



NEWS RELEASE

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GRAND JUNCTION CITY COUNCIL APPROVES LAND AND BUILDING ACQUISITION PROGRAM TO INCREASE HOUSING CHOICES

GRAND JUNCTION, Colo. April 6, 2023 – At the meeting on April 5, 20203, Grand Junction City Council approved a Land Acquisition and Building Program (LAP) in response to a generalized shortage of affordable housing in Grand Junction. City Council has approved \$3,373,337 from the \$9 million in American Rescue Plan Act (ARPA) funds allocated for Grand Junction.

The primary purpose of the proposed LAP is to provide funds to assist developers and non-profit organizations in acquiring property and/or land to subsidize the cost of developing affordable housing to alleviate the housing shortage in the Grand Junction area.

“One of the city’s housing strategies is to allocate city-owned land and/or strategically acquire vacant or underutilized properties for affordable and mixed-income housing,” stated Tamra Allen, Community Development director. “Housing developers have identified that land is both difficult and expensive to acquire which is an impediment to creating new affordable housing. The Land Acquisition and Building Program was identified as a tool to assist in purchasing appropriate land to be developed for affordable housing. This new program will create more opportunities for housing choices that meet the needs of people of all ages, abilities, and incomes.” Property and/or building acquisition costs, especially in developed areas of the city, are a major component of the cost of developing affordable housing. In current markets, land and/or building acquisition is approximately 10-15 percent of the overall project.

“This program is really exciting for many of our local developers who often need to move quickly when opportunities arise to purchase land. This new land and building acquisition program provides support for those wanting to build affordable housing as land prices continue to increase and put affordability even further out of reach. In absence of this program, developers would have to quickly identify grants which are extremely competitive and difficult to receive and/or other financing that today comes with high interest rates,” continued Allen.

The LAP program will allow applicants to apply for funding to purchase land or buildings on a project-by-project basis for the purpose of building affordable units or converting existing structures into affordable units. Projects will be assessed using a scoring matrix on four primary aspects including readiness and capacity, impact on housing needs, sustained and equitable support and sustainable development. Projects must “meet expectations” in all categories to be considered for funding. Projects under \$300,000, and that meet or exceed expectations in all categories, will be considered for funding through an administrative approval process and would not need to go to City Council for approval.

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