

# CITY OF GRAND JUNCTION ECONOMIC DEVELOPMENT PLAN

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May 2014

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# 1 3 TO 5 YEAR ECONOMIC DEVELOPMENT STRATEGY AND ACTION PLAN

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## *Purpose and Objectives*

*Role of Municipal Government in Economic Development*

*Assessing and Reporting on Our Local Economy*

*Providing Infrastructure that Enables and Supports Private Investment*

*Supporting Existing Business and Keeping Costs Transparent, Predictable and as Low as Possible*

*Investing in and Developing Public Amenities*

*Marketing the Strengths of Our Community*

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# 1

## Economic Development Strategy and Action Plan

### 1.1 Purpose and Objectives

The purpose of this Economic Development Strategy and Action Plan (Plan) is to present a clear plan of action for improving business conditions and attracting and retaining employers. City Council held several workshops discussing the City's economic development priorities, plans and areas of emphasis. City Council identified the City's economic vision as "a city with a vibrant business climate that is accessible, user-friendly and welcoming to all."

**The City of Grand Junction's mission statement:**

"Become the Most Livable Community West of the Rockies by 2025."

**The City of Grand Junction's three guiding areas of emphasis:**

- Public Safety
- Infrastructure
- Economic Development

**The City's primary roles specific to economic development:**

- Assessing and reporting on our local economy
- Providing infrastructure that fosters and supports private investment
- Supporting existing businesses and keeping costs transparent, predictable and as low as possible
- Investing in and developing public amenities
- Marketing the strengths of our community

Successful implementation of this Plan will enable the City of Grand Junction to set a course of improving its standing as a viable, healthy and safe community that can attract and retain high-quality businesses.

City Council values and supports the work and missions of our community partners in economic development. These partners include:

- Grand Junction Area Chamber of Commerce
- Grand Junction Economic Partnership (GJEP)
- Industrial Developments, Inc. (IDI)
- Business Incubator
- Manufacturing Council
- Colorado Mesa University (CMU)
- Western Colorado Community College (WCCC)
- Downtown Development Association (DDA)
- Visitor and Convention Bureau (VCB)
- School District 51
- Mesa County
- Workforce Center

## 1.2 Role of Municipal Government in Economic Development

Even though government cannot affect all the factors important to economic development, it can have a significant impact through both its traditional role as public service provider and regulator and its entrepreneurial role as a deal-maker and business recruiter. Of these two roles the former is essential — government must provide quality basic services and an efficient regulatory environment if it is to create economic development. Providing further incentives to businesses are optional — whether it makes sense depends on what government can reasonably offer the extent to which such offerings are necessary to attract firms, and the cost of those offerings.

*The traditional local government role in economic development is to facilitate economic activity by off-setting the cost of doing business in your community (in terms of time, opportunity, and money). Strategies include land assembly, modifying the permitting process, and providing job training. More entrepreneurial roles, as well as strategies that more directly address the demand for local products, may include seeding and investing in local small businesses, matching gaps in supplier/buyer linkages, and international trade promotion.<sup>1</sup>*

Furthermore, economic development cannot be viewed only at the municipal level. What is occurring, or not occurring, beyond the municipal boundaries should also be taken into account.

*Understanding our local economy also means knowing how we fit into the broader region. Although increased competition for jobs, tax base and private investment can put political pressure on elected officials, the reality is that local economic success depends on regional economic success. For example, what industries in our community and region are growing or struggling? What barriers and support services exist for local entrepreneurs and small businesses? Is the local housing stock diverse enough to provide for a wide range of housing needs? All of these factors should be understood in the context of broader economic trends.<sup>2</sup>*

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<sup>1</sup> National League of Cities; The Role of Local Elected Officials in Economic Development

<sup>2</sup> National League of Cities; The Role of Local Elected Officials in Economic Development

# 1

## Economic Development Strategy and Action Plan

### 1.3 Assessing and Reporting on Our Local Economy

*Your community's strengths and weaknesses...determine the potential of your local economy to support economic growth. This economic profile lays the foundation for creating a realistic vision and strategic direction for economic success that is unique to your community. Information about your local economy can also help engage and educate constituents and build community support for economic development decisions.<sup>3</sup>*

**Goal: Track important economic indicators that identify strengths and opportunities while also informing City Council of weaknesses and potential threats.**

- **Action Step** – Monitor and Report on the Energy Industry.
  - Weekly Henry Hub natural gas prices.
  - Quarterly and annual drilling permits per county for Garfield, Rio Blanco and Mesa Counties.
  - Quarterly and annual statewide drilling permits.
- **Action Step** – Monitor and Report on Real Estate and Construction.
  - Valuation of building permits in Grand Junction by type – Electrical/Mechanical/Plumbing, non-profit, commercial, industrial and residential.
  - Total valuation of building permits in the City of Grand Junction and Mesa County.
  - Mesa County foreclosure sales and filings.
  - Real estate transactions and median home prices.
- **Action Step** – Monitor and Report on the Labor Market.
  - Track and report the Grand Junction Metropolitan Statistical Area (MSA) non-seasonally adjusted unemployment rate.
  - Track and report the total number of jobs per month in Grand Junction MSA.
  - Track and report changes in employment and annual and quarterly wages per industry for Mesa County.
  - Track and report average wages for the Grand Junction MSA.
- **Action Step** – Compare Grand Junction's economic indicators with competing and comparable cities.

**Goal: Continue to share Economic Data with our Economic Development Partners.**

- **Action Step** – Send City-generated Economic and Financial reports to the ED Partners on a monthly basis, including:
  - Sales, Use and Lodging Tax collections by month,
  - Building permit totals and valuation by month, and

<sup>3</sup> National League of Cities; The Role of Local Elected Officials in Economic Development

- City Development Applications, Planning Clearances and Planning Meetings by month.
- **Action Step** – Report on Council's contributions and investments to economic development.
  - Include in the Quarterly Financial Report information on funding for economic development projects.
  - Share with our ED Partners the report on the City's contributions to economic development.

**Goal: Monitor, Track and Report Legislative Actions during the Colorado General Assembly and Federal Legislation as Appropriate.**

- **Action Step** – Legislative Reporting.
  - Continue to prepare and update the Legislative Report for City Council that monitors legislative activity during the General Assembly and identifies bills that may impact the City of Grand Junction and economic development.
  - Provide bi-weekly updates at City Council Work Sessions held prior to the Chamber of Commerce video conferences with the legislators.
  - Attend the Grand Junction Area Chamber of Commerce video conferences to support the City Council when discussing current or upcoming bills.
  - Communicate and cooperate with the Colorado Municipal League (CML), National League of Cities (NLC), the Grand Junction Area Chamber, Club 20 and Associated Governments of Northwest Colorado (AGNC).
  - Participate in the Chamber Legislative Council and CML Policy Committee.

# 1

## Economic Development Strategy and Action Plan

### 1.4 Providing Infrastructure that Enables and Supports Private Investment

*Public infrastructure is the foundation for economic development. Access to roads, water, sewer, communication technologies, and electricity are all essential to the economy. Investment in both the infrastructure (i.e., the purchase of physical plant and equipment) and the operation and maintenance (e.g., labor, supplies) of these structures can expand the productive capacity of an economy, by both increasing resources and enhancing the productivity of existing resources.<sup>4</sup>*

**Goal: Continue to make investments in capital projects that support commerce and industry and provide for long-term economic competitiveness.**

- **Action Step** – Develop a multi-year Capital Improvement Plan that fosters long term economic competitiveness.
- **Action Step** – Focus resources on identifying gaps in infrastructure.
- **Action Step** – Continue to provide high quality utility infrastructure that keeps utility rates low.

**Goal: Support and facilitate access and expansion of important technological infrastructure in the city.**

- **Action Step** – Identify core commercial and industrial areas in the city and work with providers to identify broadband capabilities and needs in these areas.
- **Action Step** – Implement broadband-friendly policies such as "dig once" and coordinate existing and future projects to enhance infrastructure investment efficiencies.
- **Action Step** – Continue to map cell phone coverage and work with service providers to address deficiencies.
- **Action Step** – Review existing regulations to make sure that they are cell tower friendly and incentivize stealth technology.
- **Action Step** – Discuss potential tax policies and incentives that relate to broadband and cellular infrastructure.

**Goal: Discuss with ED Partners the need to develop a business park.**

- **Action Step** – Assess properties owned by IDI to see what improvements may make them more marketable.
- **Action Step** – Research current demand for business parks in Grand Junction and seek grant opportunities to develop business parks.

<sup>4</sup> Local Government Investment in Municipal Water and Sewer Infrastructure, US Conference of Mayors

- **Action Step** – Assess existing business parks to determine if there are opportunities for the City to provide improvements.

**Goal: Monitor how much industrial property is ready for development.**

- **Action Step** – No less than semi-annually, complete an industrial lands inventory to assess the amount and quality of existing and potential “ready to develop” sites.

**Goal: Continue to support the airport and its vital role in economic development.**

- **Action Step** – Work with the Airport Board to address the need for affordable airfare.
- **Action Step** – Continue to support grants, financing and loans available through State and Federal agencies.

# 1

## Economic Development Strategy and Action Plan

### 1.5 Supporting Existing Business and Keeping Costs Transparent, Predictable and as Low as Possible

*For business leaders, time is money; they want to know that the regulatory process provides for timely, reliable and transparent resolution of key issues. If your city's regulatory policies are riddled with delays, confusing and redundant steps and multiple approval processes, a prospective business may very well choose to locate or expand in another community. Local officials can improve the regulatory environment for businesses by ensuring that the development review process and other policies are streamlined and transparent. The key to success is ensuring consistency and clarity about expectations, timelines, regulations, and costs. This will alleviate much of the uncertainty involved in economic development projects by allowing businesses to accurately anticipate the timing of the process and to build their plans accordingly. In addition, a better regulatory environment can promote information-sharing and better communication with local businesses so you can work together to identify potential challenges or problems.<sup>5</sup>*

**Goal: Be proactive and business friendly. Streamline processes and reduce time and costs to the business community while respecting and working within the protections that have been put into place through the Comprehensive Plan.**

- **Action Step** – Continue to assign one or more Council representatives to monitor, suggest and report on planning policy with staff.
- **Action Step** – Review development standards and policies to ensure that they are complementary and support the common mission.
- **Action Step** – Partner with the Chamber and other business organizations to establish a Business Roundtable in order to gain information from the business community on road blocks and issues and ideas to promote commerce and industry.

**Goal: Continue to develop tools that will promote economic gardening.**

- **Action Step** – Continue to partner with the Business Incubator and the Manufacturing Council to find how to better define the partnership and support and promote the retention, success and expansion of existing businesses and start-ups.
- **Action Step** – Introduce the City's Economic Development Division to the business community, understand difficulties businesses face and identify opportunities to assist in the attraction, retention and expansion of local businesses.
- **Action Step** – Continue to provide assistance to the City's economic partners and new and expanding businesses.

<sup>5</sup> National League of Cities; The Role of Local Elected Officials in Economic Development

- **Action Step** – Continue to review local, state and federal data looking for economic development trends.

**Goal: Support existing businesses and new prospects by providing useful information and data.**

- **Action Step** – Monitor monthly construction permits to track the existing commercial and industrial building inventory in the Grand Junction.
- **Action Step** – Monitor annual industrial and commercial rezoning and annexation approvals and track the vacant commercial and industrial parcels in Grand Junction.
- **Action Step** – Continue to conduct a bi-annual windshield survey of vacant industrial and commercial buildings.
- **Action Step** – Continue to partner with Commercial Realtors to include available properties on the Geographic Information System (GIS).
- **Action Step** – Offer training and resources to businesses in key areas such as sales and use tax compliance, GIS capabilities, and industrial wastewater pretreatment.
- **Action Step** – The Economic Development team will continue to focus on anticipating potential road blocks and problems in the development process and quickly respond with available options and potential solutions.

**Goal: Continue to explore opportunities and review requests to assist the business community through tax policies, financing options and financial incentives.**

- **Action Step** – Continue to discuss and evaluate business personal property tax exemption or refund program.
- **Action Step** – Evaluate tax policies and tax incentives, such as tax increment financing (TIF), that promote economic development.
- **Action Step** – Review and approve requests for financial assistance including Private Activity Bonds and financial incentives.

**Goal: Actively seek outside grant funding for projects that would advance economic development opportunities.**

- **Action Step** – Review grants, loans and financing opportunities available through the Colorado Office of Economic Development and International Trade.
- **Action Step** – Provide information on these grants, loans and financing opportunities on our website.
- **Action Step** – Monitor monthly federal grants that become available.
- **Action Step** – Research and apply for local, state and federal grants to fund infrastructure and public amenities.

# 1

## Economic Development Strategy and Action Plan

### 1.6 Investing in and Developing Public Amenities

In this Plan, the term 'public amenities' is used to describe various facilities and services that make a community an attractive place to live. These amenities include but are not limited to public safety, parks and recreation facilities, arts and culture and public buildings and areas. Investing in and developing public amenities may serve to attract new and retain existing businesses. Furthermore, people looking to relocate rely on existing and proposed public amenities as a measure of whether a neighborhood and community are a desirable place to live.

**Goal: Continue to make strategic investments in public amenities that support Grand Junction becoming "the most livable community west of the Rockies by 2025."**

- **Action Step** – Identify and invest in key facilities, recreation, amenities, arts and culture and infrastructure that promote our community and attract visitors.
- **Action Step** – Develop a system of regional, neighborhood and community parks protecting open space corridors for recreation and multi-modal transportation.
- **Action Step** – Create attractive public spaces and enhance the visual appeal of the community through quality development.
- **Action Step** – Enhance and accentuate the city's "gateways" including interstate interchanges and other major arterial streets leading into the city.

**Goal: Create and maintain a safe community through professional, responsive and cost effective public safety services.**

- **Action Step** – Continue to improve response times of emergency responders through technology and the planning and construction of fire stations in areas without adequate coverage.
- **Action Step** – Create opportunities to eliminate redundancy and improve fire and emergency medical services through consolidation and partnerships with other emergency response organizations.
- **Action Step** – Enhance professionalism and training through investments in the Regional Emergency Services Training Center.
- **Action Step** – Create opportunities to lower community property insurance costs by improving the Insurance Service Office Fire Protection Class.
- **Action Step** – Planning and code officials partner with the business community to eliminate road blocks while finding solutions that support economic development and maintain public safety.

**Goal: Continue to address crime and community safety concerns in a rapid and effective manner.**

- **Action Step** – Stay aware and, as possible, ahead of developing crime concerns by staying engaged with the residential and business community in order to be attentive to their perceptions of safety.
- **Action Step** – Consider the expansion and enhancement of specialized units within the Police Department that have a demonstrated track record of crime prevention and suppression. Such units may include:
  - Drug Task Force (DTF)
  - Street Crimes Unit (SCU)
  - Investigations (Persons and Property)
  - Code Enforcement
  - Traffic Team
  - Community Advocacy Program (CAP)
  - Homeless Outreach Team (HOT)

# 1

## Economic Development Strategy and Action Plan

### 1.7 Marketing the Strengths of Our Community

Marketing the strengths of our community is an essential aspect of economic development and may increase tourism and promote business attraction. The City of Grand Junction in conjunction with our Economic Development Partners plays an important role in defining the marketing of our community.

**Goal: Invest in marketing tourism as one component of economic development through the Visitor and Convention Bureau (VCB), whose mission is to "proactively market the Grand Junction Area, resulting in the positive economic impact of visitor dollars."**

- **Action Step** – Increase the economic impact of visitors' spending and report on return on investment.
  - Research, examine and identify new revenue options or funding mechanisms to achieve the goal of increased visitor spending.
  - Successfully implement annual marketing plans.
- **Action Step** – Further develop mutually beneficial tourism partnerships.
  - Promote and partner with special events.
  - Conduct the VCB listening tour and establish focus groups that include experts from the retail and tourism industries.
  - Look for ways to further engage the wine industry as members of and/or contributors to the marketing efforts that are so heavily weighted toward that industry.

**Goal: Identify and Coordinate Efforts of Economic Development Partners.**

- **Action Step** – Identify and understand the existing efforts of the Economic Development Partners.
- **Action Step** – As part of the annual budget process, evaluate the success of our current marketing efforts and identify potential opportunities for new or coordinated marketing efforts.

# 2

## Demographic Profile

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*Population*

*Workforce*

*Educational Attainment*

*Housing*

*Employment and Wages*

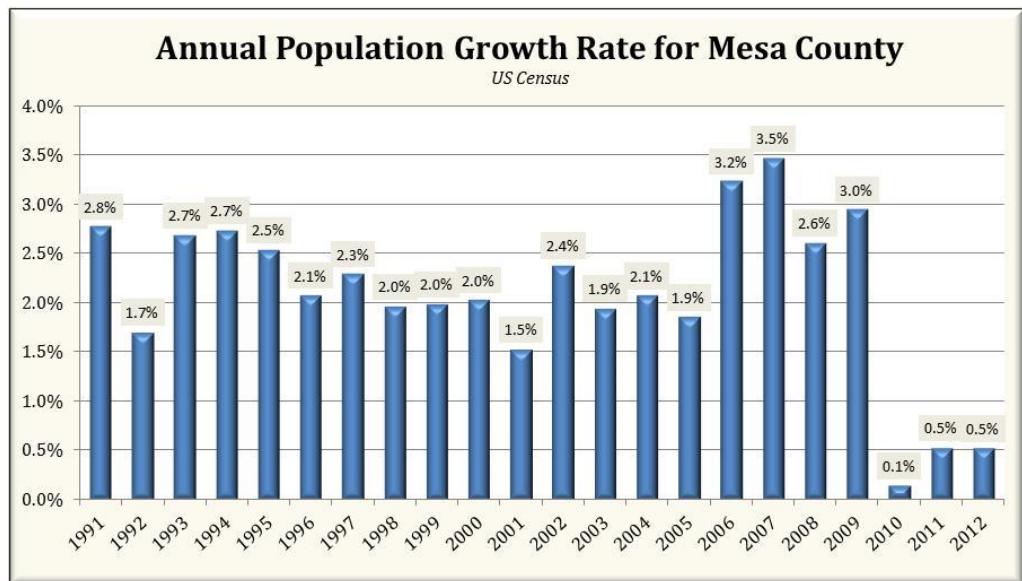
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# 2

## Demographic Profile

### 2.1 Population

The 2012 population of Grand Junction and Mesa County were estimated by the US Census Bureau to be 59,899 and 147,790 respectively. The graph below shows the annual growth rate (percentage increase) in Mesa County's population. Population growth was strong in the 1990s and 2000s. The growth rate peaked in the years 2006-2009 and has since slowed.



The State Demographer's Office projects that the population of Mesa County will increase to 182,744 by 2025. The following chart shows the population estimates by age group. The largest increase in population will occur in the population 65 years of age and older.

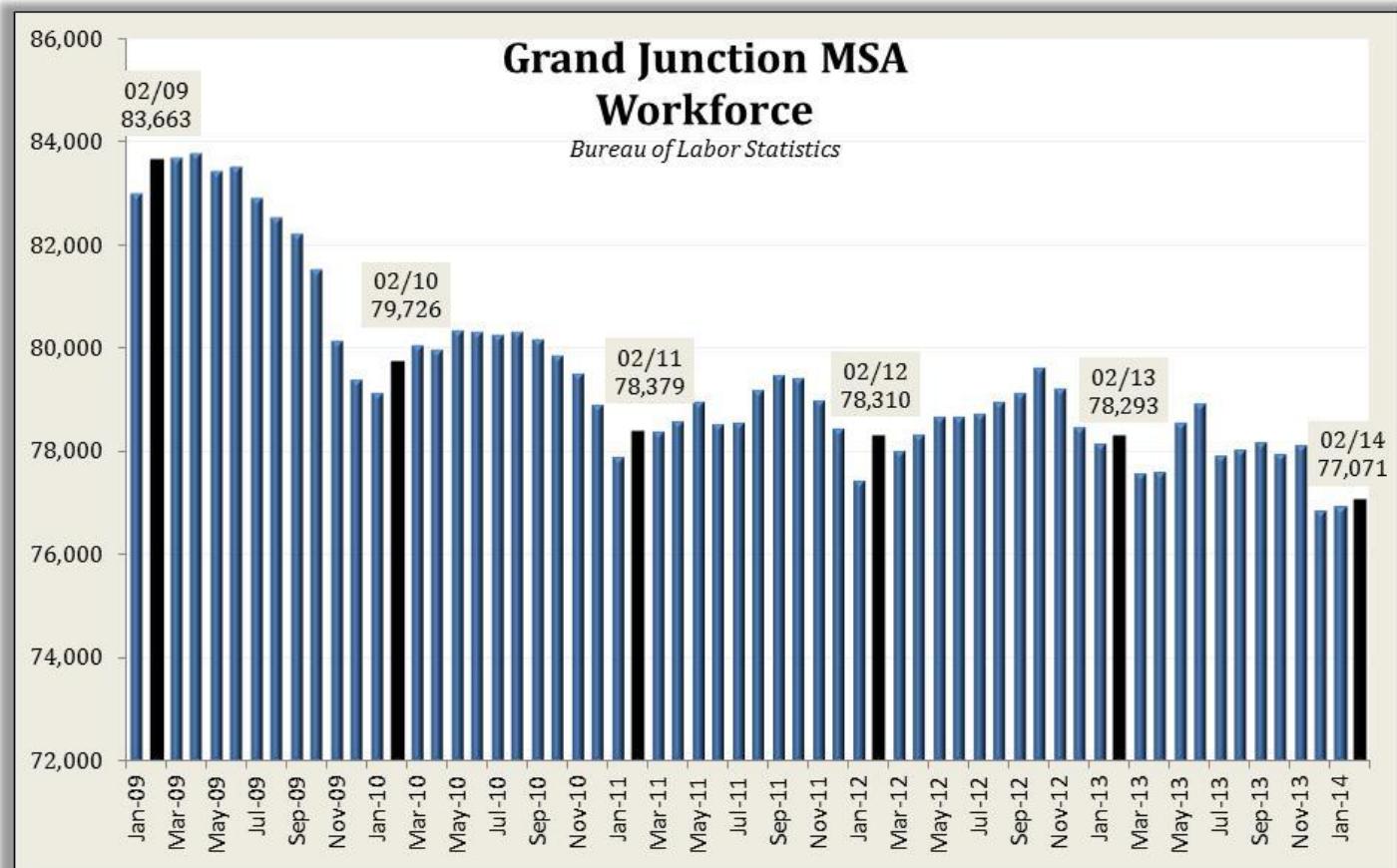
### Population Growth Estimates by Age Group

	2015		2020		2025		2015-2025 Pop.Change by Age	
	Population	%	Population	%	Population	%		
0 to 19	39,335	26%	42,565	25%	45,574	25%	6,239	16%
20 to 34	30,331	20%	31,096	19%	32,718	18%	2,387	8%
35 to 49	26,278	17%	30,370	18%	34,538	19%	8,260	31%
50 to 64	30,936	20%	30,547	18%	30,302	17%	(634)	-2%
65 to 79	19,167	13%	24,489	15%	29,334	16%	10,167	53%
80 +	7,173	5%	8,317	5%	10,278	6%	3,105	43%
Total	153,220		167,384		182,744		29,524	19%

Source: State Demographer's Office

## 2.2 Workforce

The Bureau of Labor Statistics reports monthly workforce and employment estimates and the unemployment rate. Below is a graph that shows the workforce in Grand Junction MSA for the past 5 years. Workforce includes individuals who are employed or actively seeking employment. It does not include discouraged workers who have left the workforce.



## 2.3 Educational Attainment

The US Census Bureau publishes data on the educational attainment of populations. In Grand Junction, of the population over 25 years of age, 90% have a high school degree or equivalent and 29% have a bachelor's degree or higher. Grand Junction has a lower percentage of population with a college degree than the state (37%).

## 2.4 Educational Attainment Levels by Cities      Housing

Percentage of Population over 25 with High School or College Degrees

*Sorted by College Degree*

	High School Degree	College Degree
The US Census Bureau estimates that the homeownership rate for Grand Junction was		
Boulder	96%	71%
Fort Collins	96%	52%
Denver	85%	42%
Longmont	87%	37%
Colorado	90%	37%
Colorado Springs	93%	36%
Lakewood	91%	36%
Westminster	90%	35%
Arvada	93%	35%
Loveland	93%	32%
Englewood	87%	31%
Glenwood Springs	86%	31%
Grand Junction	90%	29%
Aurora	86%	27%
Greeley	82%	26%
Montrose	83%	25%
Commerce City	76%	20%
Pueblo	84%	19%

*Source: US Census Bureau*

62% in

2012. The State Demographer estimates the 2012 Housing Vacancy Rate was 8.23%. The Colorado Division of Housing reported the 4th Quarter 2013 rental apartment vacancy rate to be 6.7%.

The average residential sales price in the 4th quarter of 2013 was \$175,000. Below is a graph depicting Zillow's Rent Index and Zillow's Home Value Index for Grand Junction and other locations in Colorado.

## Comparative Rents and Home Values

*Sorted by Zillow Home Value Index*

Zillow Rent Zillow Home Value

Index Index

Boulder Metro	\$ 1,600	\$ 353,900
Glenwood Springs	\$ 925	\$ 318,300
Fort Collins	\$ 1,522	\$ 248,100
Lakewood	\$ 1,554	\$ 246,900
Denver Metro	\$ 1,370	\$ 245,200
Arvada	\$ 1,580	\$ 240,200
Longmont	\$ 1,204	\$ 238,700
Colorado	\$ 1,260	\$ 234,800
Loveland	\$ 1,409	\$ 222,200
Englewood	\$ 1,473	\$ 218,400
Westminster	\$ 1,568	\$ 216,100
Commerce City	\$ 1,395	\$ 201,000
Colorado Springs Metro	\$ 1,100	\$ 198,900
Greeley Metro	\$ 1,080	\$ 190,100
Montrose Metro	\$ 1,155	\$ 175,100
Aurora	\$ 1,449	\$ 174,100
Grand Junction Metro	\$ 1,000	\$ 172,600
Pueblo Metro	\$ 894	\$ 107,600

*Source: Zillow, Data through 3/31/2014*

Mesa County assesses the value of real property every two years and on a case-by-case basis during the interim periods. The last assessment year was 2013 and the values are based on the appraisal value from the prior year (2012). As properties are sold, the Assessor updates the values. The following chart shows the number of residential units by category and the average valuation and square footage of those properties, as determined and reported by the Mesa County Assessors' Office.

### **Residential Analysis of Mesa County Assessor Data**

	Number of Buildings	Average Valuation	Average Sq. Footage	Value per Sq. Foot
Single Family	18,261	\$ 176,728	1,740	\$ 102
Townhomes	1,721	\$ 137,017	1,391	\$ 99
Condo	1,323	\$ 100,564	1,103	\$ 91
Duplex & Triplex	340	\$ 119,065	1,805	\$ 66
<b>Residential Average</b>		\$ 168,010	1,674	\$ 100
Multi-Family (9+ units)	295	\$ 373,255	7,613	\$ 49
Multi-Family (4-8 units)	248	\$ 195,111	3,009	\$ 65
<b>All Residential Average</b>		233,267	2,721	\$ 86

*Source: Mesa County Assessor*

## 2.5 Employment and Wages

The Bureau of Labor Statistics' Occupational Employment Statistics produces data on employment and wage estimates by Metropolitan Statistical Areas (MSA). The information is obtained through a semiannual survey of wage and salary workers. Grand Junction's 2013 average wage was \$41,247 and the average entry level wage was \$20,074. The chart below shows how Grand Junction compares to the other MSAs and the state

## 2013 Annual Wage and Employment Data

By State and MSA

Sorted by Average Wage

	Employment	Entry-Level Wage	Average Wage
Boulder/Longmont	163,010	\$ 22,896	\$ 55,643
Denver/Aurora	1,280,960	\$ 21,867	\$ 52,082
<b>Colorado</b>	<b>2,295,000</b>	<b>\$ 21,354</b>	<b>\$ 48,923</b>
Colorado Springs	245,910	\$ 20,400	\$ 45,379
Fort Collins/Loveland	136,810	\$ 20,252	\$ 45,269
Greeley	86,640	\$ 21,111	\$ 42,553
<b>Grand Junction</b>	<b>57,930</b>	<b>\$ 20,074</b>	<b>\$ 41,247</b>
Pueblo	55,440	\$ 18,747	\$ 38,959

Source: Bureau of Labor Statistics Occupational Employment Statistics

The US Department of Labor and the Bureau of Labor Statistics publish quarterly data on wages and employment based upon Unemployment Insurance liability payments (tax on wages). The following chart shows the year-to-date gross wages, average employment, average weekly wage, and average annual wage. The data is current through the 3rd quarter of 2013.

### Wages and Employment By Industry

*Sorted by Average Annual Wage*

	Total Wages	Average Employment	Average Weekly Wage	Average Annual Wage
Management of Companies/Enterprises	\$ 9,919,865	\$ 132	\$ 1,922	\$ 99,948
Mining	\$ 151,256,399	\$ 2,689	\$ 1,442	\$ 75,009
Utilities	\$ 9,865,044	\$ 194	\$ 1,306	\$ 67,918
Finance and Insurance	\$ 79,644,192	\$ 1,867	\$ 1,094	\$ 56,879
Wholesale Trade	\$ 87,738,320	\$ 2,302	\$ 977	\$ 50,826
Professional and Technical Services	\$ 79,815,824	\$ 2,213	\$ 925	\$ 48,089
Transportation and Warehousing	\$ 80,316,459	\$ 2,263	\$ 910	\$ 47,322
Construction	\$ 117,966,760	\$ 3,363	\$ 899	\$ 46,770
Government	\$ 308,174,988	\$ 8,982	\$ 880	\$ 45,747
Health Care and Social Assistance	\$ 280,941,400	\$ 8,975	\$ 803	\$ 41,735
Manufacturing	\$ 82,760,977	\$ 2,694	\$ 788	\$ 40,956
Information	\$ 24,163,301	\$ 804	\$ 771	\$ 40,088
Real Estate and Rental and Leasing	\$ 28,357,150	\$ 1,032	\$ 704	\$ 36,625
Other Services, Ex. Public Admin	\$ 37,452,421	\$ 1,690	\$ 568	\$ 29,542
Administrative and Waste Services	\$ 66,053,061	\$ 3,059	\$ 554	\$ 28,794
Retail Trade	\$ 153,350,781	\$ 7,740	\$ 508	\$ 26,417
Agriculture, Forestry, Fishing & Hunting	\$ 7,009,780	\$ 408	\$ 440	\$ 22,889
Educational Services	\$ 4,229,959	\$ 316	\$ 343	\$ 17,829
Unclassified	\$ 181,141	\$ 15	\$ 317	\$ 16,467
Accommodation and Food Services	\$ 77,161,462	\$ 6,435	\$ 307	\$ 15,987
Arts, Entertainment, and Recreation	\$ 8,693,248	\$ 919	\$ 242	\$ 12,608
<b>Total, All Industries</b>	<b>\$ 1,695,052,532</b>	<b>\$ 58,093</b>	<b>\$ 748</b>	<b>\$ 38,904</b>

*Source: Quarterly Census of Employment and Wages, BLS*

# 3 Land Use

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*Zoning Summary*

*Residential Summary*

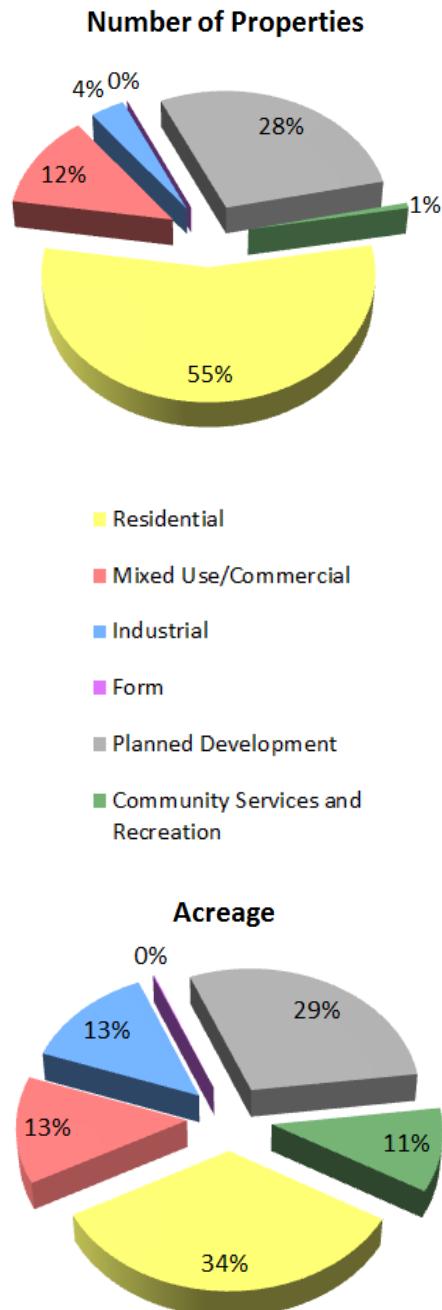
*Commercial Summary*

*Industrial Summary*

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# 3

## Land Use



### 3.1 Zoning Summary

The City's land use regulations play a key role in determining the potential for economic development. In many communities uses are only allowed within specific zones - residential uses only in residential zones, commercial uses only in commercial zones and industrial uses only in industrial zones. However, within the City of Grand Junction, residential uses are allowed in commercial zones, commercial uses are allowed in industrial zones and industrial uses are allowed in commercial zones. This type of zoning places Grand Junction in a very unique position allowing for many opportunities that comparable cities are unable to permit.

The City has five districts (residential, mixed use, industrial, form and planned development) made up of 26 zones. The residential districts contain the largest number of properties (15,640), followed by planned development (8,026), mixed use/commercial (3,647), industrial (1,017) and form districts (5).

The following is a list of the zone districts and the number of properties associated with each zone. Although the Community Services and Recreation zone allows a variety of uses, including commercial, it has been separated from the mixed use district due to the parks and open space uses typically associated with the zone.

	Properties	Acreage	Square Feet
• Residential Districts			
▪ Residential-Rural (R-R)	53	313	13,634,280
▪ Residential-Estate (R-E)	21	184	8,015,040
▪ Residential-1 (R-1)	263	464	20,211,840
▪ Residential-2 (R-2)	934	792	34,499,520
▪ Residential-4 (R-4)	3,205	1,742	75,881,520
▪ Residential-5 (R-5)	3,326	1,205	52,489,800
▪ Residential-8 (R-8)	6,683	1,959	85,334,040
▪ Residential-12 (R-12)	301	88	3,833,280
▪ Residential-16 (R-16)	476	138	6,011,280
▪ Residential-24 (R-24)	378	160	6,969,600
• Mixed Use/Commercial Districts			
▪ Residential Office (R-O)	453	95	4,138,200
▪ Neighborhood Business (B-1)	250	117	5,096,520
▪ Downtown Business (B-2)	897	142	6,185,520
▪ Light Commercial (C-1)	1,269	1,167	50,834,520
▪ General Commercial (C-2)	746	813	35,414,280
▪ Mixed Use (M-U)	22	296	12,893,760
▪ Business Park Mixed Use (BP)	10	121	5,270,760
• Industrial districts			
▪ Industrial/Office Park (I-O)	149	459	19,994,040
▪ Light Industrial (I-1)	649	1,713	74,618,280
▪ General Industrial (I-2)	219	603	26,266,680
• Form Districts			
▪ Mixed Use Residential (MXR)	0	0	0
▪ Mixed Use General (MXG)	5	28	1,219,680
▪ Mixed Use Shopfront (MXS)	0	0	0
• Planned Development			
▪ Planned Airport District (PAD)	163	2,421	105,458,760
▪ Planned Development (PD)	7,863	3,621	157,730,760
• Community Services and Recreation (CSR)	198	2,153	93,784,680

### *Residential Zone District Description*

The residential zone districts typically allow detached single family residences in the lower density zones (RR, R-E, R-1, R-2, R-4, R-5 and R-8) and multifamily development in the higher density zones (R-5, R-8, R-12, R-16 and R-24). The number associated with the zone describes the density or units per acre (e.g., 2 refers to 2 units per acre and 12 refers to 12 units per acre). With very few exceptions, commercial uses are not allowed in residential zones.

### *Commercial Zone District Description*

The mixed use/commercial zone districts are Grand Junction's most accessible zone districts. In addition to typical commercial uses, the mixed use zones allow single-family detached in the R-O zone and multifamily development in all of the mixed use zones. Furthermore, indoor industrial operations and storage are allowed in the B-1, C-1, C-2, MU and BP zones and indoor operations with outdoor storage are allowed in the C-1, C-2, MU and BP zones. The variety of allowed uses makes the mixed use districts the most advantageous zones within the City.

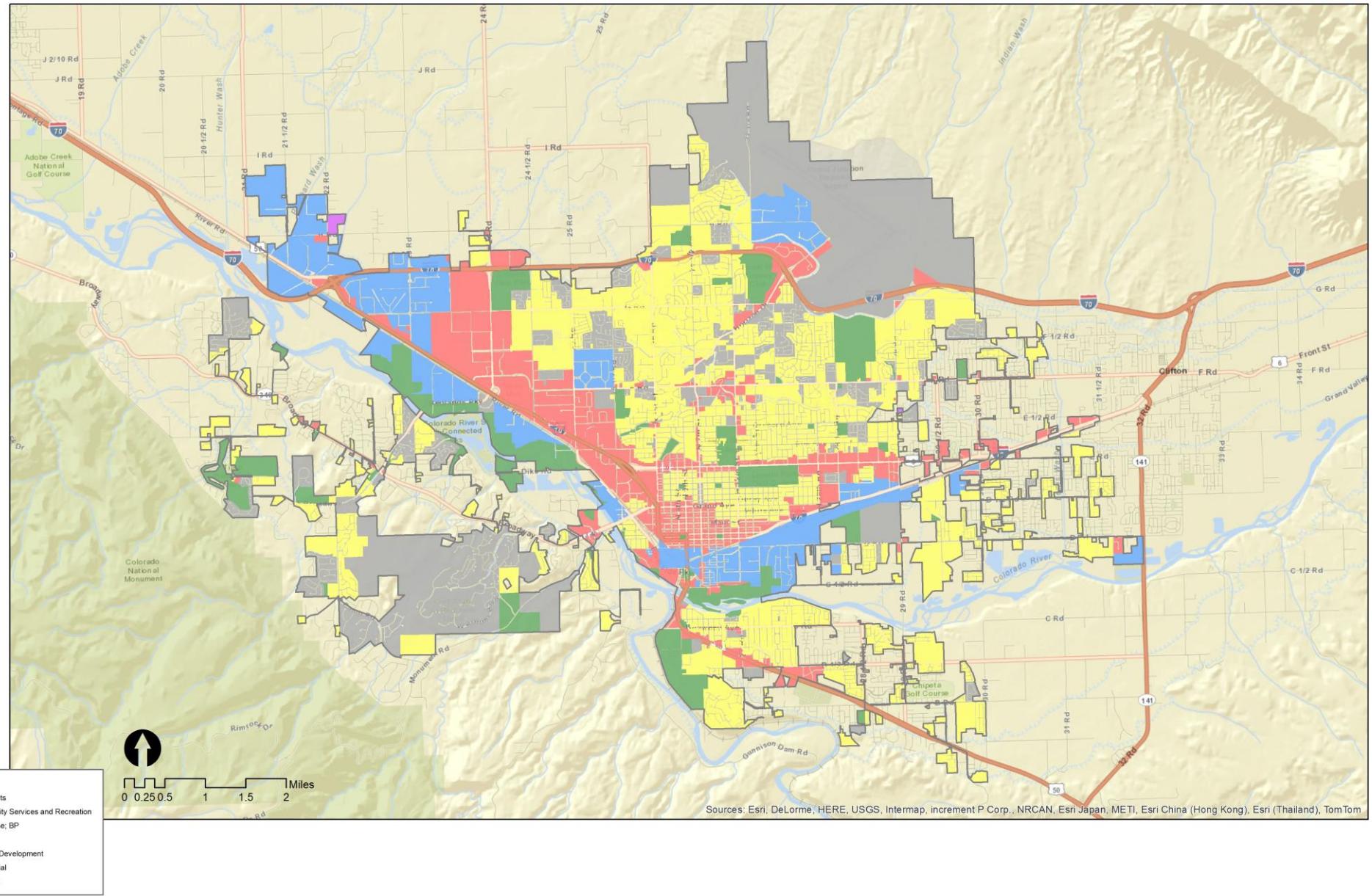
### *Industrial Zone District Description*

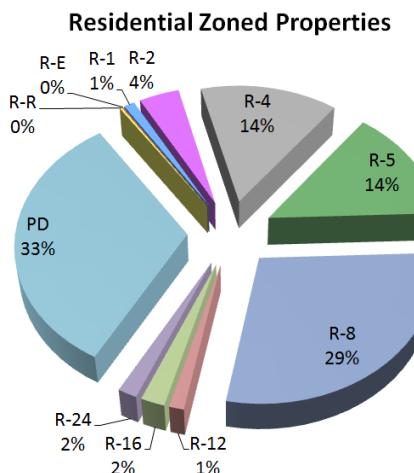
In addition to typical industrial uses, industrial zone districts allow many commercial uses include lodging, offices, restaurants and vehicle repair. Retail is allowed in the industrial zones but a retail use is limited to 10% of the gross building area.

### *Planned Development District Description*

When applied, the planned zone district can contain a mixture of uses (residential, commercial or industrial) or be a single use development. A developer applies for a planned zone when there is a need for flexibility that the other zone districts cannot allow. The desired flexibility may be requested for building dimensions, uses or density and can only be approved when a long-term community benefit is present.

# Zone District Map





## 3.2 Residential Summary

### *Residential Summary*

There are over 1,500 vacant properties that are ready for residential development in Grand Junction. Over the last 14 years, 472 residential properties on average per year have been developed. However, since 2009 that average has dropped to 169. Based on these averages there is between three and five years' worth of residential inventory.

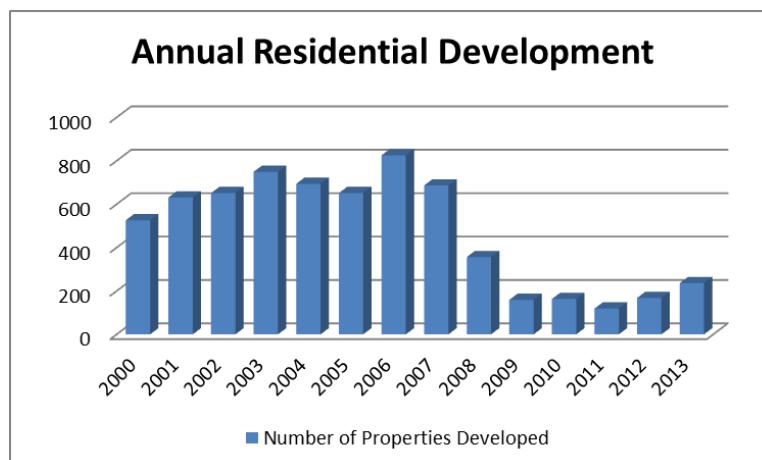
### *Residential Zoning*

The City has 11 zones that allow residential development. The residential zones and the associated properties and acreage are listed below:

	Properties	Acreage	Square Feet
▪ Residential Districts			
▪ Residential-Rural (R-R)	53	313	13,634,280
▪ Residential-Estate (R-E)	21	184	8,015,040
▪ Residential-1 (R-1)	263	464	20,211,840
▪ Residential-2 (R-2)	934	792	34,499,520
▪ Residential-4 (R-4)	3,205	1,742	75,881,520
▪ Residential-5 (R-5)	3,326	1,205	52,489,800
▪ Residential-8 (R-8)	6,683	1,959	85,334,040
▪ Residential-12 (R-12)	301	88	3,833,280
▪ Residential-16 (R-16)	476	138	6,011,280
▪ Residential-24 (R-24)	378	160	6,969,600
• Planned Development (PD)	7,675	2,420	105,415,200
Total	23,315	9,465	412,295,400

### *Build-Out Analysis*

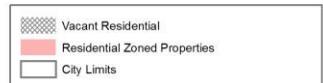
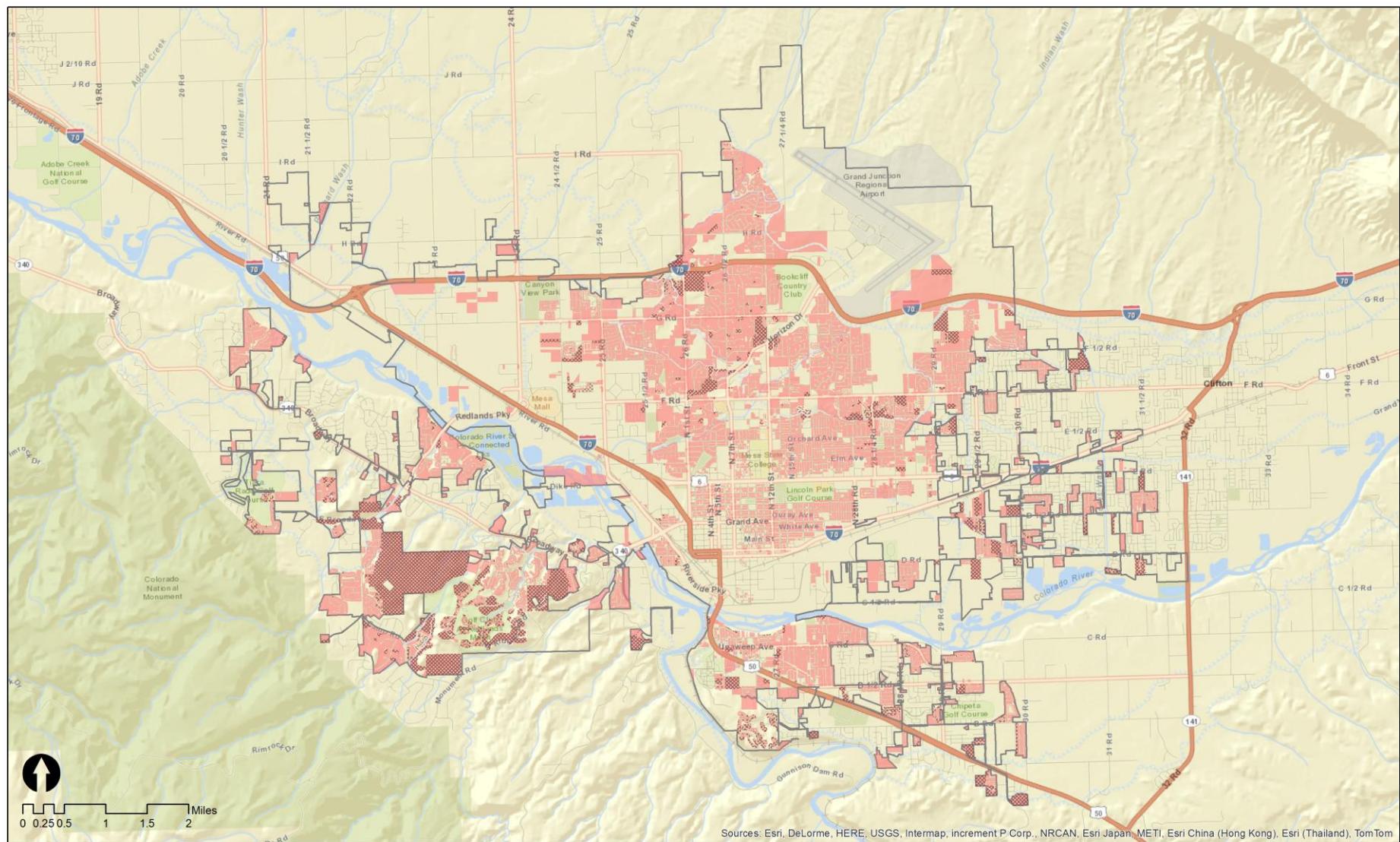
There are a total of 23,315 properties that are zoned residential covering 9,465 acres. Of the 23,315 properties, 1,508 properties have been identified as being vacant. The vast majority of the vacant properties are sites ready for residential development. Ninety-five of these properties are greater than two acres (totaling 1,180 acres) and could be further subdivided. Since 2000, 6,614 residential properties have been developed averaging 472 properties per year. However, since 2009 that average has dropped to 169. Using these two averages led to the conclusion that there is between three and five years' worth of residential inventory.

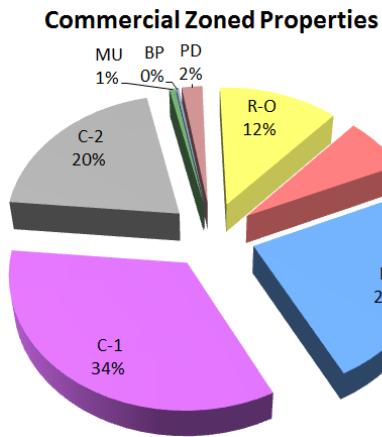


### *Future Residential Properties*

In addition to the properties that are ready for residential develop, there is another group of properties that have the potential of being annexed and zoned residential due to the residential designation on the Future Land Use Map. There are approximately 13,674 properties that have a Future Land Use designation of residential and are outside the city limits and inside the Persigo 201 Boundary. Of the 13,674 properties, the Mesa County Assessor indicates that 297 or approximately 2,070 acres are vacant. These properties would be considered future residential properties for long-term demand. Since 2000, 6,636 residential units on 1,456 acres have been developed within the City. This is an average of 448 units on 106 acres per year. Based on these averages there is up to 20 years of future residential inventory.

# Residential Zoning Map





### 3.3 Commercial Summary

#### Commercial Summary

With a vacancy rate of 7% and over 565 acres of readily developable property, Grand Junction is in a great position for commercial development over the next several years.

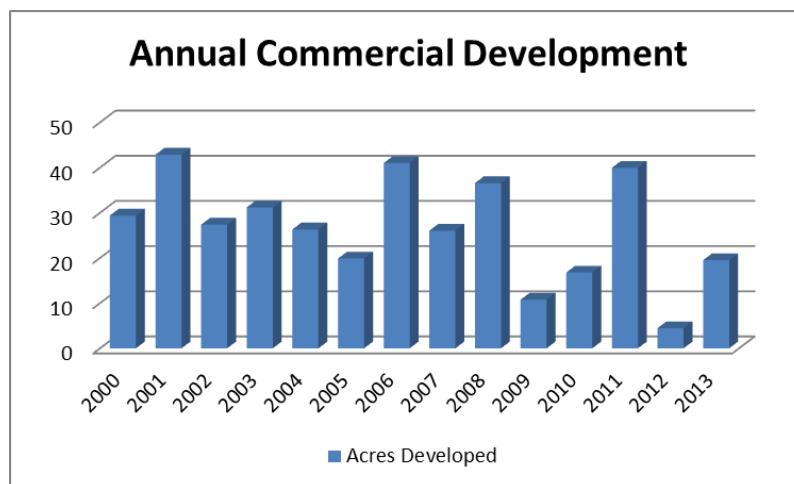
#### Commercial Zoning

The City has eight zones where commercial, some industrial and residential uses are allowed. The commercial zones and the associated properties and acreage are listed below:

	Properties	Acreage	Square Feet
▪ Mixed Use Districts			
▪ Residential Office (R-O)	453	95	4,138,200
▪ Neighborhood Business (B-1)	250	117	5,096,520
▪ Downtown Business (B-2)	897	142	6,185,520
▪ Light Commercial (C-1)	1,269	1,167	50,834,520
▪ General Commercial (C-2)	746	813	35,414,280
▪ Mixed Use (M-U)	22	296	12,893,760
▪ Business Park Mixed Use (BP)	10	121	5,270,760
• Planned Development	78	304	13,242,240
Total	3,725	3,055	133,075,800

#### Build-Out Analysis

A major factor in the future competitiveness of Grand Junction's commercial base is the supply and quality of its vacant commercial lands. There needs to be a balanced inventory of "ready to develop" vacant commercial properties that are sufficient to meet market demand in the short to medium term and properties held in reserve for long-term demand. "Ready-to-develop" properties are identified as those which are currently zoned "commercial" and have at least water and sewer within 100 feet of the property.



Of the 3,725 commercial zoned properties, 352 parcels or 565 acres are vacant and ready to develop. Over 100 of these vacant and ready-to-develop properties are between 1 and 15 acres and 13 properties are greater than 15 acres. Most of the larger properties are located along the 24 Road corridor. To give this some perspective, since 2000, 477 acres of commercial land was developed or an average of 34 acres per year. The average size of the developed properties was approximately 1 acre. Using the 14-year average, Grand Junction has up to a 16-year inventory of vacant, ready-to-develop commercial property.

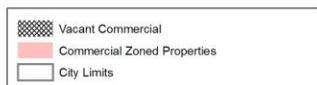
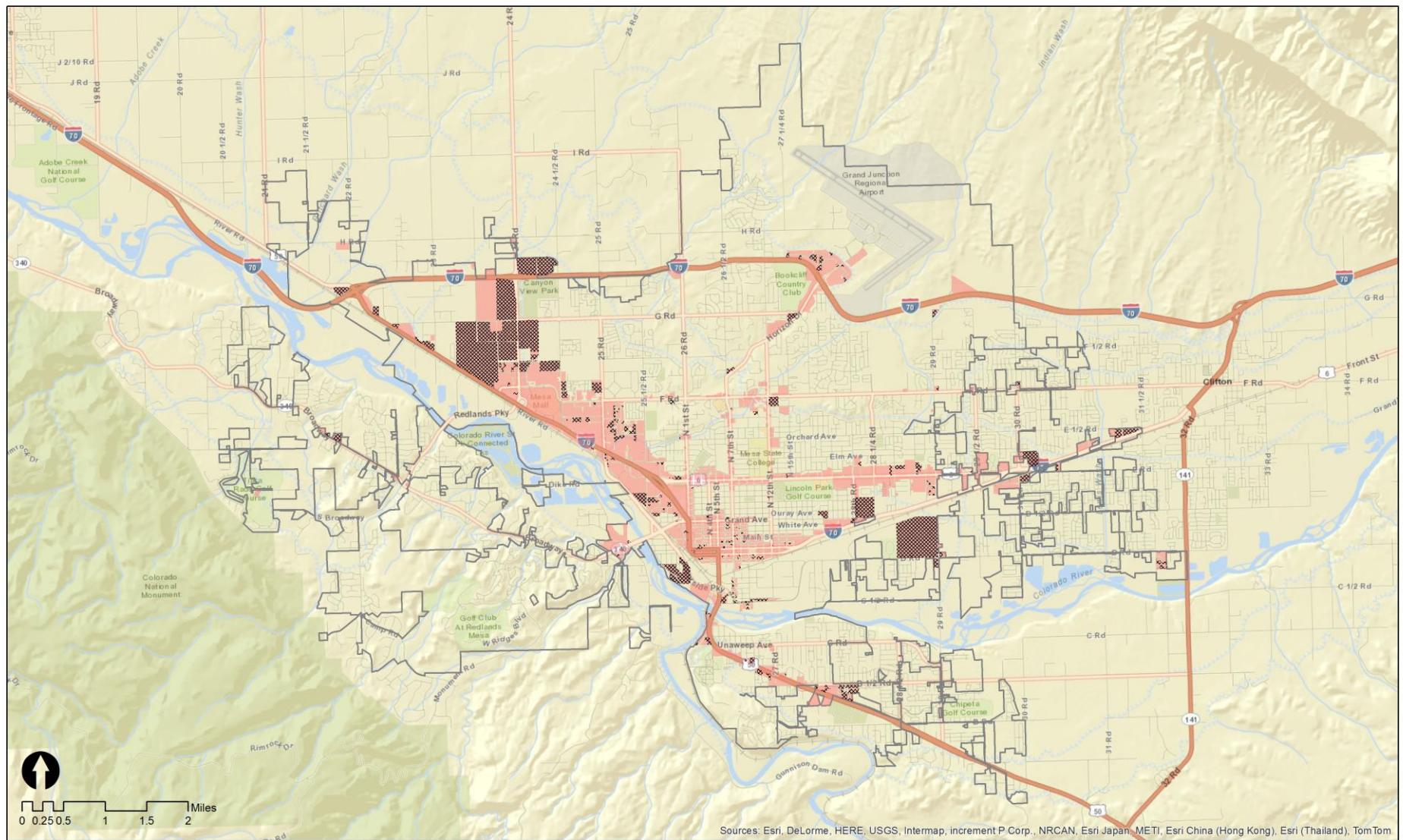
### *Future Commercial Properties*

In addition to the properties that are ready to develop, there is another group of properties that are either zoned appropriately, but lack needed infrastructure, or have the potential of being annexed and/or zoned commercial due to the commercial designation on the Future Land Use Map. This group of approximately 104 properties containing 455 acres would be considered future commercial properties for long-term demand.

### *Vacant Commercial Zoned Buildings*

The Planning Division conducts a vacant building survey twice a year. At the end of 2013, the survey identified 230 commercial buildings that have a total of 1,117,564 square feet of vacant space. Based on the total amount of commercial zoned and used building space (14,652,498 square feet), Grand Junction has a vacancy rate for commercial buildings of approximately 7%.

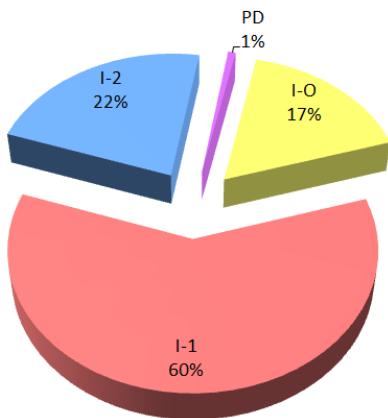
# Commercial Zoning Map



# 3

## Land Use

### Industrial Zoned Properties



### 3.4 Industrial Summary

#### *Industrial Summary*

With a vacancy rate of 8% and over 600 acres of readily developable property, Grand Junction is also in a great position for industrial development over the next several years.

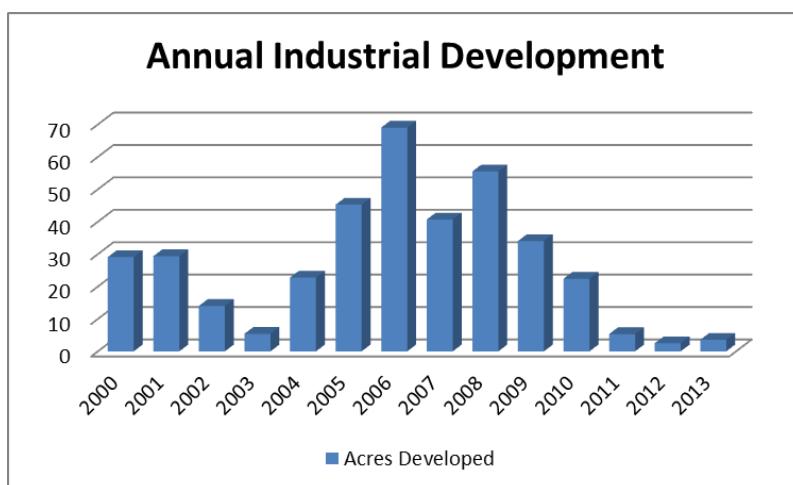
#### *Industrial Zoning*

The City has three industrial zones. The industrial zones and the associated parcels and acreage are listed below:

	Properties	Acreage	Square Feet
▪ Industrial districts			
▪ Industrial/Office Park (I-O)	149	459	19,994,040
▪ Light Industrial (I-1)	649	1,713	74,618,280
▪ General Industrial (I-2)	219	603	26,266,680
• Planned Development (PD)	4	20	871,200
Total	1,021	2,795	121,750,200

#### *Build-Out Analysis*

A major factor in the future competitiveness of Grand Junction's industrial base is the supply and quality of its vacant industrial lands. There needs to be a balanced inventory of "ready to develop" vacant industrial properties that are sufficient to meet market demand in the short to medium term and properties held in reserve for long-term demand. "Ready-to-develop" properties are identified as those properties which are currently zoned "industrial" and have at least water and sewer within 100 feet of the property.



Of the 1,021 industrial zoned properties, 175 properties or 611 acres are ready to develop. Over half (104) of these properties are between 1 and 15 acres. To give this some perspective, since 2000, over 375 acres of industrial land was developed or an average of 27 acres per year. The average size of the developed properties was approximately 3 acres. Using the 14-year average, Grand Junction has up to a 23-year inventory of vacant, ready-to-develop industrial property. It should also be mentioned that there are several industrial parks located outside of Grand Junction that contain large developable properties.

Another aspect that needs to be taken into account is the amount of land that is available for sale. The Grand Junction Economic Partnership has created a website that allows property for sale or lease to be posted by the owner or realtor. Currently this website lists 21 industrial properties totaling 377 acres that are for sale. These properties range from two acres to over 100 acres. This is a newly created website and there are probably more properties for sale or lease that have not been added to the list.

### *Future Industrial Properties*

In addition to the properties that are ready to develop, there is another group of properties that are either zoned appropriately, but lack needed infrastructure, or have the potential of being annexed and/or zoned industrial due to the industrial designation on the Future Land Use Map. This group of approximately 124 properties containing 733 acres would be considered future industrial properties for long-term demand.

### *Vacant Industrial Zoned Buildings*

The Planning Division conducts a vacant building survey twice a year. At the end of 2013, the survey identified 44 properties that have a total of 319,163 square feet of vacant space. Based on the total amount of building space that is zoned and used for industrial purposes (3,978,042 square feet), Grand Junction has an industrial vacancy rate of approximately 8%.

# Industrial Zoning Map

