



MEDIA RELEASE

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City of Grand Junction and Housing Resources of Western Colorado Announce New Opportunities for Home Ownership

GRAND JUNCTION, Colo. June 4, 2024 – The City of Grand Junction is working with Housing Resources of Western Colorado to provide downpayment assistance to qualified homeowners in addition to offering support for lowering the purchase price of 10 townhomes in the Row Homes in Meridian Park. This is part of the city's overall commitment and adopted strategy to create opportunities for more residents to achieve affordable homeownership.

"The city is committed to investing in ways to provide affordable housing, including homeownership opportunities, to community members in partnership with for-profit and non-profit housing developers," stated Tamra Allen, Community Development director. "This investment is symbolic of the city's commitment to this issue and its efforts to ensure housing affordability, particularly as mortgage rates remain high and housing costs continue to escalate."

"Additionally, homeownership strengthens neighborhood stability and promotes economic prosperity for households," continued Allen.

Housing Resources received a \$1,000,000 grant from the city for the purpose of offering downpayment assistance in the form of a revolving loan fund for income-qualified households to use addressing the rapid inflation in homeownership costs.

City Council approved a request from Housing Resources for \$250,000 to use city American Rescue Plan Act (ARPA) grant funds and an additional \$100,000 from the city budget for the immediate acquisition of land to build 10 townhomes in the Row Homes in Meridian Park which will be recaptured as a downpayment assistance loan for each income-qualifying household at closing. As part of ongoing efforts to increase affordable housing stock, City Council approved Housing Resources request to increase the downpayment amount from \$25,000 to \$35,000 specifically for these 10 units.

"Housing Resources is grateful for the City Council's support of our affordable housing programs, including our homeownership programs," said Emilee Powell, executive director of Housing Resources. "The community Downpayment Assistance Program has been really successful, and we are committed to raising more funds to keep it going. Buying a home is a long process and we encourage people to visit with us early so they can work on their budgets, savings, and credit."

In addition, to enhancing program accessibility and effectiveness, Housing Resources received additional state downpayment assistance funding in 2023, allowing residents in Mesa, Montrose, and Delta counties to access up to \$30,000 in assistance. Several local lenders worked with Housing Resources to determine how loan programs could be stacked together and with CHFA mortgage financing to provide the maximum assistance possible.

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To keep up with the rise of housing costs, increased mortgage rates, and limits to housing stock within set price ranges, the State of Colorado homeownership programs and Proposition 123 homeownership program guidelines for funds used for downpayment assistance have recently been updated to increase eligibility for households up to 120 percent Area Median Income (AMI) or approximately \$104,400 for a family of four. Adjusting the AMI threshold reflects the economic realities and ensures that the housing program remains relevant and effective.

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