

CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO.05-22

**AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT REQUEST TO THE DEPARTMENT OF LOCAL AFFAIRS (DOLA) FOR THE REDEVELOPMENT OF THE PROPERTY LOCATED AT 200 ROOD AVENUE, GRAND JUNCTION, COLORADO BY RICHMARK REAL ESTATE PARTNERS, LLC AND CONFIRMING CITY COUNCIL SUPPORT FOR THE GRANT**

Recitals:

In October 2021 the City of Grand Junction ("City") adopted a Housing Strategy that among other things included the need to identify strategies regarding financial incentives for new housing development and redevelopment.

For several years the property at 200 Rood Avenue (the former City Market site) has been vacant and is a blighted area in Downtown Grand Junction.

As stated in this Resolution, the 200 Rood Avenue property and the possible redevelopment thereof presents the first opportunity since adoption of the Housing Strategy for the City Council to consider incentivizing new housing development and redevelopment.

Also, in October 2021 Richmark Real Estate Partners LLC ("Richmark") acquired the property at 200 Rood Avenue. Richmark is proposing to demolish the vacant 66,000 square-foot building and redevelop the site with 256 for-rent multifamily housing units to be known as *The Junction*.

Richmark has provided the City with a feasibility analysis of *The Junction* project. The Feasibility Analysis identifies a \$7,500,000 funding gap which Richmark maintains must be closed in order to make the project economically practicable and thusly, Richmark is requesting financial participation from the City and the Downtown Development Authority.

With a public funding commitment of \$1,180,784 Richmark will dedicate 10 percent of the units (26) to be income-restricted to 80 percent AMI for a minimum of 31 years, with first priority for rental of those units being given to first responders and other City employees and School District 51 personnel.

Because *The Junction* project presents potential for significant economic growth and development together with the remedying of a blighted property, among other benefits, the City Council has determined that making a financial contribution to the project commensurate with the impact fees the project would pay is necessary, proper and in the interest of the public health, safety and welfare.

Accordingly, with the adoption of this Resolution the City Council pledges \$550,000 in support of the DOLA grant application, with the source of that money being the value of impact and other fees for the project including parks and recreation, transportation capacity, utility, police and fire fees as if it were fully developed.

Additionally, with the adoption of this Resolution the City Council authorizes the City Manager to submit a grant to DOLA for the *Innovative Housing Strategies: Affordable Housing Development Incentive Grant* (as authorized by HB21-1271) in and for \$3,000,000 to assist, if the grant is awarded, in enabling *The Junction* housing project to be constructed.

Furthermore, with the adoption of this Resolution the City Council commits, if the DOLA grant application is fully funded, to participate in funding *The Junction* project utilizing the City's current Redevelopment Area Incentive policy. Among other things that policy will reduce the Transportation Capacity Payment in the amount of \$630,784 (or the full amount of the eligible reduction based on Resolution 93-19, which is dependent upon the TCP fee schedule in place at the time of project submittal.)

NOW THEREFORE, BE IT RESOLVED THAT:

This Resolution shall be in full force and effect upon adoption by the City Council and, as provided herein, concerns and relates to the intended Richmark Real Estate Partners, LLC redevelopment of the property located at 200 Rood Avenue, Grand Junction, Colorado to provide no less than 256 for-rent multifamily housing units to be known as *The Junction*.

With the adoption of this Resolution the City Council is not deciding any matter that relates, or may be claimed to relate, to land use approval(s) or any other matter not taken up herein or herewith.

PASSED, ADOPTED AND APPROVED this 5<sup>th</sup> day of January 2022.

CITY COUNCIL OF THE CITY OF GRAND JUNCTION

  
C.B. McDaniel  
President of the Council

ATTEST:

  
Wanda Winkelmann  
City Clerk

