

# Department of Housing Stability

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KAPPA TOWER II AMENDMENT  
COMMUNITY PLANNING & HOUSING COMMITTEE  
AUGUST 5, 2025

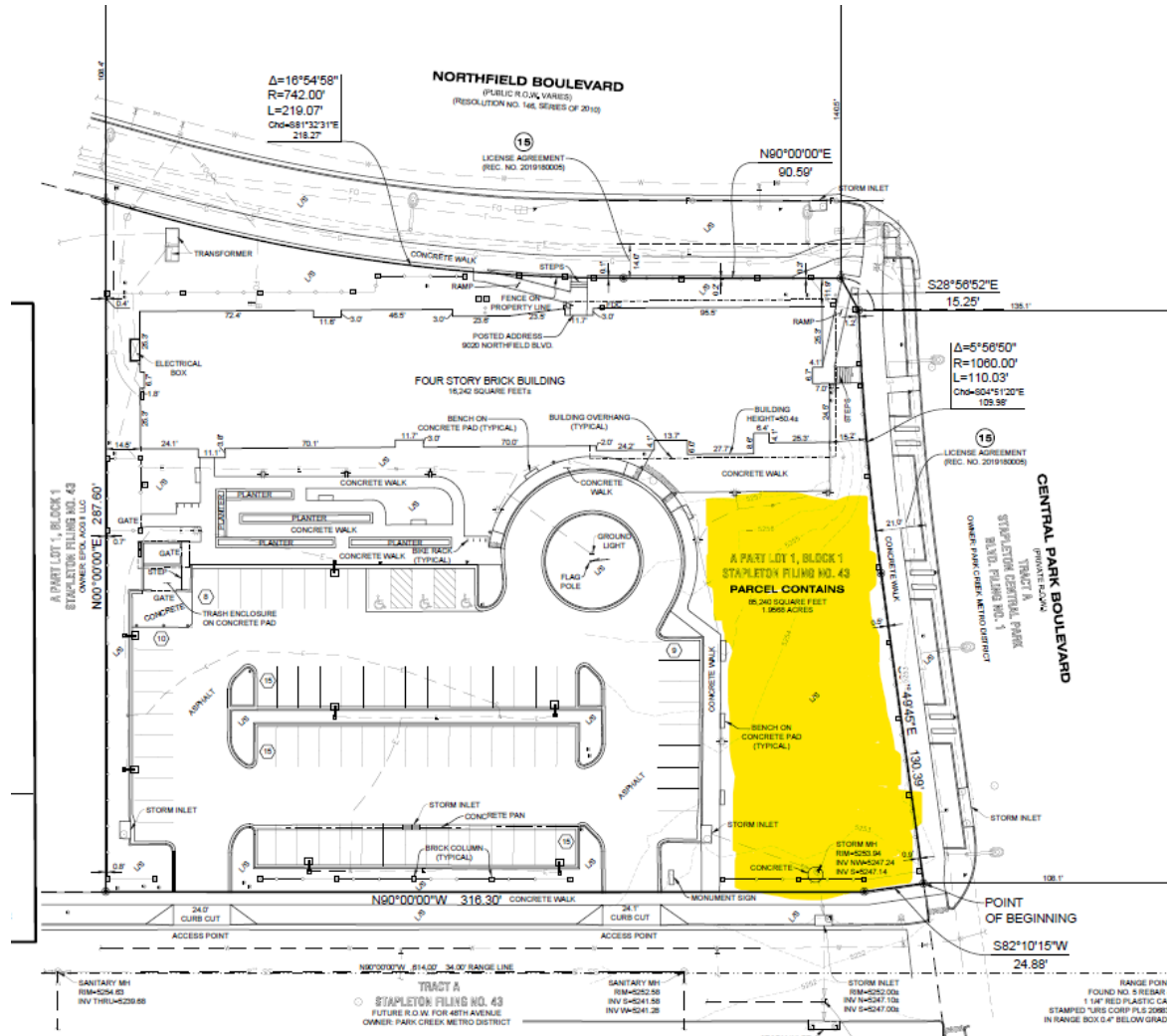
# Kappa Tower II

- Kappa Tower II is located at 9020 East Northfield Boulevard.
- Kappa Tower II, LLLP was funded with seven-hundred thousand dollars and zero cents (\$700,000) using Affordable Housing Permanent Funds closing on July 17, 2020.
- The loan proceeds were used to finance costs associated with development of the project for use as affordable housing.
- The project contains seventy (70) City Units with affordability limitations of eighteen (18) of the units at 60% AMI, twenty-Seven (27) of the units at 50% AMI, eighteen (18) of the units at 40% AMI, and seven (7) of the units at 30% AMI for the Denver area for a period not less than sixty (60) years from the date of the Covenant.
- Principal and interest shall be due and payable in annual installments of the amount calculated in accordance with the order of priority and other provisions set forth in the Cash Flow Exhibit A. The first payment shall be due and payable within sixty (60) days after December 31st, 2030 and annual installments shall be due within sixty (60) days after December 31st of each year thereafter, with the entire unpaid balance of principal and accrued interest due and payable on or before the earlier of (a) 55 years after the property is placed in service or (b) December 31st, 2075.

# Kappa Tower II

- The Kappa Tower II improvements were developed on only a portion of the Kappa Tower II property, leaving a portion vacant for the future development of a second senior affordable housing rental project to be called Kappa Tower III. The vacant parcel slated for the Kappa Tower III development will be carved out of the Kappa II parcel. We must execute an amendment to allow for the partial release due to the fact that the Kappa Tower II, LLLP loan documents do not show any contemplation of this planned future development. This amendment will also update the legal description of the Kappa Tower II project to reflect the Kappa Tower III project.
- Below is a site plan of the entire Kappa Tower II, LLLP parcel depicting the proposed partial release area for the development of Kappa Tower III highlighted in yellow.

# Kappa Tower II - Site Plan



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# Kappa Tower III

- Approval of the Amendment allows for the development of Kappa Tower III.
- Kappa Tower III will add additional senior housing options for Denver.
- Kappa Tower III is funded with one-million fifty-thousand dollars and zero cents (\$1,050,000) using Linkage Fee Fund scheduled for City Council in August.
- The loan proceeds were used to finance costs associated with development of the project for use as affordable housing.
- The project contains thirty (30) City Units with affordability limitations of twelve (12) of the units at 50% AMI, nine (9) of the units at 40% AMI, and nine (9) of the units at 30% AMI for the Denver area for a period not less than sixty (60) years from the date of the Covenant.

# Questions?



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