition for Affordable Housing Development

PREVIOUS PROGRAM YEAR PROJECTS COMPLETED IN 2006

In addition to the property acquisitions described above, a number of projects from previous program years were completed and funds expended in 2006. These are outlined by category below:

PLANNING AND ADMINISTRATION

Project 2005-01 The remainder of 2005 Program Year administrative funds were expended in 2005 in the amount of \$15,125.24.

Project 2004-02 The balance of a contract for the 2004 Program Year project (\$1,200) for a consultant to complete the City's Analysis of Impediments to Fair Housing Study (AI) was expended in 2006.

PUBLIC SERVICE

Project 2004-08 \$26,850 was allocated from 2004 Program Year funds for the Grand Junction Housing Authority's Next Step Housing Program and was expended in 2006. The funds were used for first year operational expenses for this new program that provides transitional housing for homeless and near homeless families.

Project 2005-02 \$25,000 from the 2005 Program Year were expended in 2006 for the Salvation Army's Adult Rehabilitation Program. The funds were used for operational expenses including scholarships for participants, direct program expenses and administration.

PUBLIC FACILITIES

Project 2005-06 The City completed the Ouray Avenue Storm Drain improvement project in the 2006 Program Year. CDBG funds in the amount of \$172,644 were expended for this project that improved drainage conditions in the low-moderate income El Poso neighborhood.

Project 2004-09 Hilltop Community Resources Inc. completed their 2004 Program Year project that improved energy efficiency of their operational headquarters located at 1169 Colorado Avenue. The project balance amount of \$4,914 was expended to close out the project during the 2006 Program Year.

HOUSING

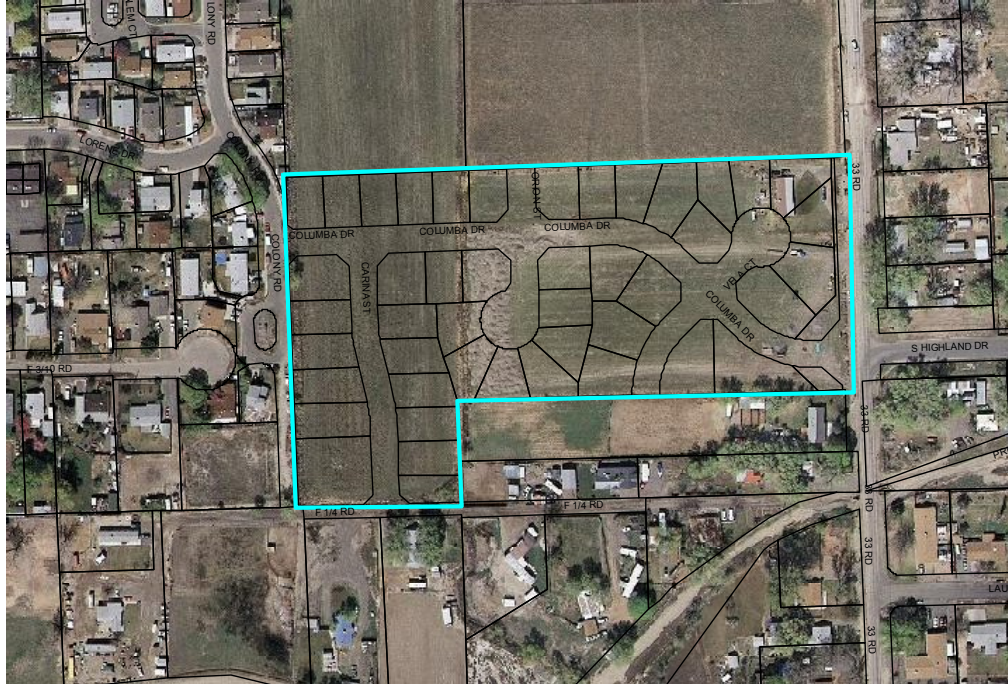
Project 2005-05 Housing Resources of Western Colorado completed their 2005 Program Year project that provided an accessible ramp on an 8-unit housing facility for homeless veterans located at 1333 North 13th Street. \$30,000 CDBG funds were utilized for this project.

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 2006 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 objectives: 1) Create a Suitable Living Environment; 2) Provide Decent Affordable Housing; and 3) Create Economic Opportunities. As previous years had focused on expenditures in all three areas, the projects funded for the reporting period specifically focused on objective 2, Providing Decent Affordable Housing with the underlying Priority Needs objective of ultimately increasing the number of affordable rental housing units (Projects 2006-02 and 2005-07). The Grand Valley Catholic Outreach project will also meet Priority Needs objective of increasing the number of transitional housing units with support services for homeless individuals.

In addition to these projects, Housing Resources of Western Colorado is in the process of completing a project that will ultimately be developed with 43 homes for families of 80% and below median income through a Self Help Housing Program. The City of Grand Junction contributed \$81,000 from the general fund during the 2006 Program Year towards acquisition and development of the property.



Housing Resources of Western Colorado Affordable Housing Project

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

Response: \$178,630 was allocated towards Objective 2, Priority Need Category increasing the inventory of affordable housing units.

- 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: During the 2006 Program Year, the City of Grand Junction hired for the first time a position specifically for purpose of administering the CDBG program in an attempt to improve the efficiency of its program. After trying that alternative for a portion of the program year, and facing a reduction in program funds received each year, the City decided that it was preferable to include the CDBG administration in the job descriptions of existing salaried employees in order to be able to make as much of the CDBG funds as possible available to subrecipients. Consequently, a portion of the administrative funds set aside in the 2006 program year will be expended towards other projects with future Plan Amendments.

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 request more directly to actual project accomplishments. All

reimbursement requests will still require documentation as proscribed in the appropriate Federal regulations and City policies.

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 2006 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.

2006 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. The goal of over 50 affordable units will be realized as the projects are developed and constructed by the Grand Junction Housing Authority, Grand Valley Catholic Outreach and Housing Resources of Western Colorado.

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.

2006 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 in the Orchard Mesa neighborhood of Grand Junction (Linden Pointe Apartments pictured on the following page). The project was recently completed and can be used as a good example of the type of development that is proposed on the land purchased utilizing 2005 and 2006 CDBG funds during the 2006 Program Year.



Linden Pointe Building E



Linden Pointe Playground

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.

2006 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. The ultimate projects on these properties will provide rental housing and/or home-ownership housing opportunities to very low and/or low-income households.

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.

2006 Program Year Actions to Address Impediment 4:

The City of Grand Junction did not take any specific actions to address this impediment with 2006 CDBG funds. Grand Valley Catholic Outreach will be completing the Homeless Housing project that will provide 22 residential units to be occupied by homeless or chronically homeless persons.

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.

2006 Program Year Actions to Address Impediment 5:

While the City did not allocate specific 2006 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 2006 GJEP Annual Report includes the following statistics:

- Number of Prospects to Expand or Relocate Generated: 46
- New Primary Jobs from Business Expansion: 160-250
- New Average Salary: \$38,000

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 2006 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 2006-2 The Grand Junction Housing Authority utilized \$178,630 2006 CDBG funds towards purchase of 6.6 acres located on the northwest corner of 28-1/4 and F Road. The purchase price was \$1,800,000, thus leveraging \$1,621,370 toward this project.

Project 2005-07 The Grand Junction Housing Authority utilized \$120,000 2005 CDBG funds towards purchase of .87 acres located at 1262 and 1282 Bookcliff Drive. The purchase price was \$500,000, thus leveraging \$380,000 toward this project.

- c. How matching requirements were satisfied.

Response: There are no 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 2006 Program Year in March 2006, 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 2006 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 monitor projects supported with CDBG funds to ensure compliance with the program and comprehensive planning requirements.

Citizen Participation

1. Provide a summary of citizen comments.

Response: This Consolidated Annual Performance and Evaluation Report (CAPER) for the 2006 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 16, 2007 (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.

City of Grand Junction 2006 Program Year CDBG Allocation: \$348,246

Project 2006-02 GJHA Acquisition of Property for Affordable Housing Development

- Total CDBG Funds Allocated: \$178,630
- Total Funds Expended in Program Year 2006 \$178,630
- Location – NW Corner F Road and 28-1/4 Road
Note: Location is not within Low to Moderate Income Census Tracts but project will be developed as affordable housing units for Low to Moderate Income persons/families

City of Grand Junction 2005 Program Year CDBG Reallocation during 2006 Program Year: \$120,000

Project 2005-07 GJHA Acquisition of Property for Affordable Housing Development

- Total CDBG Funds Allocated: \$120,000
- Total Funds Expended in Program Year 2006 \$120,000
- Location – 1262 and 1282 Bookcliff Drive
Note: Location is within Census Tract 601 which is a 51% to 100% low/moderate income area according to 2000 Census data.

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 2006 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 2006 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 2006 Program Year, City staff communicated with subrecipients at least monthly, and sometimes daily or weekly, as projects evolved and were completed.

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

Response: During the 2006 Program Year, the consistent monitoring resulted in timely completion of Projects 2006-02 and 2005-07 in order to meet property acquisition closing deadlines. Timely response to the subrecipient's needs was required in order to ensure the project was successfully completed.

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. CDBG funding has provided drainage, pedestrian and other infrastructure improvements in low/moderate income neighborhoods, helped revitalize historic structures (see photo of recently-reopened Riverside School on following page), 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, meals-on-wheels to elderly persons, 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.



Restored c. 1918 Riverside School Community Multicultural Center

- 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 2006 Program Year, progress was made in meeting 2006 Five-Year Consolidated Plan Objectives and Strategies to increase the inventory of affordable housing units through purchase of properties to be used for this housing need.

- 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 discussion in item b. above regarding 2006 Program Year accomplishments toward the provision of decent housing and a suitable living environment. 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: Not applicable.

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

Response: Refer to the discussion in item b. above regarding 2006 Program Year accomplishments toward the needs identified in the Five-Year Consolidated Plan for additional affordable housing units.

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

Response: The indicator that best describe the results of the City of Grand Junction 2006 CDBG Program is the completion of the acquisition of a 6.6-

acre property to be developed for approximately 100 affordable housing units and completion of the acquisition of a .87-acre property to be developed for 10-16 affordable housing units.

- 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. The community 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 in the past several years, 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 2006 Program Year did not require the need to examine lead-based paint hazards.

HOUSING

Housing Needs

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

Response: During all 11 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.

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 2006 Program Year Action Plan specified the objective of creating 50 new rental housing units for persons that fall within the category of 50% or less of area median income. The City matched the \$278,630 allocated from 2006 CDBG dollars with \$475,000 from the City's General Fund to be specifically used towards this objective – primarily to acquire properties to be used for future development of affordable housing units. A 6.6-acre property was acquired by the Grand Junction Housing Authority during the 2006 Program Year. It is estimated that 90-100 units may be developed on the property thus, eventually meeting and exceeding the specified objective.

In addition, during the 2006 Program Year, \$120,000 of the City's 2005 CDBG funds were reallocated from the Neighborhood Program and used by the Grand Junction Housing Authority to purchase a .87-acre property. It is estimated that 10-16 units may be developed on the property thus, eventually meeting and exceeding the specified objective.

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 2006 Program Year.

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

Response: Not applicable – the City of grand Junction did not expend CDBG funds for housing needs for persons with disabilities in the 2006 Program Year.

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. The Grand Junction Housing Authority has 30 units of public housing which is addressed in the 2006 Five-Year Consolidated Plan. The City did not expend any CDBG funds on public housing in the 2006 Program Year.

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 2006 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 on pages 6 through 9 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 2006 CDBG funds to prevent homelessness. However, Grand Valley Catholic Outreach started a project during the 2006 Program Year constructing 22 residential units to be occupied by homeless or chronically homeless persons.

2. Identify new Federal resources obtained from Homeless SuperNOFA.

Response: Not applicable – the City of Grand Junction did not utilize Homeless SuperNOFA funds during the 2006 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 2006 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.

COMMUNITY DEVELOPMENT

Community Development

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 2006 Program Year, the following priorities, needs, goals and specific objectives have been addressed as further discussed in previous sections of this report:

PRIORITY: Decent Affordable Housing

- Need: Increase the inventory of affordable housing units
 - Objective: Increase the number of affordable rental housing units

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

Response: As further discussed in previous sections of this report, progress towards the priority addressed in a. above was made through the purchase of properties with CDBG funds in the 2006 Program Year to be developed for affordable housing.

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

Response: The primary benefit to extremely low-, low- and moderate-income persons during the 2006 Program Year was the purchase of properties

for the ultimate development of affordable housing. Refer to discussions of the specific projects for further information.

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 2006 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 2006 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 2006 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 2006 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 2006 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 low and moderate income benefit during the 2006 Program Year.

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 2006 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:
- The activity name and number as shown in IDIS;
 - The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
 - The amount returned to line-of-credit or program account; and
 - 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 2006 Program Year.

10. Loans and other receivables
- 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.
 - List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.
 - 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.
 - 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.
 - 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 2006 Program Year.

11. Lump sum agreements
- Provide the name of the financial institution.
 - Provide the date the funds were deposited.
 - Provide the date the use of funds commenced.
 - 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 2006 Program Year.

12. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year
- Identify the type of program and number of projects/units completed for each program.
 - Provide the total CDBG funds involved in the program.
 - 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 2006 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 2006 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

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 2006 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.

Specific HOPWA Objectives

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

Other Narrative

Response: The City of Grand Junction has several projects from 2006 and preceding Program Years that have funds remaining in the activity. The majority of these funds will be reallocated to be added to existing projects that may need additional funding or they will be added to the City's 2008 CDBG funds and granted to future projects that are currently not identified. Once projects have been identified for expenditure of these funds, plan amendments will be completed as needed.

Project 2004-02 The City budgeted \$15,000 from 2004 Program Year funds to hire a consultant to complete the Analysis of Impediments to Fair Housing Study (AI). Total costs for completion of the report were \$12,165.81, leaving a balance of \$2,834.19.

Project 2005-07 The City budgeted \$127,500 from 2005 Program Year funds to assist with the acquisition of property as discussed on Page 4 of this report. \$120,000 in CDBG funds were expended, leaving a balance of \$7,500.

Project 2006-01 As discussed on Page 2 of this report, the City allocated \$69,656 (the 20% cap) for administration costs which were to include the salary for a new position to assist with program administration. \$22,728.37 was expended but the remainder will not be needed to cover salary expenses. The remainder of \$46,927.63 will be reallocated towards a new capital improvements project. A plan amendment will be completed in order to reallocate the funds.