

RESOLUTION NO. 52-25

A RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN A LETTER OF INTENT FOR BRIKWELL, LLC TO PURCHASE LOT TBD OF APPROXIMATELY 4.42 ACRES OF PROPERTY AT 450 28 ROAD FOR AFFORDABLE HOUSING DEVELOPMENT

RECITALS:

In January 2025, the City of Grand Junction acquired the 21.78-acre Salt Flats property for the purpose of future affordable and attainable housing development. Shortly thereafter, the City issued a competitive Request for Proposals (RFP) to select private development partners. Brikwell—an experienced affordable and market-rate multifamily housing developer—was selected to serve as Master Developer for the full site and as the developer for two phases of the project.

Brikwell has submitted a Letter of Intent proposing to develop “The Ascent at Salt Flats,” a 144-unit mixed-income housing project on approximately 4.42 acres of the Salt Flats property.

The proposed project will provide a range of affordable and attainable housing options and aligns with the City’s Housing Strategy and Proposition 123 commitments.

Brikwell’s proposal identifies that the City’s contribution would be approximately \$2.52 million in the form of in-kind equity, calculated on a per-unit basis, through conveyance of land rather than cash contribution. In exchange, the City will hold ownership interest in the project.

Providing land as an equity asset reduces up-front development costs, strengthens the capital stack, and increases competitiveness for Low-Income Housing Tax Credit (LIHTC) awards, while ensuring the private sector retains responsibility for design, financing, construction, and operations.

The City’s equity position also enables property, sales, and use tax exemptions that reduce project costs and ensure long-term affordability. A future Land Contribution agreement would only proceed if Brikwell secures LIHTC funding from the Colorado Housing and Finance Authority, the property is subdivided, and City Council grants approval.

If these contingencies are not met, the agreement will not proceed, and no land transfer will occur. Final agreements will return to City Council for approval following a successful LIHTC award.

NOW, THEREFORE, LET IT BE RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

That the City Manager is hereby authorized to sign a Letter of Intent with Brikwell, LLC for the conveyance of approximately 4.42 acres at 450 28 Road as the City's in-kind equity contribution for "The Ascent at Salt Flats," contingent upon Brikwell's receipt of LIHTC funding, and to carry out actions consistent with the terms described herein. The City Manager is directed to take all necessary actions to carry out the intent of this Resolution.

PASSED and ADOPTED this 20th day of August, 2025.



Cody Kennedy
President of the City Council



Selestina Sandoval
City Clerk





August 20, 2025

City of Grand Junction
C/O Mike Bennett – City Manager
250 N. 5th Street
Grand Junction, CO 81501
mike.bennett@gjcity.org
Direct 970.256.4023

Letter of Intent to Purchase Lot(s) TBD of approximately 4.42 acres located East of 28 Road, North of Grand Avenue and South of Gunnison Avenue.

This letter represents a preliminary understanding between Brikwell ("BW") and the City of Grand Junction ("City" or "Seller"). This Letter of Intent ("LOI") outlines terms by which BW or any of its affiliates, joint venture partnerships, and/or assigns ("Buyer"), may acquire from the City Lot(s) TBD of approximately 4.42 acres of land in the Grand View Commons subdivision aka Salt Flats ("Property") for development of approximately 144 affordable homes ("Project").

1. **Property:** The Property also known as Lot(s) TBD of approximately 4.42 acres consists of a portion of parcel #2943-182-24-004, highlighted in the attached Exhibit A.
2. **Intended Use:** Brikwell intends to develop a three-story affordable apartment product for lease at a target density of 33 dwelling units/developable acre to serve a population with an average income at or below 60% AMI ("Intended Use"). The estimated net developable acreage of ~4.42 acres at a target density of 33 dwelling units/developable acre equates to 144 residential units. The Intended Use will additionally provide a leasing center/clubhouse, parking, and other site amenities.
3. **Purchase Price:** The purchase price for the Property will be **\$2,520,000.00** (~\$579,849/acre) ("Purchase Price").
4. **Open of Escrow:** Escrow will be deemed open on the date when a fully executed Purchase and Sale Agreement and the Earnest Money Deposit has been delivered to the title company ("Escrow Agent") ("Escrow Opening Date"). Escrow Agent will advise Buyer and Seller in writing of the Escrow Opening Date, expiration of Buyer's Property Review Period date, Escrow Close Date and any other pertinent dates within Purchase Contract ("Critical Dates").
5. **Property Review Period:** Buyer shall have the right for a one-hundred twenty (120) day Property Review Period commencing upon the later of Escrow Opening Date or Buyer's receipt of the Survey, legible Schedule B title report, and Seller Delivery Items. During the Property Review period Buyer will work to satisfy Conditions Precedent attached in Exhibit B, and may perform all necessary feasibility studies, reviews, investigations, and analysis, including invasive testing. Access to site shall be granted within 24 hours of request by Buyer. As part of the contemplated sale the City may contribute the Property for the Intended Use in accordance with a possible joint venture agreement(s) by which the contribution will provide the City with an equity interest in the project. The Buyer intends for the City's equity interest to result in the



project being exempt from property tax and sales and use tax. The City has not determined that an equity interest as contemplated will result in tax exemption and the City expressly reserves the right to consult with tax and/or public finance counsel to render an opinion on which the City may rely prior to any sale/contribution being made.

6. **Entitlement Period:** Buyer shall have Fifteen (15) months from the later of: 1) the successful allocation of Low Income Housing Tax Credits ("LIHTC") or 2) the expiration of the Property Review Period to pursue and achieve municipal approval of Buyer's multifamily site plan/entitlements, multifamily development building permits, site development plan, stormwater and grading permits, water and sanitary district multifamily approvals ("Municipal Approvals") for the Intended Use.
7. **Close of Escrow:** Close of Escrow shall occur thirty (30) days after the earlier of; 1) receipt of the Municipal Approvals, or 2) the end of the Entitlement Period. Buyer at Close of Escrow will accept the City's contribution of land value as equity in the ownership of the Project for the Intended Use. Buyer may elect to extend closing for two additional periods of ninety (90) days for \$20,000 for each extended period or portion thereof ("Extension Payment(s)"). Any Extension Payment(s) made by the Buyer is non-refundable and will not be applied to the Purchase Price. Buyer shall provide ten (10) days of notice to Seller prior to extending closing. All earnest money deposit(s) shall be applied to the Purchase Price.
8. **Escrow Agent and Title Company:** Land Title Guarantee Company, 3033 East First Avenue, Suite 600, Denver, Colorado 80206, c/o Ryan Melchior, 303-503-7402, rmelchior@ltgc.com
9. **Title Commitment, Deed and Title Policy:** Promptly after Escrow Opening Date, Seller will provide to Buyer a title insurance commitment declaring the condition of title to the Property along with readable copies of all recorded documents including all exceptions to title that are described in Schedule B of the title commitment. Buyer will have until the expiration of the Property Review Period to disapprove said commitment in writing to Escrow Agent and Seller. Seller will also provide to Buyer at or prior to Escrow Close Date a Special Warranty Deed and a Standard Owners Title Insurance Policy in the amount of the full Purchase Price on the Property, subject only to matters of record approved by Buyer. Buyer will pay the cost of extended coverage.
10. **Plans, Other Documents:** The Seller will provide copies of all existing documents, reports, filings, CCR's, surveys, engineering assessments in Seller's possession or created before Close of Escrow and reasonably available to the Seller related to the Property within seven (7) days of the Escrow Opening Date ("Seller Delivery Items").
11. **Assessments/Pro-rations/Closing fees:** Buyer and Seller agree, at Close of Escrow, the Buyer will pay any closing costs and escrow fees. Seller will pay the cost for a Standard Owners' Title Insurance Policy and Buyer will pay the additional cost associated with the Extended Owners' Title Insurance Policy and any endorsements thereto.
12. **Commission/Representation:** Buyer represents that it has engaged not engaged as a buyer's representative broker in connection with this transaction.



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13. **Broker Disclosure:** Certain principals and employees of Buyer or its affiliates may be licensed Colorado real estate brokers and salespersons. Buyer represents that it has not engaged a buyer's representative broker.
14. **Definitive Agreement:** This Letter of Intent and provisions set forth herein are not to be considered, by either the Buyer or the City, as comprising binding agreements, obligations or responsibilities. After execution of this Letter of Intent by Seller, the City and Buyer agree to negotiate in good faith to execute a Purchase and Sale Agreement which will set out the final terms and binding agreements of Buyer and the City, which will include, without limitation, provisions relating to closing documents, representations and warranties as provided herein and subject to final approval by the Buyer and a majority of the Grand Junction City Council.

If the foregoing accurately reflects a satisfactory arrangement upon which to negotiate a Purchase and Sale Agreement, please indicate your approval by your signature below.

Sincerely,

Tyler Elick
Chief Development Officer

AGREED AND ACCEPTED

Seller:

By: _____

Name: Michael Bennett

Date: 8/21/25



BRIK\W/ELL

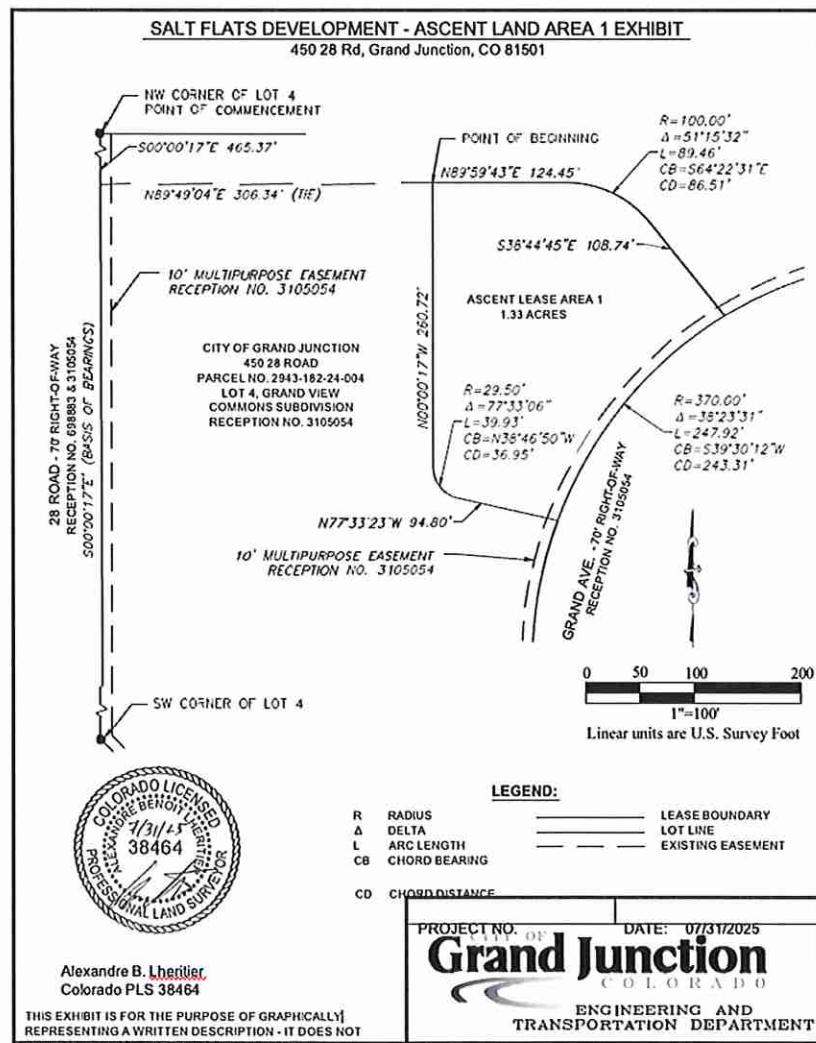
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EXHIBIT A – Property

Salt Flat Development – Ascent Land Area 1 – 1.33 acres

A parcel of land located in Lot 4 of the Grand View Commons Subdivision as recorded at Reception No. 3105054 in the Mesa County Clerk and Records office, situated in the SW1/4NW1/4 of Section 18, Township 1 South, Range 1 East, of the Ute Meridian, Grand Junction, Mesa County, Colorado, described as:

Commencing at the NW corner of said Lot 4, whence the SW corner of Lot 4 bears S00°00'17"E as a basis of bearing; running thence along the west line of said Lot 4 S00°00'17"E 465.37 feet, thence N89°49'04"E 306.34 feet to the Point of Beginning. Running thence N89°59'43"E 124.45 feet, thence along a curve to the right 89.46 feet (Radius = 100.00 feet, Delta = 51°15'32", Chord Bearing = S64°22'31"E, Chord Distance = 86.51 feet), thence S38°44'45"E 108.74 feet to the northwesterly right-of-way of Grand Avenue, thence along said right-of-way along a curve to the left 247.92 feet (Radius = 370.00 feet, Delta = 38°23'31", Chord Bearing = S39°30'12"W, Chord Distance = 243.31 feet), thence N77°33'23"W 94.80 feet, thence along a curve to the right 39.93 feet (Radius = 29.50 feet, Delta = 77°33'06", Chord Bearing = N38°46'50"W, Chord Distance = 36.95 feet), thence N00°00'17"W 260.72 feet to the Point of Beginning.





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EXHIBIT A (continued) Salt Flat Development – Ascent Land Area 2 – 3.09 acres

A parcel of land located in Lot 4 of the Grand View Commons Subdivision as recorded at Reception No. 3105054 in the Mesa County Clerk and Records office, situated in the SW1/4NW1/4 of Section 18, Township 1 South, Range 1 East, of the Ute Meridian, Grand Junction, Mesa County, Colorado, described as:

Commencing at the NW corner of said Lot 4, whence the SW corner of Lot 4 bears S00°00'17"E as a basis of bearing; running thence along the west line of said Lot 4 S00°00'17"E 465.37 feet to the Point of Beginning. Running thence N89°59'43"E 255.34 feet, thence S00°00'17"E 259.77 feet, thence along a curve to the left 108.96 feet (Radius = 80.50 feet, Delta = 77°33'06", Chord Bears = S38°46'50"E, Chord Distance = 100.83 feet), thence S77°33'23"E 91.32 feet to the westerly right-of-way of Grand Avenue, thence along said right-of-way the following two (2) courses: (1) along a curve to the left 79.46 feet (Radius = 370.00 feet, Delta = 12°18'15", Chord Bears = S06°13'59"W, Chord Distance = 79.30 feet), (2) thence S00°04'52"W 47.31 feet, thence N76°27'20"W 171.61 feet, thence S89°59'43"W 136.91 feet, thence S00°00'17"E 18.00 feet, thence S89°59'43"W 95.22 feet to the west line of said Lot 4, thence along said west line N00°00'17"W 462.00 feet to the Point of Beginning.

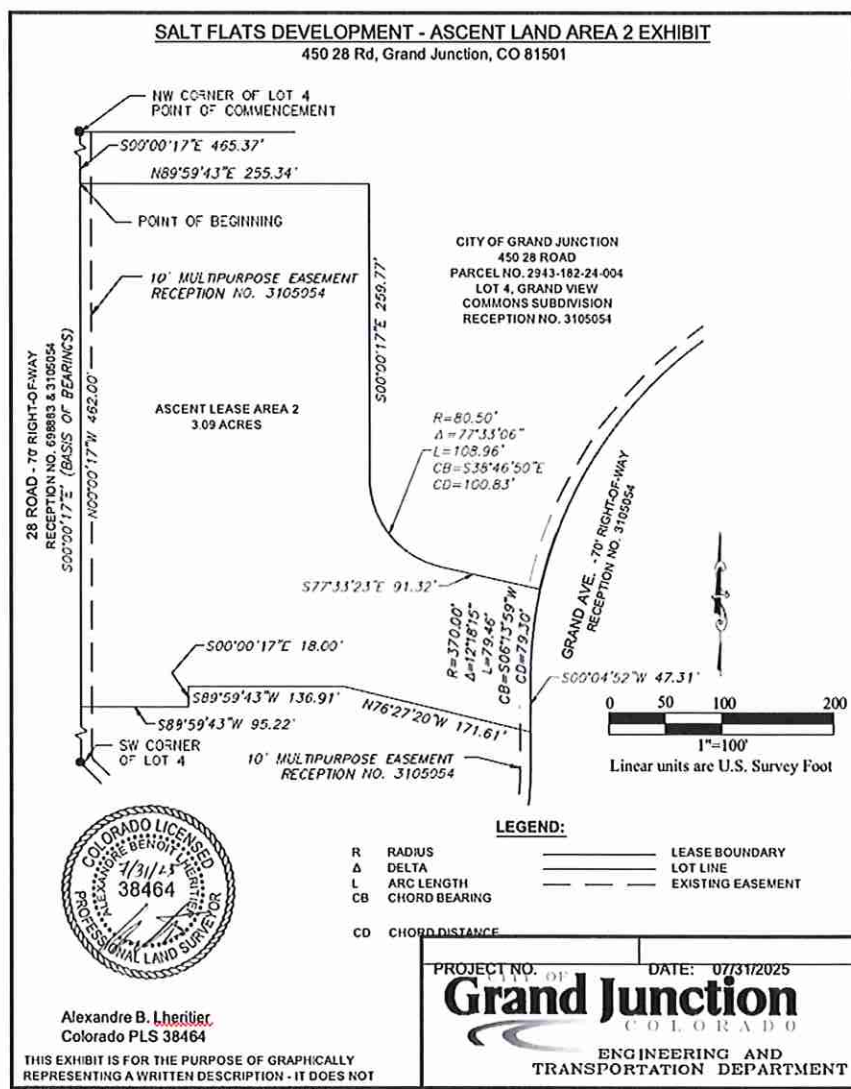




EXHIBIT B – Conditions Precedent

Buyer's obligation to purchase the Property will be contingent upon Buyer's determining (at its sole discretion) during the Property Review Period that:

1. **Due Diligence:** It is satisfied with its review of all documents provided to Buyer by Seller.
2. **Title:** It is satisfied with its review of the status of title to the Property.
3. **Environmental:** It is satisfied with the results of all environmental investigations, reports, studies, and tests.
4. **Easements:** It is satisfied with its review of all easement agreements, or any other agreements relating to the Property.
5. **Geotechnical:** It is satisfied with the results of all soil and other site engineering investigations, studies, and tests.
6. **Zoning:** It is satisfied that the Property is zoned RH-2, and acknowledges the use allows and limitations of such zoning district.
7. **Property Tax Rate:** It is satisfied with confirmation that the Property is assessed at the total millage rate of 70.702 mills.